

# Comprehensive Annual Financial Report



THE PITT COUNTY OFFICE COMPLEX (1717 W. 5TH STREET)

Credit: Public Information Specialist Michael Emory

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JUNE 30, 2013

## BOARD OF COMMISSIONERS

Jimmy Garrison, Chairman  
Mark Owens, Jr, Vice-Chair  
Tom Coulson  
David Hammond  
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Tom Johnson, Sr  
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Beth Ward  
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## COUNTY MANAGER

Scott Elliott

# Pitt County, NC

Leader in the State; Best in the East

This is a publication of Pitt County Financial Services.

Duane T. Holder, Deputy County Manager/Chief Financial Officer

Christopher F. McDaniel, Assistant Finance Director



**PITT COUNTY  
NORTH CAROLINA**

**Comprehensive Annual  
Financial Report**

**For Fiscal Year Ended June 30, 2013**

Prepared By:  
Pitt County Financial Services

Duane Holder

Deputy County Manager - Financial Services



**PITT COUNTY, NORTH CAROLINA**  
**General Purpose Financial Statements and Compliance Reports**  
**For The Year Ended June 30, 2013**

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## **I. INTRODUCTORY SECTION**

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



October 31, 2013

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, 2013. 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, 2013



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

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

The CAFR includes all funds of the County in addition to all activities upon which the County exercises oversight responsibility. Financial support is also extended to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are the Pitt County Board of Education and Pitt Community College both of which are supported financially but whose actions are governed by their respective boards. The County has evaluated its relationship with each of these entities according to criteria established by GASB Statement 14. However, as County allocations do not constitute a major portion of their revenues, or because the County has no authority to designate their management, none of these organizations have been included in the CAFR. Note 1 – Section B, 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 operational readiness and efficiency of the County, which may directly or indirectly affect the financial condition of the County. Highlights of these projects are discussed in the following paragraphs:

**Structurally Balanced Budget.** The current fiscal year's financial statements represent the County's first year of operating under a new "structurally balanced" budget. Under this new structure, the County has made a concerted effort to keep fiscal year expenditures within available resources without over-reliance on appropriated fund balance. The County is committed to only expanding services and increasing expenditures as corresponding resources (or revenues) are identified. The new commitment to the structurally balanced budget helped the County to improve its fiscal position for the current year.

**Fund Balance.** The County, as per Local Government Commission (Department of State Treasurer) guidelines, is advised to maintain, at a minimum, available 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 available General Fund Fund Balance in the 18-20% range. At June 30, 2013, the County recorded an available General Fund Fund Balance of 15.20%. The year-end balance represented an increase of more than 1.50% over the previous fiscal year balance of 13.69%. While the County is beginning to recognize a positive trend in available Fund Balance, continued improvement is the goal.

The budget adopted for Fiscal Year 2013-2014 continues to limit reliance on Fund Balance for operational needs. Management will continue to identify ways to not only limit the annual appropriated Fund Balance amount for budget, but to also reduce the budgeted appropriation.

**Energy Savings.** The County embarked upon Phase II of a Guaranteed Energy Savings Program. This program represented an investment of \$3,775,913. The purpose of the program is to mitigate rising energy costs and improve the efficiency of physical plant operations. The scope of the project includes new equipment such as County-wide lighting upgrades, vacancy sensors, County-wide water conservation upgrade fixtures, County-wide weatherization, HVAC upgrades to the Courthouse, as well as HVAC installments and upgrades to the Administrative Building, Agricultural Extension Building and Detention Center.

**Emergency Management.** The County made a considerable investment in the area of Emergency Management with the purchase of Emergency Medical Services (EMS) defibrillators for the County-wide system. The \$560,126 investment included twenty (20) Automatic External Defibrillators (AED's), sixteen (16) Defibrillator Monitors and related equipment, as well as equipment deployed to EMS squads throughout the County.

**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.

## 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, 2012. This was the twenty-third (23<sup>rd</sup>) consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is only valid for a

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

In addition, the County has received GFOA's Distinguished Budget Presentation Award for its annual budget document for the Fiscal Year beginning July 1, 2012. This marks the sixteenth (16<sup>th</sup>) 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 2013-2014 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-Chief Financial Officer



D. Scott Elliott  
County Manager



## Community Profile

### AREA INFORMATION



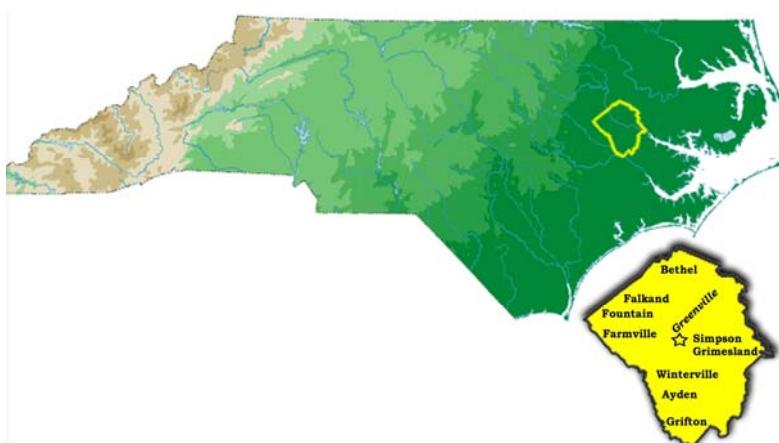
"Some things just naturally rise in the East. In Pitt County, business opportunities seem to shine brighter."

Pitt County was formed in 1760 and has a land area of approximately 656 square miles. Pitt County's 2011 estimated population was 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 (typically held on the first and third Mondays of each month) and has the ability to vote on any issue. The Commissioners enact all general and technical ordinances, approve the annual budget and set the accompanying tax rate, approve contracts and originate general man-

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

Property taxes may be levied by the County without a vote of the people and are collected as an annual ad valorem tax (\$0.68 per \$100 valuation for fiscal year 2013-14) 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), TRC, Inc. (metal fabrication), NACCO (lift trucks), Alliance One (tobacco processing), ASMO (electric motors), Attends Healthcare products (paper products), Metrics (pharmaceuticals), and Grady-White (boats).



## 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 2013-14 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 48 Associate in Applied Science degree programs, 68 certificate programs, 27 diploma programs and 11 college transfer programs. More than 41 of these programs can be taken entirely over the internet. In terms of enrollment in curriculum programs, PCC is the seventh largest Community College in North Carolina's 58 campus community college system. Enrollment for 2012-13 was over 24,000 students including over 12,000 curriculum students and over 11,000

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

**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-

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.



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.

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.



## PARKS & RECREATION

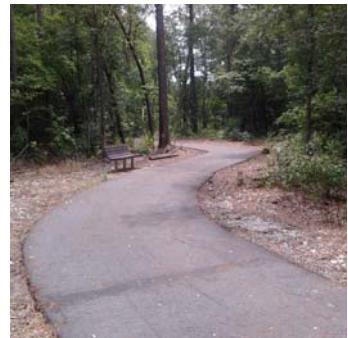
Over the past thirty years, Pitt County Community Schools and Recreation has developed recreation programs and joint-use recreation facilities on school campuses throughout the county. In 2010, the County dedicated our district park as the Alice F. Keene Park.

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.

The Making Pitt Fit Community Garden began operating in 2012. Located adjacent to the Farmer's Market, two elementary schools, Alice F. Keene District Park, the Council on Aging, the Community College Greenhouse and near several underserved neighborhoods, the garden is accessible to a cross section of the population.

The goal of the garden is to increase the consumption of fruits and vegetables and increase physical activity through work in the garden and use of the District Park. The garden in-

cludes an intergenerational component with students from the elementary schools working with seniors. Current participation reflects diversity of ages, races, cultural and socioeconomic backgrounds. Through the strong support, guidance and hard work of the Community Garden Advisory Committee, strategies have been put in place to build a strong infrastructure and foundation that will ensure the quality of the community garden for years to come.



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





Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**County of Pitt  
North Carolina**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

A handwritten signature in black ink, appearing to read "Jeffrey R. Evans".

Executive Director/CEO

## **PITT COUNTY, NORTH CAROLINA**

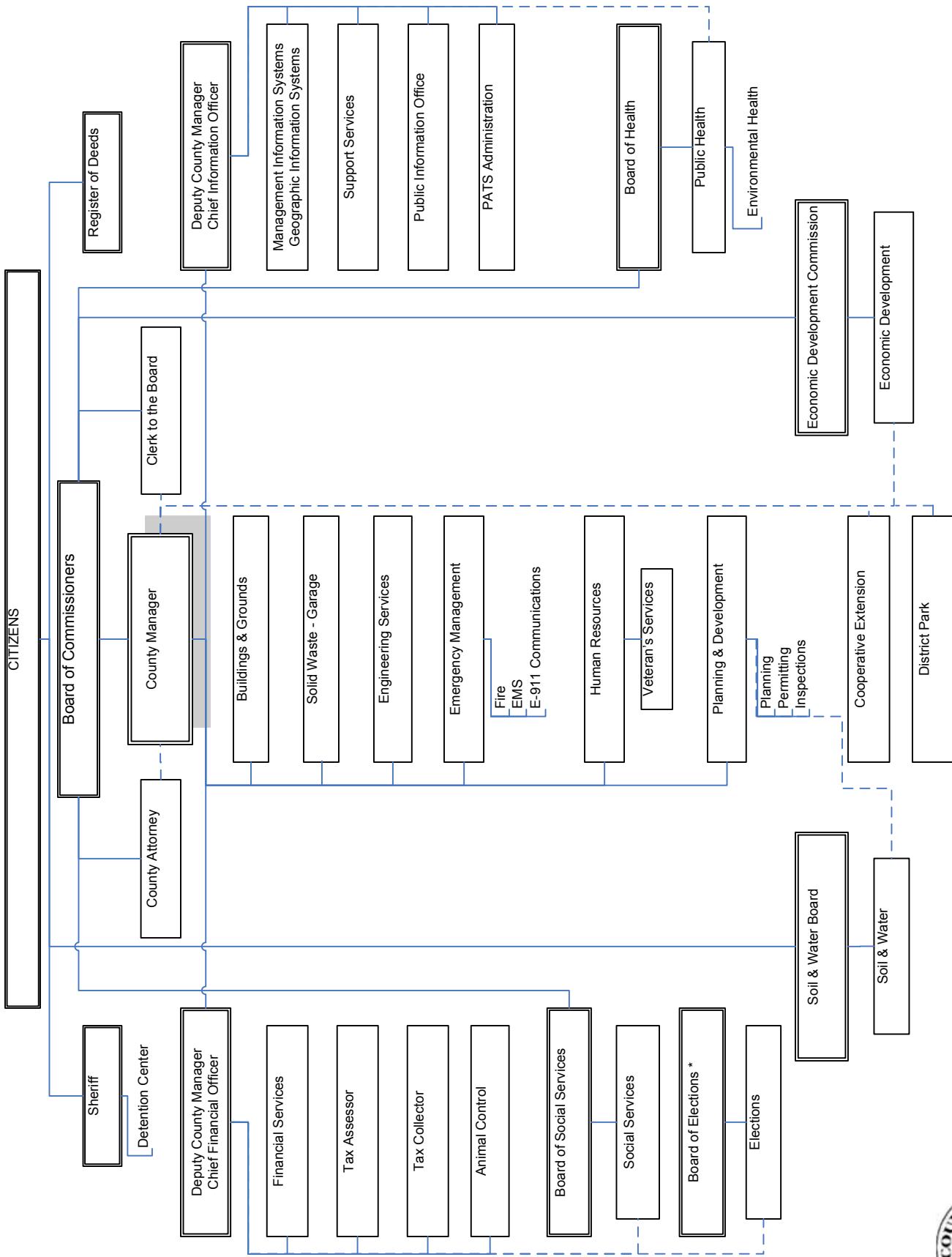
### **LIST OF PRINCIPAL OFFICIALS For Year Ended June 30, 2013**

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

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

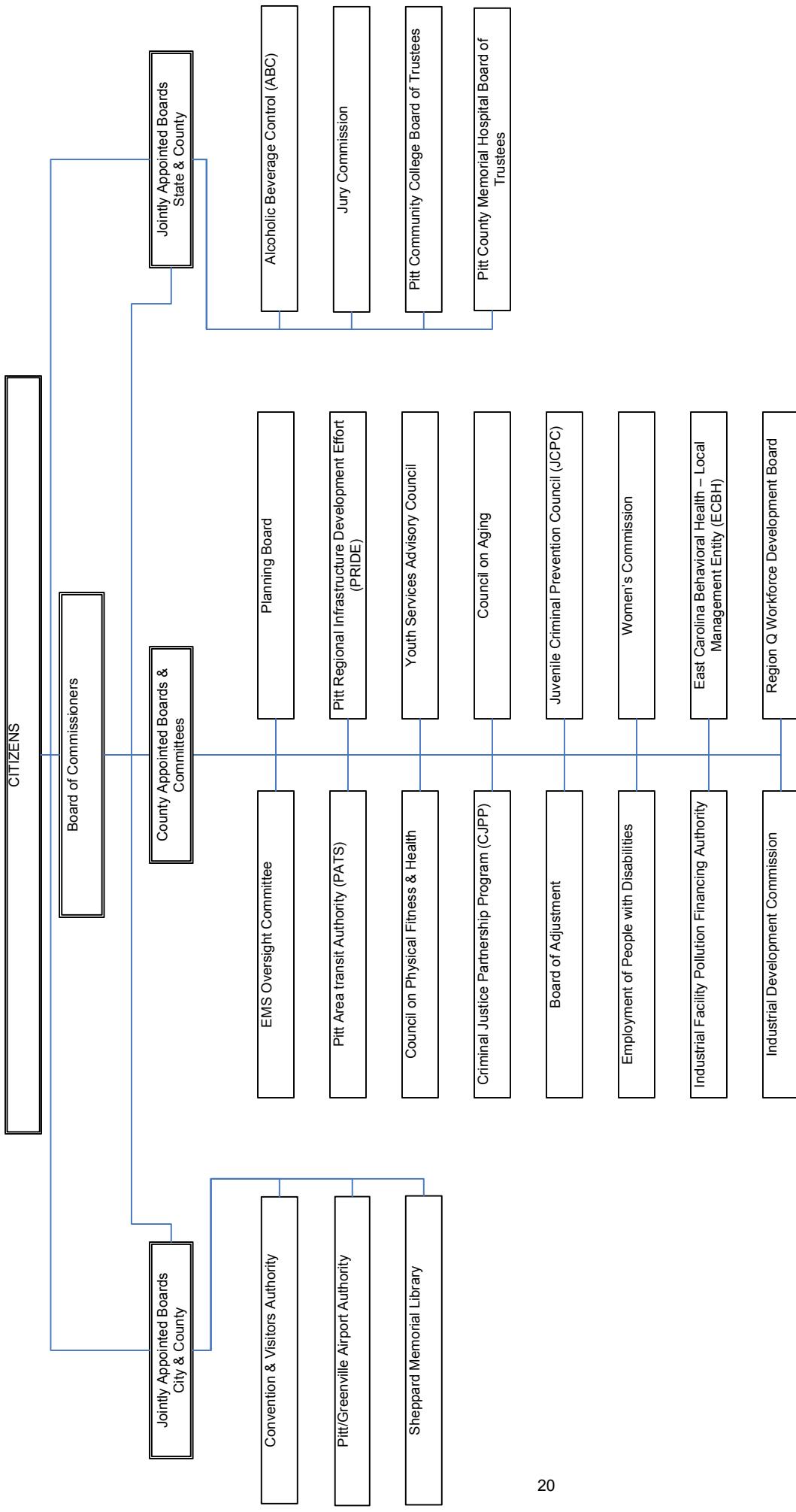
#### **COUNTY OFFICIALS**

D. SCOTT ELLIOTT	County Manager
DUANE T. HOLDER	Deputy County Manager – Chief Financial Officer
MICHAEL C. TAYLOR	Deputy County Manager – Chief Information Officer
KIMBERLY W. HINES	Clerk to the Board
JANIS GALLAGHER	County Attorney
PHIL DICKERSON	County Engineer
LISA NICHOLS	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





# 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 2013-14

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



## **II. FINANCIAL SECTION**

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



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

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

## INDEPENDENT AUDITOR'S REPORT

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

### **Report On the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitt County, North Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. The financial statements of Pitt County Industrial Development Commission and Pitt County ABC Board were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitt County, North Carolina, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance and 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 the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pitt County's basic financial statements. The introductory section, combining and individual fund financial statements, budgetary schedules, other schedules, statistical tables, and Schedule of Expenditures of Federal and State Awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual fund statements, budgetary schedules, Schedule of Expenditures of Federal and State Awards, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have issued our report dated October 31, 2013, on our consideration of Pitt County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering Pitt County's internal control over financial reporting and compliance.

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

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 31, 2013



## **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, 2013. 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 and deferred inflows of resources at the close of the most recent fiscal year by \$25,060,616.
- As of the close of the current fiscal year, Pitt County's General Fund reported an ending fund balance of \$27,308,483, an increase of \$3,088,147 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 62.0% of this total amount, \$16,922,805, (unassigned fund balance) is available for spending at the government's discretion while the difference is restricted, reserved, committed, or assigned for a specific purpose or for stabilization of State statute.
- Tax rate was unchanged at 68.0 cent per \$100 valuation. The proceeds are split 67.30 cents General Fund and 0.70 cents Industrial Development Commission.
- The County holds the following GO bond ratings:

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

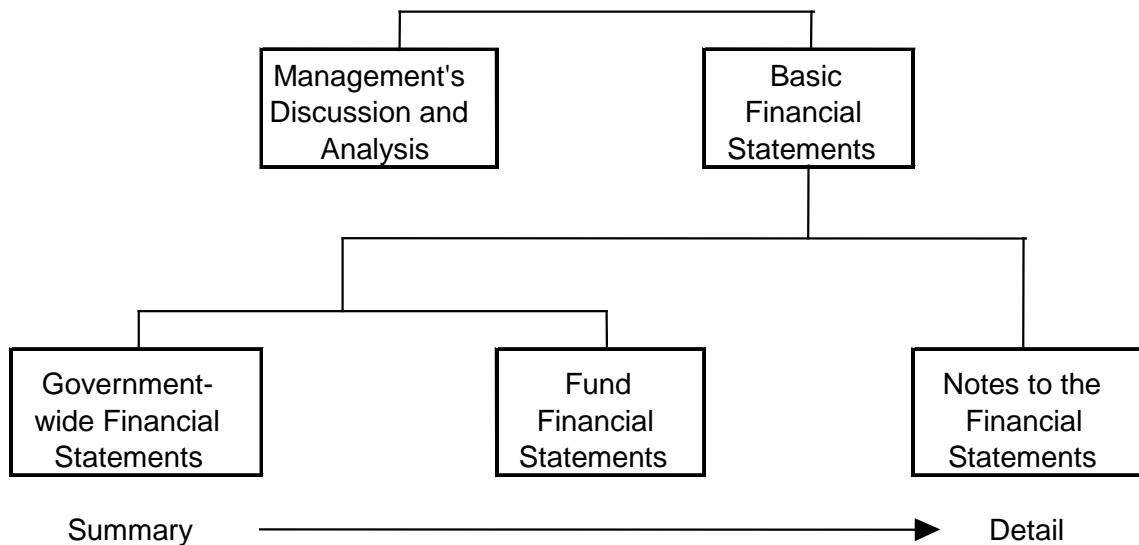
- The County holds the following COPs ratings:

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 Position presents information on all of Pitt County's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Pitt County is improving or deteriorating.

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

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

The government-wide financial statements include not only Pitt County itself (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 Exhibit A and B of this report.

## Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Pitt County, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Pitt County can be divided into 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 Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Pitt County adopts an annual budget for its General Fund, as required by the 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 directly after the basic financial statements of this report.

## Government-Wide Financial Analysis

We are in the twelfth 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 Position 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 position over time may serve as a useful indicator of a government's financial position. For Pitt County, total assets exceeded liabilities and deferred inflows by \$25,060,616 at the close of the most recent fiscal year.

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
Current and other assets	\$ 60,458,461	\$ 61,935,595	\$ 4,420,948	\$ 3,976,779	\$ 64,879,409	\$ 65,912,374
Capital assets: non-depreciable	53,914,450	51,180,187	664,329	664,329	54,578,779	51,844,516
Capital assets, net	89,309,574	87,986,369	2,899,195	2,236,762	92,208,769	90,223,131
Investment in joint venture	17,973,735	-	-	-	17,973,735	-
Total assets	<u>221,656,220</u>	<u>201,102,151</u>	<u>7,984,472</u>	<u>6,877,870</u>	<u>229,640,692</u>	<u>207,980,021</u>
Long-term liabilities outstanding	180,750,346	183,222,882	1,010,919	1,074,414	181,761,265	184,297,296
Other liabilities	15,672,974	15,068,138	514,225	458,093	16,187,199	15,526,231
Total liabilities	<u>196,423,320</u>	<u>198,291,020</u>	<u>1,525,144</u>	<u>1,532,507</u>	<u>197,948,464</u>	<u>199,823,527</u>
Deferred inflows of resources	<u>172,284</u>	<u>222,457</u>	-	-	<u>172,284</u>	<u>222,457</u>
Net position:						
Net investment in capital assets	2,947,086	(2,393,761)	3,563,524	2,901,091	6,510,610	507,330
Restricted	12,335,800	10,949,019	-	-	12,335,800	10,949,019
Unrestricted	9,777,730	(5,966,584)	2,895,804	2,444,272	12,673,534	(3,522,312)
Total net position	<u>\$ 25,060,616</u>	<u>\$ 2,588,674</u>	<u>\$ 6,459,328</u>	<u>\$ 5,345,363</u>	<u>\$ 31,519,944</u>	<u>\$ 7,934,037</u>

A portion of net position reflects Pitt County's net investment in capital assets (e.g., land, buildings, machinery, and equipment); Pitt County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Pitt County's net investment in capital assets at June 30, 2013 was \$6,510,610. Over 100% of Pitt County's net position represents resources that are subject to external restriction on how they may be used, with \$10,471,605 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 Position**  
**Figure 3**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 20,998,488	\$ 22,068,980	\$ 8,266,388	\$ 8,461,544	\$ 29,264,876	\$ 30,530,524
Operating grants and contributions	24,857,963	25,915,231	(7,449)	755,856	24,850,514	26,671,087
Capital grants and contributions	1,541,761	1,734,806	707,696	-	2,249,457	1,734,806
General revenues:						
Property taxes	81,542,495	82,303,935	-	-	81,542,495	82,303,935
Local option sales tax	15,401,125	14,321,819	-	-	15,401,125	14,321,819
Payment in lieu of taxes and other taxes	11,493,571					
Interest revenue	89,550	11,017,297	18,889	89	108,439	11,017,386
Total revenues	<u>155,924,953</u>	<u>157,362,068</u>	<u>8,985,524</u>	<u>9,217,489</u>	<u>153,416,906</u>	<u>166,579,557</u>
<b>Expenses:</b>						
General government	16,297,756	19,876,656	-	-	16,297,756	19,876,656
Public safety	42,976,133	43,251,794	-	-	42,976,133	43,251,794
Environmental protection	200,253	230,549	-	-	200,253	230,549
Economic and physical development	10,116,946	9,625,223	-	-	10,116,946	9,625,223
Human services	38,623,179	40,545,062	-	-	38,623,179	40,545,062
Cultural and recreation	590,667	618,967	-	-	590,667	618,967
Education	33,948,819	38,098,594	-	-	33,948,819	38,098,594
Interest on long-term debt	6,952,420	9,001,235	-	-	6,952,420	9,001,235
Landfill	-	-	7,763,554	8,361,494	7,763,554	8,361,494
Total expenses	<u>149,706,173</u>	<u>161,248,080</u>	<u>7,763,554</u>	<u>8,361,494</u>	<u>157,469,727</u>	<u>169,609,574</u>
Increase (decrease) in net position before transfers	<u>6,218,780</u>	<u>(3,886,012)</u>	<u>1,221,970</u>	<u>855,995</u>	<u>(4,052,821)</u>	<u>(3,030,017)</u>
Transfers	<u>108,005</u>	<u>20,755</u>	<u>(108,005)</u>	<u>(20,755)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	<u>6,326,785</u>	<u>(3,865,257)</u>	<u>1,113,965</u>	<u>835,240</u>	<u>(4,052,821)</u>	<u>(3,030,017)</u>
Net position, beginning previously reported	2,588,674	6,453,931	5,345,363	4,510,123	7,934,037	10,964,054
Restatement	<u>16,145,157</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,145,157</u>	<u>-</u>
Net position, beginning, restated	<u>18,733,831</u>	<u>6,453,931</u>	<u>5,345,363</u>	<u>4,510,123</u>	<u>24,079,194</u>	<u>30,533,125</u>
Net position, ending	<u>\$ 25,060,616</u>	<u>\$ 2,588,674</u>	<u>\$ 6,459,328</u>	<u>\$ 5,345,363</u>	<u>\$ 31,519,944</u>	<u>\$ 7,934,037</u>

**Governmental Activities.** Of total net position, governmental activities accounted for \$25,060,616 (79.5 percent). The beginning amount net position amount for the governmental activities was restated in the current year due to a change in accounting principle. The County had been amortizing prior years' bond issuance costs, which is no longer allowed. 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 position in governmental activities.

**Business-Type Activities.** Business-type activities increased Pitt County's net position by \$1,113,965. User charges continued to be collected at a high rate. Total business-type actual expenses were under budget in total.

## 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 \$19,364,775, while total fund balance was \$27,308,483. The County currently has an available fund balance of 16.7% of General Fund expenditures and transfers to Debt Service Fund, while total fund balance represents 21.4% of that same amount.

As of the end of the current fiscal year, Pitt County's governmental funds reported combined ending fund balances of \$50,413,380 an increase of \$989,098 in comparison with the prior year. The bulk of this increase is directly related to the County's commitment to operating within a structurally balanced budget, thus resulting in an increased operating surplus.

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

	<b>General</b>		<b>Other Governmental Funds</b>		<b>Total Governmental Funds</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
Fund balance	\$ 27,308,483	\$ 24,220,336	\$ 23,104,897	\$ 25,203,946	\$ 50,413,380	\$ 49,424,282

Pitt County will continue to operate within a structurally balanced budget, with increases in expenditures kept to a minimum. Increases in expenditures will only occur as increases in revenues are identified. Concerted efforts were taken in Fiscal Year 2013 to improve the General Fund balance and those efforts have been carried forward into Fiscal Year 2014.

As a result of its normal property revaluation process, Pitt County experienced a slight decrease in property values effective January, 2013. 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. That rate is reflected within these financial statements.

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, 2013 of \$5,133,424 as compared to \$5,092,014 at June 30, 2012. 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, 2013 of \$7,052,379 as compared to \$7,693,147 at June 30, 2012. 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, 2013 of \$2,212,836 as compared to \$2,087,507 at June 30, 2012. 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 increased budgeted General Fund revenues by \$209,497 (.16%). 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 \$5,450,105 million, or approximately 4.17%, 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 position for the Solid Waste Fund at the end of the year was \$2,895,804, and total net position at year-end increased to \$6,459,328 at June 30, 2013.

## 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, 2013 amounts to \$89,309,574 (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 \$53,914,450.

In fiscal year 2013, the County issued \$6,025,835 of general installment debt for several new County assets.

Additional information on Pitt County's capital assets can be found in the notes to the financial statements of this report.

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

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2013</u>
<b>Non-Depreciable Assets:</b>					
Land	\$ 3,018,827	\$ -	\$ -	\$ -	\$ 3,018,827
Construction in progress	48,161,360	7,726,054	(4,991,791)	-	50,895,623
Total non-depreciable capital assets	<u>51,180,187</u>	<u>7,726,054</u>	<u>(4,991,791)</u>	<u>-</u>	<u>53,914,450</u>
<b>Depreciable Assets:</b>					
Land improvements	1,237,400	-	-	-	1,237,400
Buildings	114,199,634	-	-	-	114,199,634
Furniture and equipment	6,463,302	5,621,771	(367,906)	(707,696)	11,009,471
Vehicles	<u>7,513,654</u>	<u>586,218</u>	<u>(297,221)</u>	<u>-</u>	<u>7,802,651</u>
Total depreciable capital assets	<u>129,413,990</u>	<u>6,207,989</u>	<u>(665,127)</u>	<u>(707,696)</u>	<u>134,249,156</u>
Subtotal	<u>180,594,177</u>	<u>13,934,043</u>	<u>(5,656,918)</u>	<u>(707,696)</u>	<u>188,163,606</u>
<b>Less Accumulated Depreciation:</b>					
Land improvements	1,022,476	85,781	-	-	1,108,257
Buildings	30,429,237	2,692,199	-	-	33,121,436
Furniture and equipment	4,512,808	645,878	(362,230)	-	4,796,456
Vehicles	<u>5,463,100</u>	<u>746,088</u>	<u>(295,755)</u>	<u>-</u>	<u>5,913,433</u>
Total accumulated depreciation	<u>41,427,621</u>	<u>\$ 4,169,946</u>	<u>\$ (657,985)</u>	<u>\$ -</u>	<u>44,939,582</u>
Depreciable capital assets, net	<u>87,986,369</u>				<u>89,309,574</u>
Governmental capital assets, net	<u>\$ 139,166,556</u>				<u>\$ 143,224,024</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 \$771,232,718, of which there is \$0 general obligation debt outstanding at June 30, 2013. 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.

Net installment debt outstanding decreased \$4,784,453 from the June 30, 2012. Additional information on Pitt County's long-term debt can be found in note 6 of the notes to the financials 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 2013 was 9.6 percent. This is slightly higher than the State's June 2013 unemployment rate of 9.3 percent.
- Labor force expanded 20.9% and employment grew by 13.1% between 2000 and 2010
- County population of 170,263 (2011) – The region experienced an increase of 25.7 percent from 2000 - 2010.
- County continues to serve as hub of eastern North Carolina in healthcare, retail and education sectors. Moderate growth and expansion in these areas are expected to have residual effects on service demands and revenue generation.
- Continued period of slow economic recovery as reflected in minimal property tax base expansion and flat sales tax projections.

These issues impact both the FY 2013-2014 adopted budget and are anticipated to carry into the FY2014-2015 budget as well.

## **Budget Highlights for the Fiscal Year 2013-2014**

**Governmental Activities.** General government operations will experience minimal expansion in the coming budget year. The two (2) main expansion items are state-mandated and include:

- An increase in the County's contribution to the Local Government Employees' Retirement System (LGERS), and
- Transition to the establishment of individual County Unemployment Insurance (UI) accounts. The County must contribute 1% of quarterly taxable wages paid employees (up to \$20,900 per employee in 2013) into an account

In addition, the adopted budget is projected to include increased operating appropriations for both the public school system and the community college. The budget is also expected to include a 2% market adjustment for County employees. Due to budget constraints, the County has not been able to give increases of any kind to employees since FY 2008-2009.

FY 2013-2014 will mark the second consecutive year of the County operating within a structurally balanced budget. This means that the County has committed to the provision of services only at a level sustainable within available resources. Expansion of the budget can only occur as resources (revenue increases) are identified. The County did experience a very small expansion to the property tax base as a result of natural growth and development.

Budgeted expenditures in the General Fund increased by 4.47% in the 2013-2014 adopted budget. This increase is inclusive of those items noted above, as well as one-time capital purchases totaling \$1.4 million; one-time revenues, generated as a result of the transition to the State's new vehicle tax and registration system, are being used to fund these purchases. Excluding these one-time expenditures, the increase to the General Fund would be 3.49%.

**Business-Type Activities.** General operating expenses in the Solid Waste Fund are expected to increase in the FY 2013-2014 adopted budget. These expenses include increased personnel expenses, increased disposal fees and an increase in capital equipment expense.

## **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).

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## **BASIC FINANCIAL STATEMENTS**

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



## PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2013

	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	\$ 39,634,594	\$ 3,019,828	\$ 42,654,422	\$ 4,030,030	\$ 2,148,167
Taxes receivable, net	2,594,748	-	2,594,748	49,080	-
Accounts receivable, net	1,686,821	1,401,120	3,087,941	-	-
Interest receivable, net	9,046	-	9,046	-	-
Due from other governments	9,177,151	-	9,177,151	-	-
Inventories	-	-	-	-	1,481,805
Prepaid items	433,442	-	433,442	2,700	60,306
Cash and investments, restricted	6,922,659	-	6,922,659	-	-
Total current assets	<u>60,458,461</u>	<u>4,420,948</u>	<u>64,879,409</u>	<u>4,081,810</u>	<u>3,690,278</u>
Capital assets:					
Capital assets, non-depreciable	53,914,450	664,329	54,578,779	-	682,256
Capital assets, net	<u>89,309,574</u>	<u>2,899,195</u>	<u>92,208,769</u>	<u>-</u>	<u>1,567,045</u>
Total capital assets	<u>143,224,024</u>	<u>3,563,524</u>	<u>146,787,548</u>	<u>-</u>	<u>2,249,301</u>
Investment in joint venture	<u>17,973,735</u>	<u>-</u>	<u>17,973,735</u>	<u>-</u>	<u>-</u>
Total assets	<u>221,656,220</u>	<u>7,984,472</u>	<u>229,640,692</u>	<u>4,081,810</u>	<u>5,939,579</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued liabilities	2,918,225	431,225	3,349,450	40,097	969,367
Advances from grantors	588,229	-	588,229	-	-
Compensated absences, due in one year	1,600,000	23,000	1,623,000	-	85,999
Long-term debt - due within one year	<u>10,566,570</u>	<u>60,000</u>	<u>10,626,570</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>15,673,024</u>	<u>514,225</u>	<u>16,187,249</u>	<u>40,097</u>	<u>1,055,366</u>
Non-current liabilities:					
Compensated absences, due in more than one year	1,436,518	30,919	1,467,437	-	-
Due in more than one year	<u>179,313,828</u>	<u>980,000</u>	<u>180,293,828</u>	<u>-</u>	<u>119,358</u>
Total non-current liabilities	<u>180,750,346</u>	<u>1,010,919</u>	<u>181,761,265</u>	<u>-</u>	<u>119,358</u>
Total liabilities	<u>196,423,370</u>	<u>1,525,144</u>	<u>197,948,514</u>	<u>40,097</u>	<u>1,174,724</u>
Deferred inflows of resources	<u>172,284</u>	<u>-</u>	<u>172,284</u>	<u>-</u>	<u>731</u>
<b>Net Position:</b>					
Net investment in capital assets	2,947,086	3,563,524	6,510,610	-	2,249,301
Restricted for stabilization by State statute	10,471,605	-	10,471,605	-	-
Restricted for general government	153,970	-	153,970	-	796,815
Restricted for public safety	1,709,797	-	1,709,797	-	-
Restricted for economic development	428	-	428	-	-
Unrestricted	<u>9,777,730</u>	<u>2,895,804</u>	<u>12,673,534</u>	<u>4,041,713</u>	<u>1,718,007</u>
Total net position	<u>\$ 25,060,616</u>	<u>\$ 6,459,328</u>	<u>\$ 31,519,944</u>	<u>\$ 4,041,713</u>	<u>\$ 4,764,123</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, 2013

	Program Revenues							
	Expenses	Charges for Services	Operating	Capital				
			Grants and Contributions	Grants and Contributions				
<b>Functions/Programs:</b>								
<b>Primary Government:</b>								
<b>Governmental Activities:</b>								
General government	\$ 16,297,756	\$ 5,635,527	\$ 8,501	\$ -	-			
Public safety	42,976,133	9,987,128	228,750	16,758				
Environmental protection	200,253	38,004	-	65,977				
Economic and physical development	10,116,946	168,709	3,514,654	40,680				
Human services	38,623,179	5,169,120	20,505,352	-				
Education	33,948,819	-	600,706	1,418,346				
Cultural and recreation	590,667	-	-	-				
Interest on long-term debt	6,952,420	-	-	-				
Total governmental activities	<u>149,706,173</u>	<u>20,998,488</u>	<u>24,857,963</u>	<u>1,541,761</u>				
<b>Business-Type Activities:</b>								
Solid Waste Fund	7,763,554	8,266,388	(7,449)	707,696				
Total business-type activities	<u>7,763,554</u>	<u>8,266,388</u>	<u>(7,449)</u>	<u>707,696</u>				
Total primary government	<u>\$ 157,469,727</u>	<u>\$ 29,264,876</u>	<u>\$ 24,850,514</u>	<u>\$ 2,249,457</u>				
<b>Component Units:</b>								
Industrial Development Commission	\$ 963,506	\$ 336,298	\$ 116,000	\$ -	-			
ABC Board	11,853,472	12,134,897	-	-				
Total component units	<u>\$ 12,816,978</u>	<u>\$ 12,471,195</u>	<u>\$ 116,000</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 position								
<b>Net Position:</b>								
Net position, beginning, previously reported								
Restatement								
Net position, beginning, restated								
Net position, ending								

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

## **Exhibit B**

### **Net (Expense) Revenue and Changes in Net Position**

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

**PITT COUNTY, NORTH CAROLINA**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2013**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>School Capital Reserve Fund</b>	<b>County Capital Reserve Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>Assets:</b>						
Cash and cash equivalents	\$ 21,510,092	\$ 22,553	\$ 4,175,358	\$ 5,862,506	\$ 4,304,151	\$ 35,874,660
Taxes receivable, net	2,187,841	-	-	-	406,907	2,594,748
Accounts receivable, net	1,035,304	837	4,186	8,070	637,204	1,685,601
Interest receivable	9,046	-	-	-	-	9,046
Prepaid items	150,981	-	-	-	139,920	290,901
Due from other funds	-	-	-	-	259,243	259,243
Due from other governments	7,041,468	-	953,880	1,181,803	-	9,177,151
Cash and investments, restricted	-	-	-	-	6,922,659	6,922,659
Total assets	<u>\$ 31,934,732</u>	<u>\$ 23,390</u>	<u>\$ 5,133,424</u>	<u>\$ 7,052,379</u>	<u>\$ 12,670,084</u>	<u>\$ 56,814,009</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 1,384,854	\$ -	\$ -	\$ -	\$ 741,885	\$ 2,126,739
Advances from grantors	588,229	-	-	-	-	588,229
Due to other funds	-	-	-	-	259,243	259,243
Total liabilities	<u>\$ 1,973,083</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 1,001,128</u>	<u>2,974,211</u>
<b>Deferred Inflows of Resources:</b>						
Taxes receivable	2,187,841	-	-	-	406,907	2,594,748
Other receivables	293,041	-	-	-	366,345	659,386
Prepaid taxes	172,284	-	-	-	-	172,284
Total deferred inflows of resources	<u>2,653,166</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>773,252</u>	<u>3,426,418</u>
<b>Fund Balances:</b>						
Non-spendable - prepaid items	150,981	-	-	-	139,920	290,901
Restricted for:						
Stabilization by State statute	7,792,727	837	953,880	-	530,102	9,277,546
General government	153,970	-	4,179,544	-	-	4,333,514
Public safety	-	-	-	-	1,763,858	1,763,858
Education	-	-	-	-	6,868,598	6,868,598
Economic and physical development	-	-	-	-	428	428
Committed	-	22,553	-	7,052,379	352,680	7,427,612
Assigned	2,288,000	-	-	-	1,505,723	3,793,723
Unassigned	16,922,805	-	-	-	(265,605)	16,657,200
Total fund balances	<u>27,308,483</u>	<u>23,390</u>	<u>5,133,424</u>	<u>7,052,379</u>	<u>10,895,704</u>	<u>50,413,380</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 31,934,732</u>	<u>\$ 23,390</u>	<u>\$ 5,133,424</u>	<u>\$ 7,052,379</u>	<u>\$ 12,670,084</u>	

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

**PITT COUNTY, NORTH CAROLINA**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2013**

Amounts reported for governmental activities in the Statement of Net Position (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.	143,224,024
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.	(190,532,386)
Premiums related to debt issuance, net of accumulated amortization, are not a current use of resources and, therefore, are not reported in the funds.	(2,384,530)
Deferred inflows of resources	3,254,134
The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	3,112,259
Investment in joint venture asset reported in governmental activities are not reported in the funds	<u>17,973,735</u>
Net position of governmental activities, per Exhibit A	<u>\$ 25,060,616</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, 2013**

	General Fund	Debt Service Fund	School Capital Reserve Fund	County Capital Reserve Fund	Other Governmental Funds	Total
<b>Revenues:</b>						
Ad valorem taxes	\$ 76,718,953	\$ -	\$ -	\$ -	\$ 4,620,327	\$ 81,339,280
Other taxes and licenses	17,473,017	-	5,284,959	-	-	22,757,976
Unrestricted intergovernmental revenues	1,520,061	-	-	4,136,720	-	5,656,781
Restricted intergovernmental revenues	25,280,967	-	1,520,868	-	4,033,242	30,835,077
Permits and fees	2,158,484	-	-	-	-	2,158,484
Sales and services	6,650,944	-	-	-	3,167,309	9,818,253
Interest earned on investments	20,424	5,661	-	27,303	30,366	83,754
Qualified School Construction Bond refund	-	337,507	-	-	-	337,507
Miscellaneous	666,219	223,660	-	-	339,031	1,228,910
Total revenues	<u>130,489,069</u>	<u>566,828</u>	<u>6,805,827</u>	<u>4,164,023</u>	<u>12,190,275</u>	<u>154,216,022</u>
<b>Expenditures:</b>						
Current:						
General government	12,178,377	-	-	-	-	12,178,377
Public safety	29,359,373	-	-	-	10,534,981	39,894,354
Environmental protection	200,253	-	-	-	-	200,253
Economic and physical development	1,292,060	-	-	-	8,177,280	9,469,340
Human services	37,486,478	-	-	-	-	37,486,478
Education	39,068,723	-	-	-	1,651,465	40,720,188
Cultural and recreation	590,667	-	-	-	-	590,667
Debt service:						
Principal repayments	304,786	10,132,210	-	-	233,111	10,670,107
Interest and fees	10,205	7,082,395	-	-	-	7,092,600
Total expenditures	<u>120,490,922</u>	<u>17,214,605</u>	<u>-</u>	<u>-</u>	<u>20,596,837</u>	<u>158,302,364</u>
Revenues over (under) expenditures	<u>9,998,147</u>	<u>(16,647,777)</u>	<u>6,805,827</u>	<u>4,164,023</u>	<u>(8,406,562)</u>	<u>(4,086,342)</u>
<b>Other Financing Sources (Uses):</b>						
Transfers to other funds	(6,910,000)	-	(7,043,007)	(4,804,791)	(153,495)	(18,911,293)
Transfers from other funds	-	16,664,262	278,590	-	1,018,046	17,960,898
Debt obligation issued	-	-	-	-	6,025,835	6,025,835
Total other financing sources (uses)	<u>(6,910,000)</u>	<u>16,664,262</u>	<u>(6,764,417)</u>	<u>(4,804,791)</u>	<u>6,890,386</u>	<u>5,075,440</u>
Net change in fund balances	3,088,147	16,485	41,410	(640,768)	(1,516,176)	989,098
<b>Fund Balances:</b>						
Beginning of year - July 1	<u>24,220,336</u>	<u>6,905</u>	<u>5,092,014</u>	<u>7,693,147</u>	<u>12,411,880</u>	<u>49,424,282</u>
End of year - June 30	<u>\$ 27,308,483</u>	<u>\$ 23,390</u>	<u>\$ 5,133,424</u>	<u>\$ 7,052,379</u>	<u>\$ 10,895,704</u>	<u>\$ 50,413,380</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, 2013

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

Net change in fund balances - total governmental funds (Exhibit D)	\$ 989,098
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	203,215
Interest earned on investments	(1,432,446)
Sales and services	123,838
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.	(121,127)
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.	8,942,253
Contributions of capital assets are not reported in the governmental funds statement.	(707,698)
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.	(7,143)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(4,169,946)
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.	140,181
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.)	10,670,107
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.	(6,025,835)
Increases in other post-employment benefits accrued liability are reported as expenses in the entity-wide financial statements; however, it is not an expenditure in the governmental funds statement.	(2,516,268)
The net revenue of the internal service funds are reported with governmental activities.	<u>238,556</u>
Change in net position of governmental activities, per Exhibit B	<u>\$ 6,326,785</u>

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

# PITT COUNTY, NORTH CAROLINA

## GENERAL FUND

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Final Budget Over/Under	
	Original	Final	Actual		
<b>Revenues:</b>					
Ad valorem taxes	\$ 75,833,910	\$ 75,833,912	\$ 76,718,953	\$ 885,041	
Other taxes and licenses	16,394,600	16,394,600	17,473,017	1,078,417	
Unrestricted intergovernmental revenues	1,601,000	1,601,000	1,520,061	(80,939)	
Restricted intergovernmental revenues	24,997,387	27,110,073	25,280,967	(1,829,106)	
Permits and fees	1,765,000	1,782,500	2,158,484	375,984	
Sales and services	6,630,859	6,712,974	6,650,944	(62,030)	
Interest earned on investments	200,000	200,000	20,424	(179,576)	
Miscellaneous	442,262	644,513	666,219	21,706	
Total revenues	<u>127,865,018</u>	<u>130,279,572</u>	<u>130,489,069</u>	<u>209,497</u>	
<b>Expenditures:</b>					
General government	12,602,506	12,877,508	12,178,377	699,131	
Public safety	29,761,763	29,931,578	29,359,373	572,205	
Environmental protection	260,090	266,987	200,253	66,734	
Economic and physical development	1,409,522	1,410,072	1,292,060	118,012	
Human services	38,901,136	41,271,570	37,486,478	3,785,092	
Education	39,068,723	39,068,723	39,068,723	-	
Cultural and recreation	584,595	590,095	590,667	(572)	
Debt service	314,997	314,997	314,991	6	
Total expenditures	<u>122,903,332</u>	<u>125,731,530</u>	<u>120,490,922</u>	<u>5,240,608</u>	
Revenues over (under) expenditures	<u>4,961,686</u>	<u>4,548,042</u>	<u>9,998,147</u>	<u>5,450,105</u>	
<b>Other Financing Sources (Uses):</b>					
Transfers out	(6,811,847)	(6,890,400)	(6,910,000)	(19,600)	
Appropriated fund balance	1,850,161	2,342,358	-	(2,342,358)	
Total other financing sources (uses)	<u>(4,961,686)</u>	<u>(4,548,042)</u>	<u>(6,910,000)</u>	<u>(2,361,958)</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>3,088,147</u>	<u>\$ 3,088,147</u>	
<b>Fund Balance:</b>					
Beginning of year - July 1				<u>24,220,336</u>	
End of year - June 30				<u>\$ 27,308,483</u>	

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

**PITT COUNTY, NORTH CAROLINA****STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013**

	<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	\$ 3,019,828	\$ 3,759,934
Receivables, net	1,401,120	1,220
Prepaid items	-	142,541
Total current assets	<u>4,420,948</u>	<u>3,903,695</u>
Non-current assets:		
Capital assets, non-depreciable	664,329	-
Capital assets, net	<u>2,899,195</u>	<u>-</u>
Total non-current assets	<u>3,563,524</u>	<u>-</u>
Total assets	<u>7,984,472</u>	<u>3,903,695</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable and accrued liabilities	431,225	791,436
Compensated absences	23,000	-
Current portion of post-closure costs	60,000	-
Total current liabilities	<u>514,225</u>	<u>791,436</u>
Non-current liabilities:		
Non-current portion of compensated absences	30,919	-
Landfill closure/post-closure costs payable	<u>980,000</u>	<u>-</u>
Total non-current liabilities	<u>1,010,919</u>	<u>-</u>
Total liabilities	<u>1,525,144</u>	<u>791,436</u>
<b>Net Position:</b>		
Net investment in capital assets	3,563,524	-
Unrestricted	<u>2,895,804</u>	<u>3,112,259</u>
Total net position	<u>\$ 6,459,328</u>	<u>\$ 3,112,259</u>

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

## PITT COUNTY, NORTH CAROLINA

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2013

	<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	\$ 7,579,217	\$ -
User charges	-	1,369,663
Interfund services	-	8,609,928
Miscellaneous revenues	687,171	6,420
Total operating revenues	<u>8,266,388</u>	<u>9,986,011</u>
<b>Operating Expenses:</b>		
Salaries and employee benefits	1,178,777	(33,405)
Supplies and materials	967,134	-
Contract labor and other services	1,430,923	-
Contracted services - waste disposal	3,976,858	-
Depreciation	254,406	-
Equipment maintenance	-	978,852
Medical claims costs	-	9,290,399
Claims reimbursement	-	578,251
Total operating expenses	<u>7,808,098</u>	<u>10,814,097</u>
Operating income (loss)	<u>458,290</u>	<u>(828,086)</u>
<b>Non-Operating Revenues (Expenses):</b>		
Interest earned on investments	18,889	8,242
Intergovernmental grants	(7,449)	-
Capital contribution	707,696	-
Gain/(loss) on sale of capital assets	44,544	-
Total non-operating revenues (expenses)	<u>763,680</u>	<u>8,242</u>
Income (loss) before contributions and transfers	1,221,970	(819,844)
Transfer in (out)	<u>(108,005)</u>	<u>1,058,400</u>
Change in net position	1,113,965	238,556
<b>Net Position:</b>		
Beginning of year - July 1	<u>5,345,363</u>	<u>2,873,703</u>
End of year - June 30	<u>\$ 6,459,328</u>	<u>\$ 3,112,259</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, 2013

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Solid Waste Fund</b>	<b>Internal Service Funds</b>
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 8,176,882	\$ 1,450,086
Cash received from interfund services transactions	-	8,609,928
Cash paid to suppliers	(6,378,783)	(10,692,385)
Cash paid to employees	(1,182,272)	(70,689)
Net cash provided (used) by operating activities	<u>615,827</u>	<u>(703,060)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Non-capital contributions/grants	(7,449)	-
Transfers	(108,005)	1,058,400
Net cash provided (used) by non-capital financing activities	<u>(115,454)</u>	<u>1,058,400</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition and construction of capital assets	(211,724)	-
Proceeds from sale of capital assets	44,544	-
Net cash provided (used) by capital and related financing activities	<u>(167,180)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>		
Investment income received	<u>21,470</u>	<u>8,242</u>
Net increase (decrease) in cash and cash equivalents	354,663	363,582
<b>Cash and Cash Equivalents:</b>		
Beginning of year - July 1	<u>2,665,165</u>	<u>3,396,352</u>
End of year - June 30	<u>\$ 3,019,828</u>	<u>\$ 3,759,934</u>
<b>Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:</b>		
Operating income (loss)	\$ 458,290	\$ (828,086)
Depreciation	254,406	-
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(89,506)	74,003
(Increase) decrease in inventories	-	2,511
(Increase) decrease in prepaid expenses	-	(18,090)
Increase (decrease) in accounts payable and accrued liabilities	52,637	66,602
Increase (decrease) in closure and post-closure costs payable	<u>(60,000)</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 615,827</u>	<u>\$ (703,060)</u>
<b>Non-Cash Activities:</b>		
Capital contribution	<u>\$ 707,696</u>	<u>\$ -</u>

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

**PITT COUNTY, NORTH CAROLINA****STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2013**

	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 273,403	\$ 582,559
Total assets	<u>273,403</u>	<u>582,559</u>
<b>Liabilities:</b>		
Deposits held in custody for others	-	553,487
Deferred compensation benefits payable	<u>-</u>	<u>29,072</u>
Total liabilities	<u>-</u>	<u>582,559</u>
<b>Net Position:</b>		
Held in trust for pension benefits and other purposes	<u>\$ 273,403</u>	<u>\$ -</u>

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

**PITT COUNTY, NORTH CAROLINA****STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013**

	<b>Pension Trust Fund</b>
<b>Additions:</b>	
Employer contributions	\$ 291,973
<b>Deductions:</b>	
Benefits	<u>257,398</u>
Change in net position	34,575
<b>Net Position:</b>	
Beginning of year - July 1	<u>238,828</u>
End of year - June 30	<u>\$ 273,403</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, 2013**

### **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, North Carolina 27834.

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

#### **Pitt County Industrial Facility and Pollution Control Financial Authority**

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

#### **C. Basis of Presentation, Basis of Accounting**

##### **Government-Wide Statements**

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

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

##### **Fund Financial Statements**

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

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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, 2013:

**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.

**School Capital Reserve Fund.** This fund is used to account for funds that are committed for School Related capital expenditures.

**County Capital Reserve Fund** This fund is used to account for funds that are committed for general capital expenditures.

The County reports the following major enterprise fund for the year ended June 30, 2013:

**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, Energy Savings Fund, and Industrial Development Building Fund.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

**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 Fund, Mental Health Fund, Sheriff Fund, and Jail Fund. 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 funds 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, 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, 2013**

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, 2013, 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 2012 through February 2013 apply to the fiscal year ended June 30, 2013. Uncollected taxes which were billed during this period are shown as a receivable on the fund financial statements and are offset by deferred inflows of resources.

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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

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

#### **D. Budgetary Data**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund; the special revenue funds, with the exception of the CDBG Funds, 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, Deferred Inflows and Outflows, 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, 2013**

State law [G.S. 159-30(c)] authorizes the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC-registered (2a-7) money market mutual fund.

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

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

#### **Cash and Cash Equivalents**

The County pools monies from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

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

#### **Restricted Assets**

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

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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

#### **Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2012. 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.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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

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

#### **Compensated Absences**

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

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

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has three items that meet the criterion for this category – prepaid taxes, other receivables, and unavailable taxes.

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

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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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

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

#### **Self-Insurance**

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

#### **Net Position**

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position 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 intact.

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

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### **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 – portion of fund balance that is restricted by State statute [G.S. 159-8(a)].</i>	<u>\$ 7,792,727</u>	<u>\$ 2,148,776</u>	<u>\$ 433,391</u>	<u>\$ 96,711</u>	<u>\$ 10,471,605</u>
<i>Restricted for Public Safety – portion of fund balance that is restricted by revenue source for fire protection expenditures.</i>	\$ -	\$ -	\$ 36,646	\$ -	\$ 36,646
<i>Restricted for Public Safety – portion of fund balance that is restricted by revenue source for EMS expenditures.</i>	- -	- -	1,233,684	- -	1,233,684
<i>Restricted for Emergency Telephone System – portion of fund balance that is restricted by revenue source for the Emergency System Telephone Fund.</i>	- -	- -	439,523	- -	439,523
<i>Restricted for Register of Deeds – portion of fund balance that is restricted by revenue source for technology for the Register of Deeds' office.</i>	153,970	- -	- -	- -	153,970
<i>Restricted for Economic and Physical Development – portion of fund balance that is restricted by revenue source for rehabilitation project.</i>	- -	- -	428	- -	428
Total restricted net position (Exhibit A)	153,970	- -	1,710,281	- -	1,864,251
<i>Restricted for Education – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for education.</i>	- -	- -	- -	6,868,598	6,868,598
<i>Restricted for Public Safety – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for public safety.</i>	- -	- -	- -	54,061	54,061
Total restricted fund balances (Exhibit C)	<u>\$ 153,970</u>	<u>\$ -</u>	<u>\$ 1,710,281</u>	<u>\$ 6,922,659</u>	<u>\$ 8,786,910</u>

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### 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:

	Debt Service	Capital Projects
<i>Committed for Education</i> – portion of fund balance that can only be used for education related debt service or projects.	\$ 10,060,417	\$ 341,060
<i>Committed for General Government</i> – portion of fund balance that can only be used for general government capital needs.	-	11,620
Total	<u>\$ 10,060,417</u>	<u>\$ 352,680</u>

#### Assigned Fund Balance

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

	General Fund	Special Revenue	Capital Project	Total
<i>Subsequent Year's Expenditures</i> – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.	\$ 2,288,000	\$ -	\$ -	\$ 2,288,000
<i>Assigned for Public Safety</i> – State and Federal asset forfeiture fund balance assigned by management for public safety	-	69,113	-	69,113
<i>Assigned for Economic Development</i> – portion of fund balance assigned by management for an Industrial Building.	-	-	964,217	964,217
<i>Assigned for Education</i> – portion of fund balance assigned by management for education purposes.	-	-	472,393	472,393
Total	<u>\$ 2,288,000</u>	<u>\$ 69,113</u>	<u>\$ 1,436,610</u>	<u>\$ 3,793,723</u>

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### **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	\$ 27,308,483
Less:	
Prepaid items	(150,981)
Stabilization by State statute	<u>(7,792,727)</u>
Fund balance available for appropriation	<u>\$ 19,364,775</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, 2013

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

##### Deficit Fund Balance or Net Position of Individual Funds

The following individual funds had deficit fund balances as of June 30, 2013:

	<u>Amount</u>
<b>Special Revenue:</b>	
Pitt Area Transit Fund	<u>\$ 9,862</u>
<b>Capital Projects:</b>	
Chicod Fund	<u>\$ 95,783</u>

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, 2013

At June 30, 2013, the County's deposits had a carrying amount of \$34,921,472 and a bank balance of \$35,081,751. The County only has deposits in institutions that collateralize under the Pooling Method. Of the bank balance, \$1,000,000 was covered by federal depository insurance and \$34,081,751 was covered by collateral held by authorized escrow agents in the name of the State Treasurer. The County had \$101,365 of cash on hand at year-end.

#### B. Investments

At June 30, 2013, the County's investment balances were as follows:

Investment Type	Fair Value	Less Than 1 Year	2-3 Years	4-7 Years	Greater Than 7 Years
NC Capital Management Trust					
Cash Portfolio	\$ 7,008,429	\$ 7,008,429	\$ -	\$ -	\$ -
Term Portfolio	3,150,735	3,150,735	-	-	-
FNMA	<u>5,251,042</u>	<u>-</u>	<u>5,251,042</u>	<u>-</u>	<u>-</u>
Total	<u><u>\$ 15,410,206</u></u>	<u><u>\$ 10,159,164</u></u>	<u><u>\$ 5,251,042</u></u>	<u><u>\$ -</u></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, 2013, 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

*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, 34 percent.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### **Property Tax - Use-Value Assessment On Certain Lands**

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

<b>Year</b>			
<b>Levied</b>	<b>Tax</b>	<b>Interest</b>	<b>Total</b>
2009	\$ 2,814,785	\$ 668,512	\$ 3,483,297
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>\$ 12,491,874</u>

#### **4. Accounts Receivable**

##### **Disaggregate Information**

<b>Type of Receivable</b>	<b>Amount (Net of Allowance)</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Accounts Receivable:</b>			
Customer/client billings	\$ 1,686,821	\$ 467,474	\$ 2,154,295
Landfill fees assessed	-	933,646	933,646
Total	<u>\$ 1,686,821</u>	<u>\$ 1,401,120</u>	<u>\$ 3,087,941</u>
<b>Due from Other Governments:</b>			
Sales tax	\$ 6,415,911	\$ -	\$ 6,415,911
Sales tax refund	532,334	-	532,334
Other services and grants	2,228,906	-	2,228,906
Total	<u>\$ 9,177,151</u>	<u>\$ -</u>	<u>\$ 9,177,151</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### Allowances for Doubtful Accounts

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

<b>Fund</b>	<b>Allowance</b>
<b>General Fund:</b>	
Property taxes	\$ 3,078,125
Other - Public Health	310,444
Total	<u>\$ 3,388,569</u>
<b>Special Revenue Fund:</b>	
Ambulance services	<u>\$ 5,359,843</u>

### 5. Capital Assets

#### A. Governmental Capital Assets

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

	<b>Balance</b>				<b>Balance</b>
	<b>July 1, 2012</b>	<b>Additions</b>	<b>Retirements</b>	<b>Transfers</b>	<b>June 30, 2013</b>
<b>Non-Depreciable Assets:</b>					
Land	\$ 3,018,827	\$ -	\$ -	\$ -	\$ 3,018,827
Construction in progress	48,161,360	7,726,054	(4,991,791)	-	50,895,623
Total non-depreciable capital assets	<u>51,180,187</u>	<u>7,726,054</u>	<u>(4,991,791)</u>	<u>-</u>	<u>53,914,450</u>
<b>Depreciable Assets:</b>					
Land improvements	1,237,400	-	-	-	1,237,400
Buildings	114,199,634	-	-	-	114,199,634
Furniture and equipment	6,463,302	5,621,771	(367,906)	(707,696)	11,009,471
Vehicles	7,513,654	586,218	(297,221)	-	7,802,651
Total depreciable capital assets	<u>129,413,990</u>	<u>6,207,989</u>	<u>(665,127)</u>	<u>(707,696)</u>	<u>134,249,156</u>
Subtotal	<u>180,594,177</u>	<u>13,934,043</u>	<u>(5,656,918)</u>	<u>(707,696)</u>	<u>188,163,606</u>
<b>Less Accumulated Depreciation:</b>					
Land improvements	1,022,476	85,781	-	-	1,108,257
Buildings	30,429,237	2,692,199	-	-	33,121,436
Furniture and equipment	4,512,808	645,878	(362,230)	-	4,796,456
Vehicles	5,463,100	746,088	(295,755)	-	5,913,433
Total accumulated depreciation	<u>41,427,621</u>	<u>\$ 4,169,946</u>	<u>\$ (657,985)</u>	<u>\$ -</u>	<u>\$ 44,939,582</u>
Depreciable capital assets, net	<u>87,986,369</u>				<u>89,309,574</u>
Governmental capital assets, net	<u>\$ 139,166,556</u>				<u>\$ 143,224,024</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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

### **Governmental Activities:**

General government	\$ 678,756
Public protection	1,901,563
Human services	275,155
Education	666,866
Economic/physical development	647,606
Total	<u>\$ 4,169,946</u>

### **B. Proprietary Capital Assets**

The capital assets for the Enterprise Fund of the County at June 30, 2013 are as follows:

	<b>Balance</b>				<b>Balance</b>
	<b>July 1, 2012</b>	<b>Additions</b>	<b>Retirements</b>	<b>Transfers</b>	<b>June 30, 2013</b>
<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>-</u>	<u>664,329</u>
<b>Depreciable Assets:</b>					
Land improvements	88,393	-	-	-	88,393
Buildings and improvements	2,680,236	-	-	-	2,680,236
Furniture and equipment	2,998,434	211,724	(163,754)	707,696	3,754,100
Vehicles	889,754	-	-	-	889,754
Total depreciable capital assets	<u>6,656,817</u>	<u>211,724</u>	<u>(163,754)</u>	<u>707,696</u>	<u>7,412,483</u>
<b>Less Accumulated Depreciation:</b>					
Land improvements	88,393	-	-	-	88,393
Buildings and improvements	1,255,676	59,127	-	-	1,314,803
Furniture and equipment	2,411,584	134,504	(161,173)	-	2,384,915
Vehicles	664,402	60,775	-	-	725,177
Total accumulated depreciation	<u>4,420,055</u>	<u>\$ 254,406</u>	<u>\$ (161,173)</u>	<u>\$ -</u>	<u>\$ 4,513,288</u>
Depreciable capital assets, net	<u>2,236,762</u>				<u>2,899,195</u>
Proprietary capital assets, net	<u>\$ 2,901,091</u>				<u>\$ 3,563,524</u>

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### C. Net Investment In Capital Assets

The total net investment in capital assets at June 30, 2013 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets, net of depreciation	\$ 143,224,024	\$ 3,563,524
Long-term debt	192,916,916	1,093,919
Less unspent debt proceeds	(2,910,707)	-
Less debt not tied to capital assets:		
Compensated absences	(3,036,518)	(53,919)
Unfunded LEO pension obligation	(1,195,549)	-
Unfunded OPEB liability	(20,340,893)	-
2007 COPS Capital Project debt, not associated with County assets, net of unspent debt proceeds	(11,183,750)	-
2009 COPS Capital Project debt, not associated with County assets, net of unspent debt proceeds	(12,012,000)	-
Engineering project debt	(1,227,100)	-
Sewer improvements debt	(733,461)	-
Closure and post-closure costs	-	(1,040,000)
Long-term debt related to capital assets	140,276,938	-
Net investment in capital assets	\$ 2,947,086	\$ 3,563,524

#### 6. Long-Term Obligations

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

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### A. Changes in Long-Term Debt

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

	<u>Balance</u>		<u>Balance</u>		<u>Current</u>
	<u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>	<u>Portion</u>
<b>By Type:</b>					
Compensated absences	\$ 3,018,826	\$ 35,384	\$ (17,692)	\$ 3,036,518	\$ 1,600,000
Unfunded LEO	1,092,114	322,414	(218,979)	1,195,549	-
Unfunded OPEB	17,824,625	3,696,888	(1,180,620)	20,340,893	-
Certificates					
of participation	98,860,000	-	(6,145,000)	92,715,000	6,490,000
Limited obligation bonds	57,450,000	-	(2,745,000)	54,705,000	2,330,000
Qualified school					
construction bonds	5,602,353	-	(350,147)	5,252,206	350,147
Notes payable	8,691,345	6,025,835	(1,429,960)	13,287,220	1,396,423
Unamortized					
bond premium	2,524,710	-	(140,180)	2,384,530	-
Total	<u>\$ 195,063,973</u>	<u>\$10,080,521</u>	<u>\$(12,227,578)</u>	<u>\$ 192,916,916</u>	<u>\$ 12,166,570</u>
<b>By Purpose:</b>					
Schools				\$ 106,083,406	
Pitt Community College				24,675,000	
General government				1,227,100	
Public safety				21,870,063	
Economic and physical development				6,299,602	
Human services				180,454	
Court house				5,623,800	
Compensated absences				3,036,518	
Unfunded LEO				1,195,549	
Unfunded OPEB				20,340,893	
Unamortized bond premium				2,384,530	
Total				<u>\$ 192,916,915</u>	

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

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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

	Balance			Balance June 30, 2013	Current Portion
	July 1, 2012	Additions	Retirements		
<b>By Type:</b>					
Compensated absences	\$ 57,414	\$ 25,887	\$ (29,382)	\$ 53,919	\$ 23,000
Closure and post-closure	1,100,000	-	(60,000)	1,040,000	60,000
Total	<u>\$ 1,157,414</u>	<u>\$ 25,887</u>	<u>\$ (89,382)</u>	<u>\$ 1,093,919</u>	<u>\$ 83,000</u>

#### B. Certificates of Participation

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

Amount	Original Issue		Payment Information		Outstanding Balance	Purpose and Collateral
	Date	Rate	Period	Amount		
\$ 42,510,000	October 2004	3.00% - 4.70%	Annual	\$ 1,100,000- 1,095,000	\$ 6,845,000	School projects, advance refund debt; secured by real estate
59,365,000	March 2007	3.50%- 5.00%	Annual	985,000	48,625,000	School projects, advance refund debt; secured by real estate
19,855,000	October 2007	4.44%	Annual	685,000	16,290,000	Construct Detention Center addition; secured by real estate
21,095,000	May 2012	3.00% - 4.70%	Annual	1,100,000 - 1,095,000	20,955,000	Current refunding of debt; secured by real estate
Total Certificates of Participation					<u>\$ 92,715,000</u>	

In May 2012, 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, 2013

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

Year Ending	June 30	Principal	Interest	Total
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	5,410,000	4,380,877	9,790,877	
2019-2023	27,950,000	16,801,191	44,751,191	
2024-2028	25,235,000	7,751,125	32,986,125	
2029-2033	<u>7,600,000</u>	<u>1,506,235</u>	<u>9,106,235</u>	
Total	<u>\$ 92,715,000</u>	<u>\$ 51,688,272</u>	<u>\$ 144,403,272</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% \$ 30,030,000

Series 2010, payable in annual principal payments of \$895,000 - \$900,000 with interest payable semi-annually at 2.0% - 4.0% 24,675,000

Total limited obligation bonds \$ 54,705,000

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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>June 30</b>	<b>Principal</b>	<b>Interest</b>
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	2,330,000	1,204,994	3,534,994
2019-2023	11,635,000	5,153,907	16,788,907
2024-2028	11,625,000	3,590,744	15,215,744
2029-2033	11,625,000	1,821,225	13,446,225
2034-2038	5,905,000	324,150	6,229,150
2039-2041	2,265,000	55,200.00	2,320,200
<b>Total</b>	<b>\$ 54,705,000</b>	<b>\$ 17,490,446</b>	<b>\$ 72,195,446</b>

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

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

Sadie Saulter Qualified School Construction Bonds, Series 2010,  
payable annually in the amount of \$350,147 with 0.00% interest \$ 5,252,206

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

<b>Year Ending</b>	<b>Debt Service Fund</b>		
	<b>June 30</b>	<b>Principal</b>	<b>Interest</b>
2014	\$ 350,147	\$ -	\$ 350,147
2015	350,147	-	350,147
2016	350,147	-	350,147
2017	350,147	-	350,147
2018	350,147	-	350,147
2019-2023	1,750,735	-	1,750,735
2024-2028	1,750,736	-	1,750,736
<b>Total</b>	<b>\$ 5,252,206</b>	<b>\$ -</b>	<b>\$ 5,252,206</b>

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### E. Notes Payables

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

Original Issue		Payment Information		Outstanding		Security
Date	Rate	Period	Amount	Balance		
August 1997	6.30%	Quarterly	\$ 56,000	\$ 56,000		EMS Facility
March 2000	4.25%	Quarterly	17,651	74,223		Global TransPark
July 2005	3.50%	Quarterly	24,484	55,967		Global TransPark
January 2006	3.56%	Quarterly	209,476	1,227,100		Engineering project
June 2010	3.56%	Quarterly	64,908	74,218		Ambulances
November 2009	3.36%	Semi-annual	65,625	-		MIS upgrade
May 2010	0.00%	Annual	45,046	733,459		Sewer improvements
August 2010	2.26%	Semi-annual	91,873	180,452		Vehicles
						Compactor, Radios,
October 2011	2.07%	Semi-annual	550,000	4,950,000		Building
October 2012	0.00%	Annual	-	1,660,040		DENR Project
Seotember 2012	2.26%	Semi-annual	-	3,775,914		Energy Savings
October 2011	2.07%	Semi-annual	-	499,847		EMS Equipment
Total				\$ 13,287,220		

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

Year Ending June 30	Principal	Interest	Total
2014	\$ 1,396,423	\$ 193,658	\$ 1,590,081
2015	1,168,274	239,043	1,407,317
2016	1,108,944	210,920	1,319,864
2017	1,129,584	184,796	1,314,380
2018	950,424	158,331	1,108,755
2019-2023	3,317,013	531,014	3,848,027
2024-2028	1,470,142	264,017	1,734,159
2029-2033	2,746,416	63,478	2,809,894
Total	\$ 13,287,220	\$ 1,845,257	\$ 15,132,477

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

#### **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, 2013, net debt outstanding was \$165,959,425 with no bonded debt. The statutory limit at that date was \$937,192,143 providing a debt margin of \$771,232,718.

### **7. Employee Retirement Systems**

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

**Plan Description.** Pitt County contributes to the State-wide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS 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 7.07% and 7.28%, 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, 2013, 2012, and 2011 were \$5,030,672, \$5,610,674, and \$5,325,895, 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, 2013

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	16
Active plan members	129
Total	145

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 \$218,979, or 3.4%, 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, 2011 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, 2011 was 19 years.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

**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	\$ 335,772
Interest on net pension obligation	54,606
Adjustment to annual required contribution	<u>(67,964)</u>
Annual pension costs	322,414
Employer contributions made for fiscal year ended June 30, 2013	<u>218,979</u>
Increase (decrease) in net pension obligation	103,435
Net pension obligation:	
Beginning of year - July 1	<u>1,092,114</u>
End of year - June 30	<u><u>\$ 1,195,549</u></u>

#### Three-Year Trend Information

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	\$ 315,188	51.6%	\$ 902,949
2012	308,007	38.6%	1,092,114
2013	322,414	67.9%	1,195,549

**Funded Status and Funding Progress.** As of December 31, 2012, the most recent actuarial valuation date, the plan was 7.9% funded. The actuarial accrued liability for benefits was \$3,219,603 and the actuarial value of assets was \$254,485, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,965,118. The covered payroll (annual payroll of active employees covered by the plan) was \$6,373,017, and the ratio of the UAAL to the covered payroll was 46.53 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

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Funding Policy.** Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2013 were \$414,330, which consisted of \$312,577 from the County and \$101,753 from the law enforcement officers.

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

The County has a supplemental retirement plan for all County employees other than law enforcement officers. The County has no requirement or obligation under State statutes to contribute to this Plan; however, the County has adopted the Supplemental Retirement Plan of North Carolina 401(k) for its non-law enforcement employees. The County contributes 5.03% of participants' gross pay, and employees may make voluntary contributions to the Plan. The total contribution for the year ended June 30, 2013 was \$2,118,587, which consisted of \$1,592,578 from the County and \$526,009 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, 2013, the County's required and actual contributions were \$13,346.

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

#### **8. 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.

#### **9. 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.

#### **10. 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, 2013

Retirees can purchase coverage for their dependents at the County's group rates until the retiree reaches age sixty-five. Currently, 129 retirees are eligible for post-retirement health benefits. For the year ended June 30, 2013, the County made payments for post-retirement health benefit premiums of \$1,180,620. 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	17	129
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	774	131
<b>Total</b>	<b>791</b>	<b>260</b>

**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 8.90% of annual covered payroll. For the current year, the County contributed \$1,180,620 to the plan, consisting of \$1,180,620 from the County and no contribution from employees. The current year contribution is 2.90% 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, 2013

**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	\$ 3,665,025
<i>Valuation discount rate</i>	4.00%
Interest on net OPEB obligation	712,985
<i>Amortization factor</i>	26.1695
Adjustments to annual required contribution	<u>681,122</u>
Annual OPEB cost (expense)	<u>3,696,888</u>
Contributions made	<u>1,180,620</u>
Increase (decrease) in net OPEB obligation	2,516,268
Net OPEB obligation:	
Beginning of year - July 1	<u>17,824,625</u>
End of year - June 30	<u><u>\$ 20,340,893</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2011-2013 were as follows:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 4,466,037	22.7%	\$ 14,462,280
2012	4,346,797	22.6%	17,824,625
2013	3,696,888	31.9%	20,340,893

**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, 2013**

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, 2011 was 30 years.

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

Federal and State laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,040,000 reported as landfill post-closure care liability at June 30, 2013 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 2013. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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

#### 12. Deferred Inflows of Resources

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

	General Fund	Special Revenue Funds	Total
Prepaid taxes not yet earned	\$ 172,284	\$ -	\$ 172,284
Taxes receivable, net	2,187,841	406,907	2,594,748
Accounts receivable, net	293,041	366,345	659,386
Total	<u>\$ 2,653,166</u>	<u>\$ 773,252</u>	<u>\$ 3,426,418</u>

The balance in deferred inflows of resources in the government-wide statements at year-end is composed of the following elements:

	Governmental Activities
Prepaid taxes	\$ 172,284
Total	<u>\$ 172,284</u>

#### 13. Accounts Payable

##### Disaggregate Information

Type of Payable	Governmental Activities	Business-Type Activities	Total
Trade payables	\$ 1,903,154	\$ 431,225	\$ 2,334,379
Accrued expenses	223,585	-	223,585
Internal service trade payables	4,666	-	4,666
IBNR estimate (incurred, but not reported)	786,770	-	786,770
Total	<u>\$ 2,918,175</u>	<u>\$ 431,225</u>	<u>\$ 3,349,400</u>

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

#### **14. Risk Management**

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

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

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

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

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, 2013

For the Hospitalization Fund, a total of \$9,147,871 in claims and changes in estimates were incurred for benefits during fiscal year 2013. Changes in the Fund's claims liability amounts in fiscal 2003-2013 were as follows:

Year Ended	Balance July 1	Changes in Estimates	Claim Payments	Balance June 30
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
2013	648,908	9,290,399	(9,152,537)	786,770

#### 15. 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 \$48,343 to the Council during the year ended June 30, 2013.

The County, in conjunction with the County of Greenville, established the Pitt-Greenville Convention and Visitors Authority to promote travel, tourism, and conventions in Pitt County. Both the County and the County 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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

from each of the counties are appointed by the Board of County Commissioners of the respective counties. The Commission is responsible for a non-expendable trust fund consisting of an initial State appropriation of \$7.5 million and 85% of the quarterly distributions of the \$5 motor vehicle license fees collected by the North Carolina Department of Transportation. The motor vehicle tax was adopted by the legislature and the participating counties and will be collected for a period of five years. The principal balance of the trust funds is non-expendable and will revolve as loans are made and repaid to the Commission. At June 30, 2013, the portion of the trust available to be loaned exclusively to Pitt County was \$2,412,453.

#### **16. 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 \$4,650,872 to the Community College for operating purposes and \$73,125 for capital outlay during the fiscal year ended June 30, 2013. In addition, the County made debt service payments of \$900,000 for principal and \$787,594 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, 2013. Complete financial statements for the community college may be obtained from the Community College's administrative offices, P.O. Drawer 7007, Greenville, North Carolina 27835.

The County also participates in a joint venture to operate the Sheppard Memorial Library (Library) with the County of Greenville. The County Board of Commissioners appoints three Board members to the 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, 2013. The County appropriated \$541,385 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the County of Greenville offices at 201 W. 5<sup>th</sup> Street, Greenville, North Carolina 27834.

The County is a participant with the City of Greenville and other participants in a joint venture to operate Pitt-Greenville Airport Authority (the "Authority") for the joint benefit of all participants. Upon dissolution of the Authority, the assets would be shared in proportion to each sponsor's original contribution.. The County's initial contribution totaled \$3,250 which represents one-half of the total contribution. The Authority is governed by an eight-member Board; four from the County and four from the City. All participants are obligated to contribute funds on an annual

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

basis, as needed, to enable the Authority to operate the airport. The County contributed \$32,553 to the Authority during the fiscal year ended June 30, 2013. The County has a fifty percent equity interest in the joint venture; therefore an equity interest of \$17,973,735 has been reflected in the government wide financial statements at June 30, 2013. Complete financial statements for the Authority can be obtained from the Authority's Administrative Office at Airport Road, P.O. Box 671, Greenville, North Carolina, 27835.

#### **17. 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, 2013 was:

	<b>Percentage of Sales</b>	<b>Percentage of Receivables</b>
Major customer 1	12.0%	77.0%
Major customer 2	11.0%	42.0%

#### **18. Claims and Judgments**

At June 30, 2013, 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.

#### **19. Contingencies**

The County participates in a number of Federal and State grant programs. For the year ended June 30, 2013, these programs were subject to audit in accordance with the Single Audit Act of 1984, the State Single Audit Implementation Act and the provisions of OMB Circular A-133. The amount, if any, of expenditures which may be disallowed by the granting agencies resulting from such an audit cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

A potential groundwater contamination problem was identified at the Pitt County Landfill in March 1993. Since that time, the County has executed an Administrative Agreement on Consent with the State. The Agreement calls for the County to assess the problems and remediate if necessary. The County has filed the necessary plans with the State, and the State has approved an assessment plan. Groundwater monitoring was conducted in December 1995. Groundwater monitoring has been completed; however, potentially responsible parties have yet to be identified. As of the balance sheet date, any costs that the County may be responsible for have been included in closure and post-closure costs. Remediation costs cannot be accurately estimated at this time. Potentially responsible parties will be asked to contribute to any costs incurred.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### 20. Summary Disclosure of Significant Commitments

The County had no construction commitments at June 30, 2013.

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.

#### 21. 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	\$ 2,272,264	\$ (8)
Temporary Assistance to Needy Families (TANF)	2,937,063	1,968,434
Special Assistance to Adults	-	1,218,684
Adoption Subsidy Title IV-E	367,650	-
State Foster Home	774,017	-
Adoption Subsidy - State	-	395,009
Medicaid	133,427,196	73,582,445
Women, Infants, and Children	5,910,944	-
Supplemental Nutrition Assistance Program (SNAP)	51,722,952	-
<b>Total</b>	<b>\$ 197,412,086</b>	<b>\$ 77,164,564</b>

#### 22. Component Unit Transactions

In fiscal year 2013, 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	<u>\$ 1,100,000</u>	Profit distribution

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

#### 23. Interfund Balances and Transfers

In fiscal year 2013, the County made the following transfers within its fund structure. Transfers to the Debt Service Fund were made to fund required debt payments; transfers to other funds represent the local contribution by the County to fund certain activities and projects.

		<u>Transfers</u>		
<u>Fund Type</u>	<u>Fund Name</u>	<u>From</u>	<u>To</u>	<u>Purpose</u>
General	General	\$ 6,910,000	\$ -	
Special Revenue	Pitt Area Transit System	-	37,049	Local match/contribution
Special Revenue	State Grants	-	98,153	Local contribution/match
Debt Service	Debt Service	-	5,743,098	Annual debt service requirement
Internal Service	Retiree Health Insurance	-	1,031,700	Funding of Retiree Health Insurance
Total		<u>\$ 6,910,000</u>	<u>\$ 6,910,000</u>	
Debt Service	School Capital Reserve	\$ 743,549	\$ -	
Capital Project	Stokes (ARRA) Project	139,295		
Capital Project	School Improvement Project	-	882,844	Local contribution
Total	School Improvement	<u>\$ 882,844</u>	<u>\$ 882,844</u>	
Debt Service	School Capital Reserve	\$ 6,020,868	\$ -	
Debt Service	County Capital Reserve	4,804,791	-	
Debt Service	Debt Service	-	10,825,659	Debt service local and school projects
Total		<u>\$ 10,825,659</u>	<u>\$ 10,825,659</u>	

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

<u>Fund Type</u>	<u>Fund Name</u>	<u>From</u>	<u>To</u>	<u>Purpose</u>
Enterprise	Solid Waste	\$ 108,005	\$ -	
Debt Service	Debt Service	-	95,505	Debt service - projects
Internal Service	Workers' Compensation	-	12,500	Local contribution
Total		<u>\$ 108,005</u>	<u>\$ 108,005</u>	
Internal Service	Active Employee Medical Insurance	\$ 50,000	\$ -	
Internal Service	Retiree Medical Insurance	-	50,000	Transfer of excess assets
Total		<u>\$ 50,000</u>	<u>\$ 50,000</u>	
Special Revenue	Pitt Transit	\$ 14,200	\$ -	
Internal Service	Workers' Compensation	-	14,200	Local contribution
Total		<u>\$ 14,200</u>	<u>\$ 14,200</u>	

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	\$ 95,783	\$ -	Short-term loan in anticipation
Chicod Sewer	-	95,783	of debt issue
Total	<u>\$ 95,783</u>	<u>\$ 95,783</u>	
<b>Special Revenue:</b>			
EMS District Fund	\$ 163,460	\$ -	
Pitt Area Transit System	-	163,460	Short-term loan to fund program
Total	<u>\$ 163,460</u>	<u>\$ 163,460</u>	

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

#### **24. Change in Accounting Principles/Restatement**

The County implemented Governmental Accounting Standards Board (GASB) Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement 65, *Items Previously Reported as Assets and Liabilities*, in the fiscal year ending June 30, 2013. In accordance with GASB Statement 63, the Statement of Net Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position. Additionally, GASB Statement 65 requires that bond issuance costs, which were previously deferred and amortized, must be included in current expenditures. Previously deferred bond issuance costs were recognized as an expenditure in the current year decreasing beginning net position by \$1,828,574.

#### **25. Prior Period Adjustment**

A prior period adjustment was made in the governmental activities Statement of Net Position and beginning net position was restated and increased by \$17,973,735 to record the County's equity interest in the Pitt-Greenville Airport Authority.

## **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, 2013

#### Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Accrued					UAAL as a Percentage Covered Payroll (B - A) / C
	Actuarial Value of Assets <b>A</b>	Liability (AAL) -Projected Unit Credit	Unfunded AAL (UAAL) <b>B - A</b>	Funded Ratio <b>A / B</b>	Covered Payroll <b>C</b>	
12/31/2012	\$ 254,485	\$ 3,219,603	\$ 2,965,118	7.90%	\$ 6,373,017	46.53%
12/31/2011	231,240	3,291,551	3,060,311	7.03%	6,796,055	45.03%
12/31/2010	266,527	3,055,533	2,789,006	8.72%	7,121,139	39.17%
12/31/2009	256,317	3,136,604	2,895,337	8.17%	6,635,702	43.63%
12/31/2008	242,933	2,353,496	2,110,563	10.32%	5,996,468	35.20%
12/31/2007	249,168	2,027,477	1,778,309	12.29%	5,555,672	32.01%
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
2013	\$ 335,772	\$ 218,979	65.22%
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	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	18 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, 2013

#### 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						
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%
2013	3,665,025	1,180,620	32.21%

#### Notes to the Required Schedules:

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

Valuation date	December 31, 2012
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Actuarial assumptions:	
Investment rate of return*	4.00%
Pre-medicare trend rates	8.50% - 5.00%
Post-medicare trend rates	6.25% - 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, 2013.



## PITT COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE  
JUNE 30, 2013

Fiscal Year	Uncollected Balance June 30, 2012	Additions	Collections and Credits	Uncollected Balance June 30, 2013
2012-2013	\$ -	\$ 75,483,419	\$ 73,415,329	\$ 2,068,090
2011-2012	2,220,854	-	1,507,456	713,398
2010-2011	705,761	-	253,569	452,192
2009-2010	393,675	-	97,943	295,732
2008-2009	308,367	-	47,827	260,540
2007-2008	183,967	-	20,927	163,040
2006-2007	193,272	-	11,780	181,492
2005-2006	161,226	-	7,528	153,698
2004-2005	139,961	-	5,071	134,890
2003-2004	164,374	-	164,374	-
Total	<u>\$ 4,471,457</u>	<u>\$ 75,483,419</u>	<u>\$ 75,531,804</u>	<u>\$ 4,423,072</u>
Registered motor vehicle tax for year ended June 30, 2013				842,894
Less: Allowance for uncollectible ad valorem taxes receivable				<u>(3,078,125)</u>
Total				<u>\$ 2,187,841</u>
<b>Reconciling with Revenues:</b>				
Taxes - ad valorem				\$ 76,718,953
Reconciling items:				
Interest and cost				(469,568)
Amounts written off for tax years per Statute of Limitations				164,374
Miscellaneous tax adjustments				<u>(881,955)</u>
Total collections and credits				<u>\$ 75,531,804</u>

## PITT COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2013

					Total Levy	
	County-Wide			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles	
	Property Valuation	Rate	Amount of Levy			
<b>Original Levy:</b>						
Property taxed at current year's rate	\$ 11,715,932,780	\$ 0.6800	\$ 77,910,953	\$ 70,436,136	\$ 7,474,817	
<b>Discoveries:</b>						
Current year taxes	994,930	0.6800	661,628	661,628		-
<b>Abatements</b>	<u>(2,025,920)</u>		<u>(1,347,237)</u>	<u>(1,208,696)</u>	<u>(138,541)</u>	
Total property valuation	<u>\$ 11,714,901,790</u>					
<b>Net Levy</b>			77,225,344	69,889,068	7,336,276	
Less: Tax rate attributed to Industrial Development Commission	0.0070		<u>(1,741,925)</u>	<u>(1,741,925)</u>		-
Net levy to County			75,483,419	68,147,143	7,336,276	
Less: Uncollected taxes at June 30, 2013			<u>(2,068,090)</u>	<u>(1,051,811)</u>	<u>(1,016,279)</u>	
<b>Current Year's Taxes Collected</b>	<u>\$ 73,415,329</u>		<u>\$ 67,095,332</u>	<u>\$ 6,319,997</u>		
<b>Percent Current Year Collected</b>			<u>97.26%</u>	<u>98.46%</u>	<u>86.15%</u>	
<b>Prior Year Collection Percentage</b>			<u>97.10%</u>	<u>98.26%</u>	N/A	

**PITT COUNTY, NORTH CAROLINA****ANALYSIS OF CURRENT TAX LEVY  
SECONDARY MARKET DISCLOSURES  
FOR THE YEAR ENDED JUNE 30, 2013****Secondary Market Disclosures**

Assessed valuation:

Assessment ratio (1)

99.29%

Real property	\$ 9,343,942,866
Personal property	2,266,724,289
Public service companies (2)	<u>104,234,635</u>
Total assessed valuation	<u>\$ 11,714,901,790</u>

Tax rate per \$100

0.6800

Levy (includes discoveries, releases and abatements) (3)

\$ 77,225,344

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, 2013:

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, 2013**

<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	2.14%
DSM Pharmaceuticals Inc	Manufacturer	194,531,483	1.66%
Carolina Telephone	Communications	54,425,412	0.46%
Asmo Greenville of NC	Manufacturer	52,427,361	0.45%
Attends Healthcare Products, Inc	Manufacturer	49,028,757	0.42%
Weyerhaeuser NR Company	Manufacturer	47,836,270	0.41%
Marelda Greenville Mall LLC	Mall	39,833,585	0.34%
Copper Beech Townhome Communities Thirty Spe LLC	Apartments	34,605,790	0.30%
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, 2013**

	<i>Schedule C-1</i>	<i>Schedule D-1</i>	
	Special Revenue Funds	Capital Projects Fund	<i>Total</i>
<b>Assets:</b>			
Cash, cash equivalents and investments	\$ 1,990,669	\$ 2,313,482	\$ 4,304,151
Taxes receivable, net	406,907	-	406,907
Accounts receivable, net	636,276	928	637,204
Prepaid items	139,920	-	139,920
Cash and investments, restricted	-	6,922,659	6,922,659
Due from other funds	163,460	95,783	259,243
 Total assets	 <u>\$ 3,337,232</u>	 <u>\$ 9,332,852</u>	 <u>\$ 12,670,084</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 217,693	\$ 524,192	\$ 741,885
Due to other funds	163,460	95,783	259,243
Total liabilities	<u>381,153</u>	<u>619,975</u>	<u>1,001,128</u>
<b>Deferred Inflows of Resources:</b>			
Taxes receivable	406,907	-	406,907
Other receivables	366,345	-	366,345
Total deferred inflows of resources	<u>773,252</u>	<u>-</u>	<u>773,252</u>
<b>Fund Balances:</b>			
Non-spendable - prepaid items	139,920	-	139,920
Restricted for stabilization of State statute	433,391	96,711	530,102
Restricted	1,710,281	6,922,659	8,632,940
Committed	-	352,680	352,680
Assigned	69,113	1,436,610	1,505,723
Unassigned	(169,878)	(95,783)	(265,661)
Total fund balances	<u>2,182,827</u>	<u>8,712,877</u>	<u>10,895,704</u>
 Total liabilities, deferred inflows of resources, and fund balance	 <u>\$ 3,337,232</u>	 <u>\$ 9,332,852</u>	 <u>\$ 12,670,084</u>

**PITT COUNTY, NORTH CAROLINA****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013**

	<i>Schedule C-2</i> Special Revenue Funds	<i>Schedule D-2</i> Capital Projects Fund	<i>Total</i>
<b>Revenues:</b>			
Ad valorem taxes	\$ 4,620,327	\$ -	\$ 4,620,327
Restricted intergovernmental revenues	4,033,242	-	4,033,242
Sales and services	3,167,309	-	3,167,309
Investment earnings	19,096	11,270	30,366
Miscellaneous	158,095	180,936	339,031
<b>Total revenues</b>	<b>11,998,069</b>	<b>192,206</b>	<b>12,190,275</b>
<b>Expenditures:</b>			
Current:			
Public safety	8,104,374	2,430,607	10,534,981
Economic and physical development	3,733,048	4,444,232	8,177,280
Education	-	1,651,465	1,651,465
Debt service:			
Principal repayments	233,111	-	233,111
<b>Total expenditures</b>	<b>12,070,533</b>	<b>8,526,304</b>	<b>20,596,837</b>
Revenues over (under) expenditures	(72,464)	(8,334,098)	(8,406,562)
<b>Other Financing Sources (Uses):</b>			
Transfers in	135,202	882,844	1,018,046
Transfers out	(14,200)	(139,295)	(153,495)
Debt obligation issued	589,882	5,435,953	6,025,835
<b>Total other financing sources (uses)</b>	<b>710,884</b>	<b>6,179,502</b>	<b>6,890,386</b>
Net change in fund balances	638,420	(2,154,596)	(1,516,176)
<b>Fund Balances:</b>			
Beginning of year - July 1	1,544,407	10,867,473	12,411,880
End of year - June 30	\$ 2,182,827	\$ 8,712,877	\$ 10,895,704

## PITT COUNTY, NORTH CAROLINA

DEBT SERVICE FUND - COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2013

	<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	\$ -	\$ 5,284,959	\$ 4,136,720	\$ -	\$ 9,421,679
Restricted intergovernmental revenues	-	1,520,868	-	-	1,520,868
Investment earnings	5,661	-	27,303	-	32,964
Miscellaneous	223,660	-	-	-	223,660
Qualified School Construction Bond refund	337,507	-	-	-	337,507
Total revenues	<u>566,828</u>	<u>6,805,827</u>	<u>4,164,023</u>	<u>-</u>	<u>11,536,678</u>
<b>Expenditures:</b>					
Debt service:					
Principal repayments	10,132,210	-	-	-	10,132,210
Interest and fees	7,082,395	-	-	-	7,082,395
Total expenditures	<u>17,214,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,214,605</u>
Revenues over (under) expenditures	<u>(16,647,777)</u>	<u>6,805,827</u>	<u>4,164,023</u>	<u>-</u>	<u>(5,677,927)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	16,664,262	278,590	-	(10,825,659)	6,117,193
Transfers (out)	-	(7,043,007)	(4,804,791)	10,825,659	(1,022,139)
Total other financing sources (uses)	<u>16,664,262</u>	<u>(6,764,417)</u>	<u>(4,804,791)</u>	<u>-</u>	<u>5,095,054</u>
Net change in fund balances	16,485	41,410	(640,768)	-	(582,873)
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>6,905</u>	<u>5,092,014</u>	<u>7,693,147</u>	<u>-</u>	<u>12,792,066</u>
End of year - June 30	<u>\$ 23,390</u>	<u>\$ 5,133,424</u>	<u>\$ 7,052,379</u>	<u>\$ -</u>	<u>\$ 12,209,193</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, 2013**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Unrestricted intergovernmental revenues:			
Miscellaneous	\$ 219,367	\$ 223,660	\$ 4,293
Qualified School Construction Bond refund	337,507	337,507	-
Interest earned on investments	-	5,661	5,661
Total revenues	<u>556,874</u>	<u>566,828</u>	<u>9,954</u>
<b>Expenditures:</b>			
Debt service:			
Principal payments - loans	10,134,170	10,132,210	1,960
Interest and fees - loans	<u>7,086,894</u>	<u>7,082,395</u>	<u>4,499</u>
Total expenditures	<u>17,221,064</u>	<u>17,214,605</u>	<u>6,459</u>
Revenues over (under) expenditures	<u>(16,664,190)</u>	<u>(16,647,777)</u>	<u>16,413</u>
<b>Other Financing Sources (Uses):</b>			
Transfer in - General Fund	5,743,098	5,743,098	-
Transfer in - special revenue funds	10,825,659	10,825,659	-
Transfer in - Solid waste	95,433	95,505	72
Total other financing sources (uses)	<u>16,664,190</u>	<u>16,664,262</u>	<u>72</u>
Net change in fund balance	<u>\$ -</u>	<u>16,485</u>	<u>\$ 16,485</u>
<b>Fund Balance:</b>			
Beginning of year - July 1			<u>6,905</u>
End of year - June 30		<u>\$ 23,390</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, 2013**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Other taxes and licenses	\$ 4,500,000	\$ 5,284,959	\$ 784,959
Restricted intergovernmental revenues	1,520,868	1,520,868	-
Total revenues	<u>6,020,868</u>	<u>6,805,827</u>	<u>784,959</u>
Revenues over (under) expenditures	<u>6,020,868</u>	<u>6,805,827</u>	<u>784,959</u>
<b>Other Financing Sources (Uses):</b>			
Transfer out - Debt Service Fund	(6,020,868)	(6,020,868)	-
Transfer out - other funds	(816,000)	(1,022,139)	(206,139)
Transfers in	139,295	278,590	139,295
Appropriated fund balance	676,705	-	(676,705)
Total other financing sources (uses)	<u>(6,020,868)</u>	<u>(6,764,417)</u>	<u>(743,549)</u>
Net change in fund balance	<u>\$ -</u>	<u>41,410</u>	<u>\$ 41,410</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>5,092,014</u>	
End of year - June 30		<u>\$ 5,133,424</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, 2013**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Local option sales tax - Article 46	\$ 3,500,000	\$ 4,136,720	\$ 636,720
Investment earnings	-	27,303	27,303
Total revenues	<u>3,500,000</u>	<u>4,164,023</u>	<u>664,023</u>
Revenues over expenditures	<u>3,500,000</u>	<u>4,164,023</u>	<u>664,023</u>
<b>Other Financing Sources (Uses):</b>			
Transfer out	(4,804,791)	(4,804,791)	-
Appropriated fund balance	1,304,791	-	(1,304,791)
Total other financing sources (uses)	<u>(3,500,000)</u>	<u>(4,804,791)</u>	<u>(1,304,791)</u>
Net change in fund balance	<u>\$ -</u>	<u>(640,768)</u>	<u>\$ (640,768)</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>7,693,147</u>	
End of year - June 30		<u>\$ 7,052,379</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, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 75,393,912	\$ 76,249,385	\$ 855,473	\$ 77,481,987
Penalties and interest	440,000	469,568	29,568	541,612
Total	<u>75,833,912</u>	<u>76,718,953</u>	<u>885,041</u>	<u>78,023,599</u>
<b>Other Taxes and Licenses:</b>				
Occupancy tax	22,000	24,205	2,205	25,288
Local option sales taxes	14,348,000	15,401,125	1,053,125	14,321,819
Payment in lieu of taxes	1,780,000	1,798,198	18,198	1,768,140
Privilege licenses	9,000	9,438	438	9,892
Marriage licenses	34,100	25,740	(8,360)	26,055
Gross receipts tax	201,500	214,311	12,811	229,152
Total	<u>16,394,600</u>	<u>17,473,017</u>	<u>1,078,417</u>	<u>16,380,346</u>
<b>Unrestricted Intergovernmental Revenues:</b>				
Alcohol, beer, and wine tax	225,000	245,353	20,353	259,093
Pitt County ABC Board	1,100,000	1,100,000	-	1,100,000
Social Services fees and grants	276,000	174,708	(101,292)	217,401
Total	<u>1,601,000</u>	<u>1,520,061</u>	<u>(80,939)</u>	<u>1,576,494</u>
<b>Restricted Intergovernmental Revenues:</b>				
Public Health fees and grants	5,377,413	4,926,589	(450,824)	5,627,559
Social Services fees and grants	21,147,327	19,706,617	(1,440,710)	20,403,815
Mental Health fees and grants	100,000	110,894	10,894	130,121
Jail fees	324,050	348,617	24,567	332,648
Automation E&P - Register of Deeds	50,000	88,971	38,971	79,142
Federal and State grants	111,283	99,279	(12,004)	263,750
Total	<u>27,110,073</u>	<u>25,280,967</u>	<u>(1,829,106)</u>	<u>26,837,035</u>
<b>Permits and Fees:</b>				
Building permits and inspection fees	476,000	457,260	(18,740)	307,267
Register of Deeds	541,000	734,957	193,957	660,260
Excise stamps	355,000	620,083	265,083	414,253
Rabies control fees	25,000	12,401	(12,599)	22,963
Animal fees	88,000	84,021	(3,979)	87,660
Court facility fees	297,500	249,762	(47,738)	261,391
Total	<u>1,782,500</u>	<u>2,158,484</u>	<u>375,984</u>	<u>1,753,794</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, 2013  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Sales and Services:</b>				
Rents, concessions, and fees	4,093,734	4,540,030	446,296	4,640,027
Federal and State prison inmate reimbursement	2,619,240	2,110,914	(508,326)	2,877,420
Total	6,712,974	6,650,944	(62,030)	7,517,447
<b>Investment Earnings</b>	<b>200,000</b>	<b>20,424</b>	<b>(179,576)</b>	<b>113,424</b>
<b>Miscellaneous:</b>				
Sale of capital assets	10,000	8,780	(1,220)	11,943
Other income	634,513	657,439	22,926	794,324
Total	644,513	666,219	21,706	806,267
Total revenues	130,279,572	130,489,069	209,497	133,008,406
<b>Expenditures:</b>				
<b>General Government:</b>				
Governing board, County Manager, legal, Public Information Officer	1,241,450	1,214,929	26,521	1,247,108
Finance, Tax Assessor, Tax Collector	2,961,680	2,717,416	244,264	3,043,499
Elections	680,418	679,377	1,041	613,412
Register of Deeds	673,280	641,240	32,040	711,089
Human resources	556,679	540,182	16,497	563,594
Print shop/mailroom, management information system, geographic information system	2,290,058	2,082,508	207,550	2,335,707
Buildings and grounds and housekeeping	2,845,056	2,665,293	179,763	2,553,735
Non-departmental - general administration	1,628,887	1,637,432	(8,545)	1,644,779
Total	12,877,508	12,178,377	699,131	12,712,923
<b>Public Safety:</b>				
Sheriff's Department, school security, other public safety	12,204,621	12,123,610	81,011	12,245,757
Detention Center, jail inmate services, jail health services	14,535,886	14,166,994	368,892	14,798,550
Emergency services	822,193	778,914	43,279	878,431
Communications	1,148,665	1,100,234	48,431	1,118,518
Planning E911	126,140	126,012	128	127,471
Animal and mosquito control	442,244	417,317	24,927	454,010
Inspections	257,329	247,541	9,788	273,355
Medical examiner	92,500	97,970	(5,470)	106,070
Transportation	4,500	4,669	(169)	4,669
Court facility	297,500	296,112	1,388	276,942
Total	29,931,578	29,359,373	572,205	30,283,773

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Environmental Protection:</b>				
Other environmental protection	-	-	-	11
Soil and water conservation	266,987	200,253	66,734	217,065
Total	266,987	200,253	66,734	217,076
<b>Economic and Physical Development:</b>				
Planning and zoning	635,261	601,624	33,637	637,734
Permitting center	116,496	112,482	4,014	126,644
Other economic development	174,000	173,913	87	173,913
Engineering	107,644	63,470	44,174	127,873
Cooperative extension	332,229	301,259	30,970	299,447
Farmers' Market	44,442	39,312	5,130	42,159
Natural disasters	-	-	-	311,318
Total	1,410,072	1,292,060	118,012	1,719,088
<b>Human Services:</b>				
Other human services	209,033	209,033	-	212,093
Veterans affairs	120,656	120,560	96	122,441
Total	329,689	329,593	96	334,534
<b>Public Health:</b>				
Administration	2,383,389	2,287,042	96,347	2,381,811
Services and programs	7,309,695	6,617,366	692,329	7,123,672
Total	9,693,084	8,904,408	788,676	9,505,483
<b>Social Services:</b>				
Administration	11,889,850	10,982,627	907,223	11,510,927
Services and programs	8,193,730	7,600,429	593,301	8,235,122
Public assistance	8,063,731	6,904,366	1,159,365	6,857,114
Child support	2,513,986	2,165,873	348,113	2,215,380
Total	30,661,297	27,653,295	3,008,002	28,818,543
<b>Mental Health:</b>				
Services and programs	587,500	599,182	(11,682)	618,258
Total	587,500	599,182	(11,682)	618,258
Total human services	41,271,570	37,486,478	3,785,092	39,276,818

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Education:</b>			
Pitt County schools	34,344,726	34,344,726	- 34,829,142
Pitt Community College	4,723,997	4,723,997	- 4,375,381
Total	39,068,723	39,068,723	- 39,204,523
<b>Cultural and Recreation</b>			
	590,095	590,667	(572) 618,966
<b>Debt Service</b>			
	314,997	314,991	6 314,996
Total expenditures	125,731,530	120,490,922	5,240,608 124,348,163
Revenues over (under) expenditures	4,548,042	9,998,147	5,450,105 8,660,243
<b>Other Financing Sources (Uses):</b>			
Transfers in (out):			
Special revenue funds	(114,602)	(135,202)	(20,600) (86,602)
Debt Service Fund	(5,743,098)	(5,743,098)	- (5,275,480)
Capital project funds	(1,031,700)	(1,031,700)	- (985,200)
Intrafund transfers	(1,000)	-	1,000 -
Appropriated fund balance	2,342,358	-	(2,342,358) -
Total other financing sources (uses)	(4,548,042)	(6,910,000)	(2,361,958) (6,347,282)
Net change in fund balance	\$ -	3,088,147	\$ 3,088,147 2,312,961
<b>Fund Balance:</b>			
Beginning of year - July 1		24,220,336	21,907,375
End of year - June 30		\$ 27,308,483	\$ 24,220,336

## PITT COUNTY, NORTH CAROLINA

### GENERAL FUND - COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL DEPARTMENTS FOR THE YEAR ENDED JUNE 30, 2013

	<i>Schedule B-3</i> General Services <u>Department</u>	<i>Schedule B-4</i> Public Health <u>Department</u>	<i>Schedule B-5</i> Social Services <u>Department</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 76,718,953	\$ -	\$ -
Other taxes and licenses	17,473,017	-	-
Unrestricted intergovernmental revenues	1,345,353	-	174,708
Restricted intergovernmental revenues	536,867	4,926,589	19,706,617
Permits and fees	1,908,722	-	-
Sales and services	6,336,509	-	314,435
Investment earnings	18,350	-	-
Miscellaneous	598,099	-	68,120
<b>Total revenues</b>	<b>104,935,870</b>	<b>4,926,589</b>	<b>20,263,880</b>
<b>Expenditures:</b>			
General government	12,178,377	-	-
Public safety	29,063,261	-	-
Environmental protection	200,253	-	-
Economic and physical development	1,292,060	-	-
Human services	329,593	8,904,408	27,653,295
Education	39,068,723	-	-
Cultural and recreational	590,667	-	-
Debt service	314,991	-	-
<b>Total expenditures</b>	<b>83,037,925</b>	<b>8,904,408</b>	<b>27,653,295</b>
Revenues over (under) expenditures	21,897,945	(3,977,819)	(7,389,415)
<b>Other Financing Sources (Uses):</b>			
Intrafund transfers in (out)	(13,267,418)	4,028,671	8,751,247
Transfers in (out):			
Out to special revenue funds	(135,202)	-	-
Out to Debt Service Fund	(5,743,098)	-	-
Out to Capital Project Fund	(1,031,700)	-	-
<b>Total other financing sources (uses)</b>	<b>(20,177,418)</b>	<b>4,028,671</b>	<b>8,751,247</b>
Net change in fund balances	1,720,527	50,852	1,361,832
<b>Fund Balances:</b>			
Beginning of year - July 1	17,790,248	1,052,579	5,364,410
End of year - June 30	<u>\$ 19,510,775</u>	<u>\$ 1,103,431</u>	<u>\$ 6,726,242</u>

**Schedule B-2**

<i>Schedule B-6</i>	<i>Schedule B-7</i>	
Court Facility Department	Mental Health Department	Combined Total
\$ -	\$ -	\$ 76,718,953
-	-	17,473,017
-	-	1,520,061
-	110,894	25,280,967
249,762	-	2,158,484
-	-	6,650,944
2,074	-	20,424
-	-	666,219
<u>251,836</u>	<u>110,894</u>	<u>130,489,069</u>
-	-	12,178,377
296,112	-	29,359,373
-	-	200,253
-	-	1,292,060
-	599,182	37,486,478
-	-	39,068,723
-	-	590,667
-	-	314,991
<u>296,112</u>	<u>599,182</u>	<u>120,490,922</u>
(44,276)	(488,288)	9,998,147
-	487,500	-
-	-	(135,202)
-	-	(5,743,098)
-	-	(1,031,700)
<u>-</u>	<u>487,500</u>	<u>(6,910,000)</u>
(44,276)	(788)	3,088,147
<u>6,129</u>	<u>6,970</u>	<u>24,220,336</u>
\$ (38,147)	\$ 6,182	\$ 27,308,483

**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, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 75,393,912	\$ 76,249,385	\$ 855,473	\$ 77,481,987
Penalties and interest	440,000	469,568	29,568	541,612
Total	<u>75,833,912</u>	<u>76,718,953</u>	<u>885,041</u>	<u>78,023,599</u>
<b>Other Taxes and Licenses:</b>				
Occupancy tax	22,000	24,205	2,205	25,288
Local options sales tax	14,348,000	15,401,125	1,053,125	14,321,819
Payment in lieu of tax	1,780,000	1,798,198	18,198	1,768,140
Privilege licenses	9,000	9,438	438	9,892
Marriage licenses	34,100	25,740	(8,360)	26,055
Gross receipts tax	<u>201,500</u>	<u>214,311</u>	<u>12,811</u>	<u>229,152</u>
Total	<u>16,394,600</u>	<u>17,473,017</u>	<u>1,078,417</u>	<u>16,380,346</u>
<b>Unrestricted Intergovernmental Revenues:</b>				
Alcohol, beer, and wine tax	225,000	245,353	20,353	259,093
Pitt County ABC Board	<u>1,100,000</u>	<u>1,100,000</u>	-	<u>1,100,000</u>
Total	<u>1,325,000</u>	<u>1,345,353</u>	<u>20,353</u>	<u>1,359,093</u>
<b>Restricted Intergovernmental Revenues:</b>				
Emergency management				
Jail fees	324,050	348,617	24,567	332,648
Automation E&P - Register of Deeds	50,000	88,971	38,971	79,142
Federal and State grants	<u>111,283</u>	<u>99,279</u>	<u>(12,004)</u>	<u>263,750</u>
Total	<u>485,333</u>	<u>536,867</u>	<u>51,534</u>	<u>675,540</u>
<b>Permits and Fees:</b>				
Building permits and inspection fees	476,000	457,260	(18,740)	307,267
Register of Deeds	541,000	734,957	193,957	660,260
Excise stamps	355,000	620,083	265,083	414,253
Rabies control fees	25,000	12,401	(12,599)	22,963
Animal fees	<u>88,000</u>	<u>84,021</u>	<u>(3,979)</u>	<u>87,660</u>
Total	<u>1,485,000</u>	<u>1,908,722</u>	<u>423,722</u>	<u>1,492,403</u>
<b>Sales and Services:</b>				
Rents, concessions, and fees	3,762,692	4,225,595	462,903	4,319,596
Federal and State prison inmate reimbursement	<u>2,619,240</u>	<u>2,110,914</u>	<u>(508,326)</u>	<u>2,877,420</u>
Total	<u>6,381,932</u>	<u>6,336,509</u>	<u>(45,423)</u>	<u>7,197,016</u>
<b>Investment Earnings</b>	<b>200,000</b>	<b>18,350</b>	<b>(181,650)</b>	<b>112,177</b>

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND - GENERAL SERVICES DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Miscellaneous:</b>				
Sale of fixed assets	10,000	8,780	(1,220)	11,943
Other income	588,203	589,319	1,116	708,240
Total	598,203	598,099	(104)	720,183
 Total revenues	 102,703,980	 104,935,870	 2,231,890	 105,960,357
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries and employee benefits	188,365	181,057	7,308	175,622
Operating expenses	20,400	22,393	(1,993)	23,004
Total	208,765	203,450	5,315	198,626
<b>County Manager:</b>				
Salaries and employee benefits	416,261	409,795	6,466	419,701
Operating expenses	19,918	18,669	1,249	21,876
Total	436,179	428,464	7,715	441,577
<b>Financial Services:</b>				
Salaries and employee benefits	713,041	679,598	33,443	755,116
Operating expenses	24,750	21,909	2,841	19,989
Total	737,791	701,507	36,284	775,105
<b>Tax Assessor:</b>				
Salaries and employee benefits	1,899,979	1,734,652	165,327	1,907,518
Operating expenses	323,910	281,257	42,653	360,876
Total	2,223,889	2,015,909	207,980	2,268,394
<b>Legal:</b>				
Salaries and employee benefits	412,671	412,026	645	426,701
Operating expenses	12,450	10,417	2,033	12,554
Total	425,121	422,443	2,678	439,255
<b>Elections:</b>				
Salaries and employee benefits	428,034	427,264	770	424,610
Operating expenses	252,384	252,113	271	188,802
Total	680,418	679,377	1,041	613,412

**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, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Register of Deeds:</b>				
Salaries and employee benefits	501,040	491,369	9,671	540,211
Operating expenses	172,240	149,871	22,369	170,878
Total	673,280	641,240	32,040	711,089
<b>Public Information Office:</b>				
Salaries and employee benefits	123,250	122,827	423	125,720
Operating expenses	48,135	37,745	10,390	41,930
Total	171,385	160,572	10,813	167,650
<b>Human Resources:</b>				
Salaries and employee benefits	547,240	531,433	15,807	555,148
Operating expenses	9,439	8,749	690	8,446
Total	556,679	540,182	16,497	563,594
<b>Print Shop/Mail Room:</b>				
Salaries and employee benefits	120,992	120,956	36	126,551
Operating expenses	46,500	35,684	10,816	37,220
Reimbursement from other departments/funds	(48,000)	(29,411)	(18,589)	(38,640)
Total	119,492	127,229	(7,737)	125,131
<b>Management Information Systems:</b>				
Salaries and employee benefits	2,234,979	2,068,077	166,902	2,322,167
Operating expenses	803,750	784,818	18,932	751,420
Reimbursement from other departments/funds	(1,125,173)	(1,122,188)	(2,985)	(1,109,728)
Total	1,913,556	1,730,707	182,849	1,963,859
<b>Geographical Information Systems:</b>				
Salaries and employee benefits	193,760	169,622	24,138	231,218
Operating expenses	176,250	165,153	11,097	150,891
Capital outlay	20,000	26,334	(6,334)	5,838
Reimbursement from other departments/funds	(133,000)	(136,537)	3,537	(141,230)
Total	257,010	224,572	32,438	246,717
<b>Buildings and Grounds:</b>				
Salaries and employee benefits	960,700	908,171	52,529	1,020,523
Operating expenses	1,530,841	1,412,807	118,034	1,189,047
Total	2,491,541	2,320,978	170,563	2,209,570

**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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Housekeeping:</b>				
Operating expenses	353,515	344,315	9,200	344,165
Total	353,515	344,315	9,200	344,165
<b>General Government Non-Allocated Expenditures</b>				
Other employee insurance and benefits	168,344	159,184	9,160	176,794
Professional services	112,500	124,318	(11,818)	127,847
Insurance and bonding	540,000	547,042	(7,042)	519,605
Quasi-external workers' compensation	650,000	650,000	-	650,000
Miscellaneous items	158,043	156,888	1,155	170,533
Total	1,628,887	1,637,432	(8,545)	1,644,779
Total general government	12,877,508	12,178,377	699,131	12,712,923
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and employee benefits	9,539,983	9,448,005	91,978	9,967,638
Operating expenses	1,480,041	1,527,855	(47,814)	1,432,892
Capital outlay	77,540	71,294	6,246	-
Total	11,097,564	11,047,154	50,410	11,400,530
<b>Detention Center:</b>				
Salaries and employee benefits	10,159,475	9,731,497	427,978	10,700,572
Operating expenses	2,402,252	2,440,760	(38,508)	2,360,461
Total	12,561,727	12,172,257	389,470	13,061,033
<b>Jail Health Services:</b>				
Salaries and benefits	1,764,928	1,764,928	-	1,606,254
Operating expenses	157,080	177,676	(20,596)	77,359
Total	1,922,008	1,942,604	(20,596)	1,683,613
<b>Jail Inmate Coordinator:</b>				
Salaries and benefits	52,151	52,133	18	53,904
Total	52,151	52,133	18	53,904
<b>School Security:</b>				
Salaries and benefits	539,615	547,774	(8,159)	536,910
Operating expenses	78,445	71,718	6,727	62,995
Total	618,060	619,492	(1,432)	599,905

## 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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Emergency Services:</b>				
Salaries and benefits	469,544	437,616	31,928	483,311
Operating expenses	352,649	341,298	11,351	395,120
Total	822,193	778,914	43,279	878,431
<b>Communications:</b>				
Salaries and benefits	1,082,772	1,052,120	30,652	1,064,300
Operating expenses	65,893	48,114	17,779	54,218
Total	1,148,665	1,100,234	48,431	1,118,518
<b>Planning E911:</b>				
Salaries and benefits	119,140	110,676	8,464	122,518
Operating expenses	7,000	15,336	(8,336)	4,953
Total	126,140	126,012	128	127,471
<b>Animal and Mosquito Control:</b>				
Salaries and employee benefits	304,130	298,680	5,450	321,588
Operating expenses	138,114	118,637	19,477	132,422
Total	442,244	417,317	24,927	454,010
<b>Inspections:</b>				
Salaries and employee benefits	230,479	228,954	1,525	253,636
Operating expenses	26,850	18,587	8,263	19,719
Total	257,329	247,541	9,788	273,355
<b>Medical Examiner:</b>				
Professional services	92,500	97,970	(5,470)	106,070
Total	92,500	97,970	(5,470)	106,070
<b>Other Public Safety:</b>				
Operating expenses	488,997	456,964	32,033	245,322
Total	488,997	456,964	32,033	245,322
<b>Transportation:</b>				
Operating expenses	4,500	4,669	(169)	4,669
Total	4,500	4,669	(169)	4,669
Total public safety	29,634,078	29,063,261	570,817	30,006,831

**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, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</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	240,260	182,512	57,748	198,700
Operating expenses	26,727	17,741	8,986	18,365
Total	266,987	200,253	66,734	217,065
Total environmental protection	266,987	200,253	66,734	217,076
<b>Economic and Physical Development:</b>				
<b>Planning and Zoning:</b>				
Salaries and employee benefits	587,011	559,416	27,595	601,697
Operating expenses	48,250	42,208	6,042	36,037
Total	635,261	601,624	33,637	637,734
<b>Permitting Center:</b>				
Salaries and benefits	107,746	105,328	2,418	119,291
Operating expenses	8,750	7,154	1,596	7,353
Total	116,496	112,482	4,014	126,644
<b>Other Economic Development:</b>				
Operating expenses	174,000	173,913	87	173,913
Total	174,000	173,913	87	173,913
<b>Engineering:</b>				
Salaries and employee benefits	101,691	59,391	42,300	122,749
Operating expenses	5,953	4,079	1,874	5,124
Total	107,644	63,470	44,174	127,873
<b>Cooperative Extension:</b>				
Operating expenses	90,662	83,817	6,845	94,136
Professional services	241,567	217,442	24,125	205,311
Total	332,229	301,259	30,970	299,447
<b>Farmers' Market:</b>				
Salaries and employee benefits	33,891	29,101	4,790	31,201
Professional services	10,551	10,211	340	10,958
Total	44,442	39,312	5,130	42,159

**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, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Natural Disasters:</b>				
Operating expenses	-	-	-	311,318
Total economic and physical development	1,410,072	1,292,060	118,012	1,719,088
<b>Human Services:</b>				
Other human services	209,033	209,033	-	212,093
Veterans affairs	120,656	120,560	96	122,441
Total human services	329,689	329,593	96	334,534
<b>Education:</b>				
<b>Pitt County Schools:</b>				
Current	34,344,726	34,344,726	-	34,454,142
Capital outlay	-	-	-	375,000
Total	34,344,726	34,344,726	-	34,829,142
<b>Pitt Community College:</b>				
Current	4,650,872	4,650,872	-	4,300,381
Capital outlay	73,125	73,125	-	75,000
Total	4,723,997	4,723,997	-	4,375,381
Total education	39,068,723	39,068,723	-	39,204,523
<b>Cultural and Recreational:</b>				
Cultural - contracts/grants	37,778	38,350	(572)	58,221
Libraries - contracts/grants	552,317	552,317	-	560,745
Total cultural and recreational	590,095	590,667	(572)	618,966
<b>Debt Service:</b>				
Principal repayments	293,424	304,786	(11,362)	296,579
Interest and fees	21,573	10,205	11,368	18,417
Total debt service	314,997	314,991	6	314,996
Total expenditures	84,492,149	83,037,925	1,454,224	85,128,937
Revenues over (under) expenditures	18,211,831	21,897,945	3,686,114	20,831,420

## 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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	2013		Variance Over/Under	2012
	Budget	Actual		
<b>Other Financing Sources (Uses):</b>				
Intrafund transfers in (out):				
Public Health from General Fund	(4,028,671)	(4,028,671)	-	(4,109,474)
DSS from General Fund	(8,751,247)	(8,751,247)	-	(8,821,405)
Mental Health	(487,500)	(487,500)	-	(467,500)
Total	(13,267,418)	(13,267,418)	-	(13,398,379)
Operating transfers in (out):				
Special revenue funds	(114,602)	(135,202)	(20,600)	(86,602)
Debt Service Fund	(5,743,098)	(5,743,098)	-	(5,275,480)
Capital project funds	(1,031,700)	(1,031,700)	-	(985,200)
Total	(6,889,400)	(6,910,000)	(20,600)	(6,347,282)
<b>Other:</b>				
Appropriated fund balance - General Fund	1,944,987		-	(1,944,987)
Total	1,944,987		-	(1,944,987)
Total other financing sources (uses)	(18,211,831)	(20,177,418)	(1,965,587)	(19,745,661)
Net change in fund balance	\$ -	\$ 1,720,527	\$ 1,720,527	\$ 1,085,759

**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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>Variance Over/Under</b>	<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
<b>Revenues:</b>					
Restricted intergovernmental revenues:					
Administration	\$ 381,764	\$ 387,738	\$ 5,974	\$ 347,056	
Environmental health	96,800	90,974	(5,826)	100,157	
Food and lodging	13,532	14,898	1,366	12,818	
Vector control program	11,180	11,180	-	34,206	
Tuberculosis	56,093	66,923	10,830	54,983	
Tuberculosis CDC	30,595	39,133	8,538	39,133	
Adolescent pregnancy grants	5,402	4,550	(852)	5,744	
Healthy Start	167,243	148,158	(19,085)	163,736	
Carolina Access II	113,000	102,639	(10,361)	113,304	
Cardiovascular health	155,644	153,571	(2,073)	153,203	
Project assistance	83,000	81,352	(1,648)	-	
Adult health	3,865	30,954	27,089	4,547	
Health promotion	13,675	23,240	9,565	32,533	
AIDS	55,000	4,689	(50,311)	56,201	
Breast/cervical cancer prevention	87,029	58,266	(28,763)	38,712	
Communicable disease	189,967	262,659	72,692	201,919	
Infant mortality	75,000	66,639	(8,361)	79,900	
Child health	290,486	226,348	(64,138)	339,162	
Maternal health	609,200	399,611	(209,589)	714,408	
Family planning	437,199	421,500	(15,699)	555,902	
Maternity care coordination	327,000	325,175	(1,825)	362,636	
Child services coordination	315,800	322,627	6,827	375,335	
WIC administration	109,232	43,513	(65,719)	41,603	
WIC nutrition	364,142	298,906	(65,236)	319,495	
WIC breastfeeding	9,402	54,686	45,284	51,956	
WIC client services	375,365	447,622	72,257	458,220	
Immunization action plan	32,896	45,940	13,044	49,934	
Mobile dental unit	112,667	61,534	(51,133)	133,192	
In-Home breastfeeding	59,789	48,158	(11,631)	46,574	
Nurse family partnership	526,187	458,971	(67,216)	467,179	
Emergency planning - HD	102,700	101,943	(757)	72,760	
Bioterrorism team	-	-	-	20,795	
DHHS Funds	72,701	60,069	(12,632)	65,825	
WIC Peer Counseling	46,156	30,607	(15,549)	26,481	
Public Health Ready	-	-	-	36,982	
Diabetes Recognition Program	47,702	31,816	(15,886)	50,968	
Total revenues	5,377,413	4,926,589	(450,824)	5,627,559	

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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	2013		Variance Over/Under	2012
	Budget	Actual		
<b>Expenditures:</b>				
Administration	2,383,389	2,287,042	96,347	2,381,811
Environmental health	1,133,461	1,116,649	16,812	1,120,822
Food and lodging	20,556	19,993	563	9,086
Vector Control Program	78,752	75,234	3,518	93,611
Tuberculosis	94,735	92,114	2,621	93,493
Tuberculosis CDC	30,595	19,573	11,022	64,375
Adolescent pregnancy prevention	5,402	3,459	1,943	2,698
Healthy Start	167,243	147,924	19,319	165,407
Cardiovascular health	113,000	102,640	10,360	113,191
Smart Start	155,644	153,711	1,933	154,272
Project Assistance	83,000	81,352	1,648	-
Adult health	27,290	24,929	2,361	27,019
Health promotion	114,775	101,766	13,009	147,166
AIDS	55,000	5,045	49,955	56,249
Breast/cervical cancer prevention	87,029	47,409	39,620	27,673
Communicable disease	847,461	767,510	79,951	821,947
Infant mortality	83,941	83,529	412	84,475
Child health	302,236	228,976	73,260	308,475
Maternal health	721,979	644,986	76,993	689,981
Family planning	606,630	524,390	82,240	591,131
Maternity care coordination	349,862	340,474	9,388	212,246
Child services coordination	357,806	334,938	22,868	524,849
WIC administration	109,882	109,458	424	112,668
WIC nutrition	363,022	361,582	1,440	370,793
WIC breastfeeding	7,997	7,371	626	3,529
WIC client services	376,540	357,415	19,125	366,015
Immunization action plan	37,422	36,974	448	40,094
Mobile dental unit	112,667	93,083	19,584	134,153
ABCD Project Grant	-	-	-	37,143
Nurse family partnership	526,187	458,363	67,824	468,080
Emergency planning - HD	100,420	96,225	4,195	62,109
In-home breastfeeding	59,789	49,821	9,968	46,574
Public Health special projects	700	(155)	855	-
Bioterrorism team	-	-	-	19,939
DHHS funds	72,701	59,931	12,770	65,627
WIC peer counseling	46,156	29,288	16,868	26,527
Hispanic Peer	9,613	9,476	137	14,430
Diabetes Recognition Program	50,202	31,933	18,269	47,825
Total expenditures	9,693,084	8,904,408	788,676	9,505,483
Revenues over (under) expenditures	(4,315,671)	(3,977,819)	337,852	(3,877,924)
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer from General Fund	4,027,671	4,028,671	1,000	4,109,474
Appropriated fund balance	288,000	-	(288,000)	-
Total other financing sources (uses)	4,315,671	4,028,671	(287,000)	4,109,474
Net change in fund balance	\$ -	\$ 50,852	\$ 50,852	\$ 231,550

## 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, 2013 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012	
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Unrestricted intergovernmental revenues:				
Fees and grants	\$ 276,000	\$ 174,708	\$ (101,292)	\$ 217,401
Restricted intergovernmental revenues:	21,147,327	19,706,617	(1,440,710)	20,403,815
Sales and services	331,042	314,435	(16,607)	320,431
Miscellaneous	46,310	68,120	21,810	86,084
Total revenues	<u>21,800,679</u>	<u>20,263,880</u>	<u>(1,536,799)</u>	<u>21,027,731</u>
<b>Expenditures:</b>				
Social services administration	1,297,631	1,298,025	(394)	1,306,582
Other administration expenses	1,118,950	1,048,147	70,803	1,047,299
Regular services administration	5,337,020	4,997,608	339,412	5,373,709
Purchased services	8,079,730	7,524,322	555,408	8,151,591
Public assistance programs	4,341,782	3,462,007	879,775	3,523,636
Long-term screening	114,000	76,107	37,893	83,531
General assistance	50,973	32,721	18,252	20,309
Title IV D child support	2,513,986	2,165,873	348,113	2,215,380
WorkFirst	1,206,338	1,077,313	129,025	1,292,499
Daycare	388,960	314,248	74,712	400,587
Income maintenance administration	4,136,249	3,638,847	497,402	3,783,337
Energy programs	1,760,584	1,711,988	48,596	1,288,319
Purchased services HCCBG	315,094	306,089	9,005	331,764
Total expenditures	<u>30,661,297</u>	<u>27,653,295</u>	<u>3,008,002</u>	<u>28,818,543</u>
Revenues over (under) expenditures	<u>(8,860,618)</u>	<u>(7,389,415)</u>	<u>1,471,203</u>	<u>(7,790,812)</u>
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer in - General Fund	8,751,247	8,751,247	-	8,821,405
Appropriated fund balance	109,371	-	(109,371)	-
Total other financing sources (uses)	<u>8,860,618</u>	<u>8,751,247</u>	<u>(109,371)</u>	<u>8,821,405</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,361,832</u>	<u>\$ 1,361,832</u>	<u>\$ 1,030,593</u>

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND - COURT FACILITY DEPARTMENT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Permits and fees:				
Court facility fees	\$ 297,500	\$ 249,762	\$ (47,738)	\$ 261,391
Investment earnings	-	2,074	2,074	1,247
Total revenues	<u>297,500</u>	<u>251,836</u>	<u>(45,664)</u>	<u>262,638</u>
<b>Expenditures:</b>				
Public safety:				
Salaries and employee benefits	60,306	59,932	374	61,863
Operating expenses	<u>237,194</u>	<u>236,180</u>	<u>1,014</u>	<u>215,079</u>
Total expenditures	<u>297,500</u>	<u>296,112</u>	<u>1,388</u>	<u>276,942</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (44,276)</u>	<u>\$ (44,276)</u>	<u>\$ (14,304)</u>

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND - MENTAL HEALTH DEPARTMENT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
General agency - administration	\$ 100,000	\$ 110,894	\$ 10,894	\$ 130,121
Total revenues	<u>100,000</u>	<u>110,894</u>	<u>10,894</u>	<u>130,121</u>
<b>Expenditures:</b>				
General agency	587,500	599,182	(11,682)	618,258
Total expenditures	<u>587,500</u>	<u>599,182</u>	<u>(11,682)</u>	<u>618,258</u>
Revenues over (under) expenditures	<u>(487,500)</u>	<u>(488,288)</u>	<u>(788)</u>	<u>(488,137)</u>
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer in - General Fund	487,500	487,500	-	467,500
Total other financing sources (uses)	<u>487,500</u>	<u>487,500</u>	<u>-</u>	<u>467,500</u>
Net change in fund balance	\$ -	\$ (788)	\$ (788)	\$ (20,637)

## 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, 2013**

	<i>Schedule C-3</i>	<i>Schedule C-4</i>	<i>Schedule C-5</i>
	State/Federal Forfeiture Fund	CDBG Special Revenue Fund	CDBG Single Family Rehab Special Revenue Fund
<b>Assets:</b>			
Cash, cash equivalents, and investments	\$ 69,908	\$ 428	\$ 1,970
Taxes receivable, net	-	-	-
Accounts receivable, net	-	-	-
Prepaid items	-	-	-
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets	<u>\$ 69,908</u>	<u>\$ 428</u>	<u>\$ 1,970</u>
 <b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 33,110	\$ -	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>33,110</u>	<u>-</u>	<u>-</u>
 <b>Deferred Inflows of Resources:</b>			
Taxes receivable	-	-	-
Other receivables	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Fund Balances:</b>			
Non-spendable - prepaid items	-	-	-
Restricted for stabilization of State statute	-	-	-
Restricted	-	428	-
Assigned	36,798	-	1,970
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>36,798</u>	<u>428</u>	<u>1,970</u>
 Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 69,908</u>	<u>\$ 428</u>	<u>\$ 1,970</u>

**Schedule C-1**

<i>Schedule C-6</i>	<i>Schedule C-7</i>	<i>Schedule C-8</i>	<i>Schedule C-9</i>	<i>Schedule C-10</i>	
State Grants Fund	Pitt Area Transit System Special Revenue Fund	Fire Districts Fund	EMS District Fund	Emergency Telephone System Fund	Total
\$ 161,370	\$ -	\$ 58,216	\$ 1,251,510	\$ 447,267	\$ 1,990,669
-	-	164,883	242,024	-	406,907
90,072	135,425	-	366,295	44,484	636,276
-	24,591	-	115,329	-	139,920
-	-	-	163,460	-	163,460
<u>\$ 251,442</u>	<u>\$ 160,016</u>	<u>\$ 223,099</u>	<u>\$ 2,138,618</u>	<u>\$ 491,751</u>	<u>\$ 3,337,232</u>
\$ 131,025	\$ 6,418	\$ 21,570	\$ 17,826	\$ 7,744	\$ 217,693
-	163,460	-	-	-	163,460
<u>131,025</u>	<u>169,878</u>	<u>21,570</u>	<u>17,826</u>	<u>7,744</u>	<u>381,153</u>
-	-	164,883	242,024	-	406,907
-	-	-	366,289	56	366,345
-	-	164,883	608,313	56	773,252
-	24,591	-	115,329	-	139,920
90,072	135,425	-	163,466	44,428	433,391
-	-	36,646	1,233,684	439,523	1,710,281
30,345	-	-	-	-	69,113
-	(169,878)	-	-	-	(169,878)
<u>120,417</u>	<u>(9,862)</u>	<u>36,646</u>	<u>1,512,479</u>	<u>483,951</u>	<u>2,182,827</u>
<u>\$ 251,442</u>	<u>\$ 160,016</u>	<u>\$ 223,099</u>	<u>\$ 2,138,618</u>	<u>\$ 491,751</u>	<u>\$ 3,337,232</u>

**PITT COUNTY, NORTH CAROLINA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013**

	<i>Schedule C-3</i>	<i>Schedule C-4</i>	<i>Schedule C-5</i>
	State/Federal Forfeiture Fund	CDBG Special Revenue Fund	CDBG Single Family Rehab Special Revenue Fund
<b>Revenues:</b>			
Ad valorem taxes	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	122,061	-	102,165
Sales and services	-	-	-
Investment earnings	821	-	-
Miscellaneous	-	-	-
Total revenues	122,882	-	102,165
<b>Expenditures:</b>			
Current:			
Public safety	316,517	-	-
Economic and physical development	-	-	92,844
Debt service	-	-	-
Total expenditures	316,517	-	92,844
Revenues over (under) expenditures	(193,635)	-	9,321
<b>Other Financing Sources (Uses):</b>			
Debt obligation issued	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(193,635)	-	9,321
<b>Fund Balances:</b>			
Beginning of year - July 1	230,433	428	(7,351)
End of year - June 30	\$ 36,798	\$ 428	\$ 1,970

**Schedule C-2**

<i>Schedule C-6</i>	<i>Schedule C-7</i>	<i>Schedule C-8</i>	<i>Schedule C-9</i>	<i>Schedule C-10</i>	
State Grants Fund	Pitt Area Transit System Special Revenue Fund	Fire Districts Fund	EMS District Fund	Emergency Telephone System Fund	Total
\$ -	\$ -	\$ 1,993,754	\$ 2,626,573	\$ -	\$ 4,620,327
2,617,128	1,191,888	-	-	-	4,033,242
-	68,931	-	2,564,559	533,819	3,167,309
-	-	-	17,014	1,261	19,096
125,595	-	-	32,500	-	158,095
<u>2,742,723</u>	<u>1,260,819</u>	<u>1,993,754</u>	<u>5,240,646</u>	<u>535,080</u>	<u>11,998,069</u>
-	-	1,982,783	5,419,037	386,037	8,104,374
2,790,912	849,292	-	-	-	3,733,048
-	-	-	233,111	-	233,111
<u>2,790,912</u>	<u>849,292</u>	<u>1,982,783</u>	<u>5,652,148</u>	<u>386,037</u>	<u>12,070,533</u>
<u>(48,189)</u>	<u>411,527</u>	<u>10,971</u>	<u>(411,502)</u>	<u>149,043</u>	<u>(72,464)</u>
-	-	-	589,882	-	589,882
98,153	37,049	-	-	-	135,202
-	(14,200)	-	-	-	(14,200)
<u>98,153</u>	<u>22,849</u>	<u>-</u>	<u>589,882</u>	<u>-</u>	<u>710,884</u>
49,964	434,376	10,971	178,380	149,043	638,420
<u>70,453</u>	<u>(444,238)</u>	<u>25,675</u>	<u>1,334,099</u>	<u>334,908</u>	<u>1,544,407</u>
<u>\$ 120,417</u>	<u>\$ (9,862)</u>	<u>\$ 36,646</u>	<u>\$ 1,512,479</u>	<u>\$ 483,951</u>	<u>\$ 2,182,827</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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
Federal asset seizure funds	\$ 36,284	\$ 36,285	\$ 1	\$ 37,758
Federal/State excise tax	83,007	85,776	2,769	74,728
Investment earnings	-	821	821	-
Total revenues	<u>119,291</u>	<u>122,882</u>	<u>3,591</u>	<u>112,486</u>
<b>Expenditures:</b>				
Public safety	349,723	316,517	33,206	50,503
Total expenditures	<u>349,723</u>	<u>316,517</u>	<u>33,206</u>	<u>50,503</u>
Revenues over (under) expenditures	<u>(230,432)</u>	<u>(193,635)</u>	<u>36,797</u>	<u>61,983</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	230,432	-	(230,432)	-
Total other financing sources (uses)	<u>230,432</u>	<u>-</u>	<u>(230,432)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(193,635)</u>	<u>\$ (193,635)</u>	<u>\$ 61,983</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			230,433	
End of year - June 30			<u>\$ 36,798</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, 2013**

	<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	\$ 825,000	\$ 501,207	\$ -	\$ 501,207
CDBG 2007-2008	400,000	399,996	-	399,996
CDBG 2009-2010	400,000	396,652	-	396,652
Total revenues	<u>1,625,000</u>	<u>1,297,855</u>	<u>-</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	625,000	399,754	-	399,754
CDBG 2011-2012	3,500	-	-	-
Total expenditures	<u>1,628,500</u>	<u>1,300,927</u>	<u>-</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, 2013**

	<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:			
Federal grants	\$ 323,263	\$ 56,298	\$ 102,165
Total revenues	<u>323,263</u>	<u>56,298</u>	<u>102,165</u>
			<u>158,463</u>
<b>Expenditures:</b>			
Single Family Rehab	323,263	63,649	92,844
Total expenditures	<u>323,263</u>	<u>63,649</u>	<u>92,844</u>
			<u>156,493</u>
Net change in fund balance	\$ -	\$ (7,351)	\$ 9,321
			<u>1,970</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, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
State grants	\$ 34,540,629	\$ 2,617,128	\$ (31,923,501)	\$ 3,225,294
Miscellaneous	132,976	125,595	(7,381)	75,945
Total revenues	<u>34,673,605</u>	<u>2,742,723</u>	<u>(31,930,882)</u>	<u>3,301,239</u>
<b>Expenditures:</b>				
Economic and physical development:				
Salaries and benefits	930,125	638,123	292,002	674,698
Operating expenses	<u>33,825,265</u>	<u>2,152,789</u>	<u>31,672,476</u>	<u>2,597,184</u>
Total expenditures	<u>34,755,390</u>	<u>2,790,912</u>	<u>31,964,478</u>	<u>3,271,882</u>
Revenues over (under) expenditures	<u>(81,785)</u>	<u>(48,189)</u>	<u>33,596</u>	<u>29,357</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	105,234	98,153	(7,081)	36,515
Contingency	<u>(23,449)</u>	<u>-</u>	<u>23,449</u>	<u>-</u>
Total other financing sources (uses)	<u>81,785</u>	<u>98,153</u>	<u>16,368</u>	<u>36,515</u>
Net change in fund balance	<u>\$ -</u>	<u>49,964</u>	<u>\$ 49,964</u>	<u>\$ 65,872</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>70,453</u>	
End of year - June 30			<u>\$ 120,417</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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Restricted intergovernmental revenues	\$ 1,020,059	\$ 1,191,888	\$ 171,829	\$ 627,998
Sales and services	95,036	68,931	(26,105)	101,354
Total revenues	<u>1,115,095</u>	<u>1,260,819</u>	<u>145,724</u>	<u>729,352</u>
<b>Expenditures:</b>				
Economic and physical development:				
DOT Administrative Grant	1,137,944	849,292	288,652	1,102,794
Total expenditures	<u>1,137,944</u>	<u>849,292</u>	<u>288,652</u>	<u>1,102,794</u>
Revenues over (under) expenditures	<u>(22,849)</u>	<u>411,527</u>	<u>434,376</u>	<u>(373,442)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	37,049	37,049	-	48,848
Transfers (out)	(14,200)	(14,200)	-	(14,200)
Total other financing sources (uses)	<u>22,849</u>	<u>22,849</u>	<u>-</u>	<u>34,648</u>
Net change in fund balance	<u>\$ -</u>	<u>434,376</u>	<u>\$ 434,376</u>	<u>\$ (338,794)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>(444,238)</u>	
End of year - June 30			<u>\$ (9,862)</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, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,985,043	\$ 1,993,754	\$ 8,711
Total revenues	<u>1,985,043</u>	<u>1,993,754</u>	<u>8,711</u>
<b>Expenditures:</b>			
Public safety	1,985,043	1,982,783	2,260
Total expenditures	<u>1,985,043</u>	<u>1,982,783</u>	<u>2,260</u>
Net change in fund balance	\$ <u>-</u>	10,971	\$ <u>10,971</u>
			\$ <u>11,435</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>25,675</u>	
End of year - June 30		<u>\$ 36,646</u>	

## PITT COUNTY, NORTH CAROLINA

## EMS DISTRICT FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	2013		2012	
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,475,546	\$ 2,626,573	\$ 151,027	\$ 2,590,849
Investment income	-	17,014	17,014	18,473
Transport fees	2,413,332	2,564,559	151,227	2,456,399
Miscellaneous	-	32,500	32,500	-
Total revenues	<u>4,888,878</u>	<u>5,240,646</u>	<u>351,768</u>	<u>5,065,721</u>
<b>Expenditures:</b>				
Public safety	5,503,431	5,419,037	84,394	4,870,589
Debt service	<u>233,121</u>	<u>233,111</u>	<u>10</u>	<u>138,256</u>
Total expenditures	<u>5,736,552</u>	<u>5,652,148</u>	<u>84,404</u>	<u>5,008,845</u>
Revenues over (under) expenditures	(847,674)	(411,502)	436,172	56,876
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	590,000	589,882	(118)	-
Appropriated fund balance	<u>257,674</u>	<u>-</u>	<u>(257,674)</u>	<u>-</u>
Total other financing sources (uses)	<u>847,674</u>	<u>589,882</u>	<u>(257,792)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>178,380</u>	<u>\$ 178,380</u>	<u>\$ 56,876</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>1,334,099</u>	
End of year - June 30			<u>\$ 1,512,479</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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	2013		2012	
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Sales and services - wireless fees	\$ 533,804	\$ 533,819	\$ 15	\$ 441,535
Investment earnings	-	1,261	1,261	20
Total revenues	<u>533,804</u>	<u>535,080</u>	<u>1,276</u>	<u>441,555</u>
<b>Expenditures:</b>				
Public safety:				
Implementation functions	360,456	170,082	190,374	169,421
Telephone	108,057	89,878	18,179	94,714
Furniture	-	-	-	9,948
Software maintenance	-	95,630	(95,630)	94,169
Hardware maintenance	-	29,707	(29,707)	18,911
Training	500	740	(240)	-
Reserve	64,791	-	64,791	-
Capital outlay	-	-	-	240,993
S.L. 2010-158 expenditures	-	-	-	555,015
Total expenditures	<u>533,804</u>	<u>386,037</u>	<u>147,767</u>	<u>1,183,171</u>
Revenues over (under) expenditures	-	149,043	149,043	(741,616)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	-	-	-	1,239
Total other financing sources (uses)	-	-	-	1,239
Net change in fund balance	\$ -	149,043	\$ 149,043	\$ (740,377)
<b>Fund Balance:</b>				
Beginning of year - July 1			334,908	
End of year - June 30			<u>\$ 483,951</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) Bowen Farm Capital Project** - Established to account for funds used in establishing the infrastructure needs on the Bowen Farm campus, renovate the Humber Building and establish local match for state bond funds.
- **Pitt Community College (PCC) 2010 Capital Project** – Established to account for bond proceeds issued in 2010 to build three new facilities on the college campus.
- **Pitt Community College (PCC) Vernon White Capital Project** – Established to account for work done to the Vernon White facility.
- **Guaranteed Energy Savings Project** – Established to account for funds used to make Pitt County Government facilities more energy efficient.
- **Chicod Capital Project** – Established to account for the local and grant funds being used for improvements on the Chicod School campus.
- **2009 LOBS Education Projects** – Established to account for bond proceeds used in the construction/renovation at several local public school facilities.
- **Sadie Saulter Capital Project** - Established to account for proceeds of Qualified School Construction Bonds (QSCBs) which are funding work on this school campus.
- **Communication Expansion Project Fund** – Established to account for proceeds of bank loan for upgrading county-wide communications system to P25 compliance per FCC mandate.
- **Community 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, 2013**

	<i>Schedule D-3</i> <b>Pitt Community College (Bowen Farm) Capital Project Fund</b>	<i>Schedule D-4</i> <b>Pitt Community College 2010 Capital Project Fund</b>	<i>Schedule D-5</i> <b>Vernon White Capital Project Fund</b>	<i>Schedule D-6</i> <b>Energy Savings Capital Project Fund</b>	<i>Schedule D-8</i> <b>Chicod Capital Project Fund</b>	<i>Schedule D-9</i> <b>2009 LOBS Education Projects Capital Project Fund</b>
<b>Assets:</b>						
Cash, cash equivalents, and investments	\$ 297,053	\$ -	\$ 28,452	\$ 316,388	\$ -	\$ -
Cash and investments, restricted	-	1,546,166	-	884,347	-	4,011,952
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 297,053</b>	<b>\$ 1,546,166</b>	<b>\$ 28,452</b>	<b>\$ 1,200,735</b>	<b>\$ -</b>	<b>\$ 4,011,952</b>
<b>Liabilities and Fund Balances:</b>						
<b>Liabilities:</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ 316,388	\$ -	\$ -
Due to other funds	-	-	-	-	95,783	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>316,388</b>	<b>95,783</b>	<b>-</b>
<b>Fund Balances:</b>						
Restricted for stabilization of State statute	-	-	-	-	-	-
Restricted	-	1,546,166	-	884,347	-	4,011,952
Committed	297,053	-	28,452	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	(95,783)	-
<b>Total fund balances</b>	<b>297,053</b>	<b>1,546,166</b>	<b>28,452</b>	<b>884,347</b>	<b>(95,783)</b>	<b>4,011,952</b>
<b>Total liabilities and fund balances</b>	<b>\$ 297,053</b>	<b>\$ 1,546,166</b>	<b>\$ 28,452</b>	<b>\$ 1,200,735</b>	<b>\$ -</b>	<b>\$ 4,011,952</b>

**Schedule D-1**

<i>Schedule D-10</i>	<i>Schedule D-11</i>	<i>Schedule D-12</i>	<i>Schedule D-13</i>	<i>Schedule D-14</i>	<i>Schedule D-15</i>	
Sadie Sauter 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	<i>Total</i>
\$ 426,133	\$ 54,061	\$ 17,220	\$ 11,620	\$ 678,532	\$ 964,217	\$ 2,313,482 6,922,659
-	-	-	-	-	928	928
-	-	-	-	-	95,783	95,783
<u>\$ 426,133</u>	<u>\$ 54,061</u>	<u>\$ 17,220</u>	<u>\$ 11,620</u>	<u>\$ 678,532</u>	<u>\$ 1,060,928</u>	<u>\$ 9,332,852</u>
\$ -	\$ -	\$ 1,665	\$ -	\$ 206,139	\$ -	\$ 524,192 95,783
-	-	-	-	-	-	619,975
<u>-</u>	<u>-</u>	<u>1,665</u>	<u>-</u>	<u>206,139</u>	<u>-</u>	<u>619,975</u>
- 426,133	- 54,061	- 15,555	- 11,620	- 472,393	- 964,217	- 96,711 6,922,659 352,680 1,436,610 (95,783)
-	-	-	-	-	-	
<u>426,133</u>	<u>54,061</u>	<u>15,555</u>	<u>11,620</u>	<u>472,393</u>	<u>1,060,928</u>	<u>8,712,877</u>
<u>\$ 426,133</u>	<u>\$ 54,061</u>	<u>\$ 17,220</u>	<u>\$ 11,620</u>	<u>\$ 678,532</u>	<u>\$ 1,060,928</u>	<u>\$ 9,332,852</u>

**PITT COUNTY, NORTH CAROLINA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013**

	<i>Schedule D-3</i> <b>Pitt Community College (Bowen Farm) Capital Project Fund</b>	<i>Schedule D-4</i> <b>Pitt Community College 2010 Capital Project Fund</b>	<i>Schedule D-5</i> <b>Vernon White Capital Project Fund</b>	<i>Schedule D-6</i> <b>Energy Savings Capital Project Fund</b>	<i>Schedule D-7</i> <b>Stokes/Pactolus ARRA Sewer Capital Project Fund</b>	<i>Schedule D-8</i> <b>Chicod Capital Project Fund</b>
<b>Revenues:</b>						
Investment earnings	\$ -	\$ 1,625	\$ -	\$ 2,717	\$ -	\$ -
Sales tax refund	-	13,021	-	-	-	16,381
Total revenues	-	14,646	-	2,717	-	16,381
<b>Expenditures:</b>						
Public safety	-	-	-	-	-	-
Economic and physical development	-	-	-	2,894,283	-	1,549,949
Education	-	724,939	126,276	-	-	-
Total expenditures	-	724,939	126,276	2,894,283	-	1,549,949
Revenues over (under) expenditures	-	(710,293)	(126,276)	(2,891,566)	-	(1,533,568)
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(139,295)	-
Debt obligation issued	-	-	-	3,775,913	-	1,660,040
Total other financing sources (uses)	-	-	-	3,775,913	(139,295)	1,660,040
Net change in fund balances	-	(710,293)	(126,276)	884,347	(139,295)	126,472
<b>Fund Balances:</b>						
Beginning of year - July 1	297,053	2,256,459	154,728	-	139,295	(222,255)
End of year - June 30	\$ 297,053	\$ 1,546,166	\$ 28,452	\$ 884,347	\$ -	\$ (95,783)

**Schedule D-2**

<b>Schedule D9</b>	<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>2009 LOBS</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>
<b>Education Projects Capital Project Fund</b>	<b>Sadie Saulter Capital Project Fund</b>						
\$ 1,624	\$ 215	\$ 1,347	\$ -	\$ -	\$ -	\$ 3,742	\$ 11,270
17,866	88,627	45,041	-	-	-	-	180,936
<b>19,490</b>	<b>88,842</b>	<b>46,388</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,742</b>	<b>192,206</b>
-	-	2,430,607	-	-	-	-	2,430,607
-	-	-	-	-	-	-	4,444,232
-	-	-	-	-	800,250	-	1,651,465
-	-	2,430,607	-	-	800,250	-	8,526,304
19,490	88,842	(2,384,219)	-	-	(800,250)	3,742	(8,334,098)
-	-	-	-	-	882,844	-	882,844
-	-	-	-	-	-	-	(139,295)
-	-	-	-	-	-	-	5,435,953
-	-	-	-	-	882,844	-	6,179,502
19,490	88,842	(2,384,219)	-	-	82,594	3,742	(2,154,596)
3,992,462	337,291	2,438,280	15,555	11,620	389,799	1,057,186	10,867,473
<b>\$ 4,011,952</b>	<b>\$ 426,133</b>	<b>\$ 54,061</b>	<b>\$ 15,555</b>	<b>\$ 11,620</b>	<b>\$ 472,393</b>	<b>\$ 1,060,928</b>	<b>\$ 8,712,877</b>

**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, 2013**

			<b>Actual</b>		
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>	
<b>Revenues:</b>					
Investment earnings	\$ 521,523	\$ -	\$ -	\$ -	\$ -
Miscellaneous	31,205	-	-	-	-
Total revenues	<u>552,728</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>					
Capital outlay:					
General construction	16,357,247	4,765,339	-	4,765,339	4,765,339
Total expenditures	<u>16,357,247</u>	<u>4,765,339</u>	<u>-</u>	<u>4,765,339</u>	<u>4,765,339</u>
Revenues over (under) expenditures	(15,804,519)	(4,765,339)	-	(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	5,062,392
Total other financing sources (uses)	<u>15,804,519</u>	<u>5,062,392</u>	<u>-</u>	<u>5,062,392</u>	<u>5,062,392</u>
Net change in fund balance	\$ -	\$ 297,053	\$ -	\$ -	\$ 297,053

## Note:

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

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

**PITT COUNTY, NORTH CAROLINA**

**PITT COMMUNITY COLLEGE (PCC) CAPITAL PROJECT FUND - 2010 PROJECT  
CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	<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	\$ 13,021	\$ 201,264
Investment earnings	<u>-</u>	<u>15,162</u>	<u>1,625</u>	<u>16,787</u>
Total revenues	<u>-</u>	<u>203,405</u>	<u>14,646</u>	<u>218,051</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	22,436,990	20,383,936	724,939	21,108,875
Total expenditures	<u>22,436,990</u>	<u>20,383,936</u>	<u>724,939</u>	<u>21,108,875</u>
Revenues over (under) expenditures	<u>(22,436,990)</u>	<u>(20,180,531)</u>	<u>(710,293)</u>	<u>(20,890,824)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	22,112,573	22,112,573	-	22,112,573
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>\$ 2,256,459</u>	<u>\$ (710,293)</u>	<u>\$ 1,546,166</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, 2013**

	<b>Actual</b>		
	<b>Project Authorization</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	\$ 126,276
Total expenditures	<u>806,437</u>	<u>124,834</u>	<u>126,276</u>
Revenues over (under) expenditures	<u>(806,437)</u>	<u>(124,834)</u>	<u>(126,276)</u>
			<u>(251,110)</u>
<b>Other Financing Sources (Uses):</b>			
Debt obligation issued	526,875	-	-
Transfers in (out)	<u>279,562</u>	<u>279,562</u>	<u>279,562</u>
Total other financing sources (uses)	<u>806,437</u>	<u>279,562</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 154,728</u>	<u>\$ (126,276)</u>
			<u>\$ 28,452</u>

Note:

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

**PITT COUNTY, NORTH CAROLINA**

**ENERGY SAVINGS CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

			<b>Actual</b>	
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ 2,717	\$ 2,717
Total revenues	<u>-</u>	<u>-</u>	<u>2,717</u>	<u>2,717</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	806,437	-	2,894,283	2,894,283
Total expenditures	<u>806,437</u>	<u>-</u>	<u>2,894,283</u>	<u>2,894,283</u>
Revenues over (under) expenditures	<u>(806,437)</u>	<u>-</u>	<u>(2,891,566)</u>	<u>(2,891,566)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	526,875	-	3,775,913	3,775,913
Transfers in (out)	279,562	-	-	-
Total other financing sources (uses)	<u>806,437</u>	<u>-</u>	<u>3,775,913</u>	<u>3,775,913</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 884,347</u>	<u>\$ 884,347</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, 2013**

	<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	\$ 901,132	\$ 866,721	\$ -	\$ 866,721
Sales tax refund	- <u>                  </u>	126,961	- <u>                  </u>	126,961
Total revenues	<u>901,132</u>	<u>993,682</u>	- <u>                  </u>	993,682
<b>Expenditures:</b>				
Capital outlay:				
General construction	1,662,969	1,721,108	- <u>                  </u>	1,721,108
Total expenditures	<u>1,662,969</u>	<u>1,721,108</u>	- <u>                  </u>	1,721,108
Revenues over (under) expenditures	(761,837)	(727,426)	- <u>                  </u>	(727,426)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	901,132	866,721	- <u>                  </u>	866,721
Transfers out	(139,295)	- <u>                  </u>	(139,295)	(139,295)
Total other financing sources (uses)	<u>761,837</u>	<u>866,721</u>	(139,295) <u>                  </u>	727,426
Net change in fund balance	<u>\$ -</u>	<u>\$ 139,295</u>	<u>\$ (139,295)</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**

**CHICOD CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

			<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	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Sales tax refund	-	1,265	16,381		17,646
Miscellaneous	512,440	-	-		-
<b>Total revenues</b>	<b>1,012,440</b>	<b>1,265</b>	<b>16,381</b>		<b>17,646</b>
<b>Expenditures:</b>					
Capital outlay:					
General construction	4,903,269	2,724,865	1,549,949	4,274,814	
Issuance fees	39,460	39,460	-		39,460
<b>Total expenditures</b>	<b>4,942,729</b>	<b>2,764,325</b>	<b>1,549,949</b>		<b>4,314,274</b>
Revenues over (under) expenditures	(3,930,289)	(2,763,060)	(1,533,568)		(4,296,628)
<b>Other Financing Sources (Uses):</b>					
Debt obligation issued	1,973,000	-	1,660,040	1,660,040	
Transfers in	2,540,805	2,540,805	-		2,540,805
Contingency	(583,516)	-	-		-
<b>Total other financing sources (uses)</b>	<b>3,930,289</b>	<b>2,540,805</b>	<b>1,660,040</b>		<b>4,200,845</b>
Net change in fund balance	\$ -	\$ (222,255)	\$ 126,472	\$ (95,783)	

## Note:

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

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

**PITT COUNTY, NORTH CAROLINA**

**2009 LOBS EDUCATION PROJECTS CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	<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	\$ -	\$ 812,824	\$ 17,866
Investment income	<u>-</u>	<u>32,436</u>	<u>1,624</u>
Total revenues	<u>-</u>	<u>845,260</u>	<u>19,490</u>
<b>Expenditures:</b>			
Capital outlay:			
New K-5 Elementary School	13,120,532	11,131,853	-
DH Conley	8,157,539	8,227,919	-
Eastern Elementary	9,819,549	9,015,754	-
Farmville Central High School	3,093,619	2,953,072	-
Issuance fees	720,000	716,763	-
Total expenditures	<u>34,911,239</u>	<u>32,045,361</u>	<u>-</u>
Revenues over (under) expenditures	<u>(34,911,239)</u>	<u>(31,200,101)</u>	<u>19,490</u>
			<u>(31,180,611)</u>
<b>Other Financing Sources (Uses):</b>			
Debt obligation issued	35,145,000	35,145,000	-
Premiums received from issuance of debt	47,563	47,563	-
Contingency	(281,324)	-	-
Total other financing sources (uses)	<u>34,911,239</u>	<u>35,192,563</u>	<u>-</u>
Net change in fund balance	\$ -	\$ 3,992,462	\$ 19,490
			<u>\$ 4,011,952</u>

**Note:**

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

**PITT COUNTY, NORTH CAROLINA**

**SADIE SAULTER CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013**

	<b>Actual</b>		
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>
			<b>Total To Date</b>
<b>Revenues:</b>			
Investment income	\$ -	\$ 4,287	\$ 215
Sales tax refund	<u>-</u>	<u>61,358</u>	<u>88,627</u>
Total revenues	<u>-</u>	<u>65,645</u>	<u>88,842</u>
<b>Expenditures:</b>			
Capital outlay:			
General construction	5,836,500	5,629,513	-
Issuance fees	<u>116,000</u>	<u>51,341</u>	<u>-</u>
Total expenditures	<u>5,952,500</u>	<u>5,680,854</u>	<u>-</u>
Revenues over (under) expenditures	(5,952,500)	(5,615,209)	88,842
<b>Other Financing Sources (Uses):</b>			
Debt obligation issued	<u>5,952,500</u>	<u>5,952,500</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 337,291</u>	<u>\$ 88,842</u>
			<u>\$ 426,133</u>

## 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, 2013**

	<b>Actual</b>		
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>
			<b>Total To Date</b>
<b>Revenues:</b>			
Investment income	\$ -	\$ 1,134	\$ 1,347
Sales tax refund	<u>-</u>	<u>-</u>	<u>45,041</u>
Total revenues	<u>-</u>	<u>1,134</u>	<u>46,388</u>
			<u>47,522</u>
<b>Expenditures:</b>			
Capital outlay:			
General construction	<u>5,500,000</u>	<u>3,062,854</u>	<u>2,430,607</u>
Total expenditures	<u>5,500,000</u>	<u>3,062,854</u>	<u>2,430,607</u>
Revenues over (under) expenditures	(5,500,000)	(3,061,720)	(2,384,219)
			(5,445,939)
<b>Other Financing Sources (Uses):</b>			
Debt obligation issued	<u>5,500,000</u>	<u>5,500,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,438,280</u>	<u>\$ (2,384,219)</u>
			<u>\$ 54,061</u>

## 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, 2013**

	<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	211,000	184,414	-	184,414
<b>Total revenues</b>	<b>1,115,000</b>	<b>1,096,658</b>	<b>-</b>	<b>1,096,658</b>
<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	480,000	477,685	-	477,685
Professional fees	94,782	101,496	-	101,496
<b>Total expenditures</b>	<b>2,489,653</b>	<b>2,481,103</b>	<b>-</b>	<b>2,481,103</b>
Revenues over (under) expenditures	(1,374,653)	(1,384,445)	-	(1,384,445)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	1,400,000	1,400,000	-	1,400,000
Contingency	(25,347)	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,374,653</b>	<b>1,400,000</b>	<b>-</b>	<b>1,400,000</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ 15,555</b>	<b>\$ -</b>	<b>\$ 15,555</b>

## 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, 2013**

	<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	817,258	817,258
Federal and other grants	400,000	800,000	800,000
Total revenues	<u>1,728,851</u>	<u>1,676,630</u>	<u>1,676,630</u>
<b>Expenditures:</b>			
Capital outlay:			
General construction	<u>2,432,739</u>	<u>2,359,620</u>	<u>2,359,620</u>
Total expenditures	<u>2,432,739</u>	<u>2,359,620</u>	<u>2,359,620</u>
Revenues over (under) expenditures	<u>(703,888)</u>	<u>(682,990)</u>	<u>(682,990)</u>
<b>Other Financing Sources (Uses):</b>			
Debt obligation issued	404,278	395,000	395,000
Transfers in (out)	<u>299,610</u>	<u>299,610</u>	<u>299,610</u>
Total other financing sources (uses)	<u>703,888</u>	<u>694,610</u>	<u>694,610</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 11,620</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, 2013**

	<b>Annual Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Expenditures:</b>			
Gymnasium upgrades	\$ 426,000	\$ 330,400	\$ 95,600
Maintenance	97,828	125,038	(27,210)
Computer equipment	182,518	100,000	82,518
Electrical	30,000	-	30,000
Roofing	548,106	244,812	303,294
Total expenditures	<u>1,284,452</u>	<u>800,250</u>	<u>484,202</u>
Revenues over (under) expenditures	<u>(1,284,452)</u>	<u>(800,250)</u>	<u>484,202</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in (out)	816,000	882,844	66,844
Appropriated fund balance	468,452	-	(468,452)
Total other financing sources (uses)	<u>1,284,452</u>	<u>882,844</u>	<u>(401,608)</u>
Net change in fund balance	<u>\$ -</u>	<u>82,594</u>	<u>\$ 82,594</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>389,799</u>	
End of year - June 30		<u>\$ 472,393</u>	

**Note:**

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

**PITT COUNTY, NORTH CAROLINA**

**INDUSTRIAL DEVELOPMENT BUILDING FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>Variance Over/Under</b>	<b>2012</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 3,742	\$ 3,742	\$ 27	
Total revenues	<u>-</u>	<u>3,742</u>	<u>3,742</u>	<u>27</u>	
Net change in fund balance	\$ -	3,742	\$ 3,742	\$ 27	
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>1,057,186</u>		
End of year - June 30			<u>\$ 1,060,928</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, 2013

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

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating revenues:				
User charges	\$ 7,312,834	\$ 7,579,217	\$ 266,383	\$ 7,722,439
Investment earnings	-	18,889	18,889	89
Restricted intergovernmental revenues	104,878	(7,449)	(112,327)	755,856
Other	482,200	687,171	204,971	739,105
Total operating revenues	<u>7,899,912</u>	<u>8,277,828</u>	<u>377,916</u>	<u>9,217,489</u>
Non-operating revenues:				
Proceeds from sale of capital assets	-	44,544	44,544	57,257
Total revenues	<u>7,899,912</u>	<u>8,322,372</u>	<u>422,460</u>	<u>9,274,746</u>
<b>Expenditures:</b>				
Salaries and employee benefits	1,231,925	1,178,777	53,148	1,141,362
Supplies and materials	1,249,830	1,027,134	222,696	1,017,321
Contract labor and other services	1,427,000	1,430,923	(3,923)	1,323,624
Contracted services - waste disposal	3,759,847	3,976,858	(217,011)	4,033,172
Hurricane clean up	-	-	-	695,310
Capital outlay	343,305	211,724	131,581	298,186
Total expenditures	<u>8,011,907</u>	<u>7,825,416</u>	<u>186,491</u>	<u>8,508,975</u>
Revenues over (under) expenditures	<u>(111,995)</u>	<u>496,956</u>	<u>608,951</u>	<u>765,771</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	220,000	-	(220,000)	-
Transfer to Debt Service Fund	(95,505)	(95,505)	-	(8,255)
Transfer to Internal Service Fund	(12,500)	(12,500)	-	(12,500)
Total other financing sources (uses)	<u>111,995</u>	<u>(108,005)</u>	<u>(220,000)</u>	<u>(20,755)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 388,951</u>	<u>\$ 388,951</u>	<u>\$ 745,016</u>
<b>Reconciliation from Modified Accrual Basis to Full Accrual Basis:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 388,951		
Reconciling items:				
Capital outlay items capitalized		211,724		
Depreciation		(254,406)		
Change in closure and post-closure costs accrual		60,000		
Capital contribution		<u>707,696</u>		
Change in net position		<u>\$ 1,113,965</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 STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS  
JUNE 30, 2013

	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	\$ 109,330	\$ 2,926,263	\$ 547,396	\$ 3,759,934
Accounts receivable	1,220	-	-	1,220
Prepaid items	-	-	-	142,541
Total current assets	<u>110,550</u>	<u>2,926,263</u>	<u>547,396</u>	<u>3,903,695</u>
Total assets	<u>110,550</u>	<u>2,926,263</u>	<u>547,396</u>	<u>3,903,695</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable and accrued expenses	75,885	713,427	-	2,124
Total liabilities	<u>75,885</u>	<u>713,427</u>	<u>-</u>	<u>2,124</u>
<b>Net Position:</b>				
Unrestricted net position	34,665	2,212,836	547,396	317,362
Total net position	<u>\$ 34,665</u>	<u>\$ 2,212,836</u>	<u>\$ 547,396</u>	<u>\$ 317,362</u>

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013

	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	\$ 974,253	\$ 395,410	\$ -	\$ -	\$ 1,369,663
Interfund services charges	-	7,959,928	-	650,000	8,609,928
Miscellaneous	-	6,420	-	-	6,420
Total operating revenues	<u>974,253</u>	<u>8,361,758</u>	<u>-</u>	<u>650,000</u>	<u>9,986,011</u>
<b>Operating Expenses:</b>					
Salaries and employee benefits	-	(33,405)	-	-	(33,405)
Equipment maintenance	978,852	-	-	-	978,852
Medical claims costs	-	8,227,297	1,063,102	-	9,290,399
Claims reimbursement	-	-	-	578,251	578,251
Total operating expenses	<u>978,852</u>	<u>8,193,892</u>	<u>1,063,102</u>	<u>578,251</u>	<u>10,814,097</u>
Operating income (loss)	<u>(4,599)</u>	<u>167,866</u>	<u>(1,063,102)</u>	<u>71,749</u>	<u>(828,086)</u>
<b>Non-Operating Revenues:</b>					
Transfer in (out)	-	(50,000)	1,081,700	26,700	1,058,400
Investment earnings	-	7,463	-	779	8,242
Total non-operating revenues	<u>-</u>	<u>(42,537)</u>	<u>1,081,700</u>	<u>27,479</u>	<u>1,066,642</u>
Change in net position	<u>(4,599)</u>	<u>125,329</u>	<u>18,598</u>	<u>99,228</u>	<u>238,556</u>
<b>Net Position:</b>					
Beginning of year - July 1	<u>39,264</u>	<u>2,087,507</u>	<u>528,798</u>	<u>218,134</u>	<u>2,873,703</u>
End of year - June 30	<u>\$ 34,665</u>	<u>\$ 2,212,836</u>	<u>\$ 547,396</u>	<u>\$ 317,362</u>	<u>\$ 3,112,259</u>

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013

	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	\$ 974,453	\$ 475,633	\$ -	\$ -	\$ 1,450,086
Cash received from interfund services	-	7,959,928	-	650,000	8,609,928
Cash paid to suppliers	(905,693)	(8,129,373)	(1,063,102)	(594,217)	(10,692,385)
Cash paid to employees	(70,689)	-	-	-	(70,689)
Net cash provided (used) by operating activities	<u>(1,929)</u>	<u>306,188</u>	<u>(1,063,102)</u>	<u>55,783</u>	<u>(703,060)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Transfer in (out)	-	(50,000)	1,081,700	26,700	1,058,400
<b>Cash Flows from Investing Activities:</b>					
Investment earnings	-	7,463	-	779	8,242
Net increase (decrease) in cash and cash equivalents	(1,929)	263,651	18,598	83,262	363,582
<b>Cash and Cash Equivalents:</b>					
Beginning of year - July 1	111,259	2,662,612	528,798	93,683	3,396,352
End of year - June 30	<u>\$ 109,330</u>	<u>\$ 2,926,263</u>	<u>\$ 547,396</u>	<u>\$ 176,945</u>	<u>\$ 3,759,934</u>
<b>Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:</b>					
Operating income (loss)	\$ (4,599)	\$ 167,866	\$ (1,063,102)	\$ 71,749	\$ (828,086)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	200	73,803	-	-	74,003
(Increase) decrease in prepaids	-	-	-	(18,090)	(18,090)
(Increase) decrease in inventories	2,511	-	-	-	2,511
Increase (decrease) in accounts payable and accrued expenses	(41)	64,519	-	2,124	66,602
Net cash provided (used) by operating activities	<u>\$ (1,929)</u>	<u>\$ 306,188</u>	<u>\$ (1,063,102)</u>	<u>\$ 55,783</u>	<u>\$ (703,060)</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, 2013**

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
User charges	\$ 1,113,575	\$ 974,253	\$ (139,322)
Total operating revenues	<u>1,113,575</u>	<u>974,253</u>	<u>(139,322)</u>
<b>Operating Expenses:</b>			
Equipment maintenance	1,123,575	978,852	144,723
Total operating expenses	<u>1,123,575</u>	<u>978,852</u>	<u>144,723</u>
Operating income (loss)	(10,000)	(4,599)	5,401
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Change in net position	<u>\$ -</u>	<u>\$ (4,599)</u>	<u>\$ (4,599)</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, 2013**

	<u>Plan</u>	<u>Actual</u>	<b>Variance Over/Under</b>
<b>Operating Revenues:</b>			
User charges	\$ 238,320	\$ 395,410	\$ 157,090
Miscellaneous revenues	6,203	6,420	217
Interfund services charges	<u>8,163,159</u>	<u>7,959,928</u>	<u>(203,231)</u>
Total operating revenues	<u>8,407,682</u>	<u>8,361,758</u>	<u>(45,924)</u>
<b>Operating Expenses:</b>			
Salaries and employee benefits	54,821	(33,405)	88,226
Medical claims costs	<u>8,984,362</u>	<u>8,227,297</u>	<u>757,065</u>
Total operating expenses	<u>9,039,183</u>	<u>8,193,892</u>	<u>845,291</u>
Operating income (loss)	<u>(631,501)</u>	<u>167,866</u>	<u>799,367</u>
<b>Non-Operating Revenues:</b>			
Investment earnings	-	7,463	7,463
Total non-operating revenues	<u>-</u>	<u>7,463</u>	<u>7,463</u>
<b>Other Financing Sources (Uses):</b>			
Transfer in (out)	(50,000)	(50,000)	-
Appropriated fund balance	<u>681,501</u>	<u>-</u>	<u>(681,501)</u>
Change in net position	<u>\$ -</u>	<u>\$ 125,329</u>	<u>\$ 125,329</u>

**PITT COUNTY, NORTH CAROLINA**

**RETIREE MEDICAL INSURANCE INTERNAL SERVICE FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**PLAN AND ACTUAL (NON-GAAP)**

**FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Plan</u>	<u>Actual</u>	<b>Variance Over/Under</b>
<b>Operating Expenses:</b>			
Medical claims costs	\$ 1,066,700	\$ 1,063,102	\$ 3,598
Operating income (loss)	(1,066,700)	(1,063,102)	3,598
<b>Non-Operating Revenues:</b>			
Transfer in (out)	1,031,700	1,081,700	50,000
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	35,000	-	(35,000)
Change in net position	\$ -	\$ 18,598	\$ 18,598

**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, 2013**

	<u>Plan</u>	<u>Actual</u>	<b>Variance Over/Under</b>
<b>Operating Revenues:</b>			
Interfund services charges	\$ 650,000	\$ 650,000	\$ -
<b>Operating Expenses:</b>			
Claims reimbursement	676,700	578,251	98,449
Operating income (loss)	(26,700)	71,749	98,449
<b>Non-Operating Revenues:</b>			
Transfer in	26,700	26,700	-
Investment earnings	-	779	779
Total non-operating revenues	26,700	27,479	779
Change in net position	\$ -	\$ 99,228	\$ 99,228

**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, 2013

	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	\$ 385,878	\$ 158,021	\$ 9,588	\$ 29,072	\$ 582,559
Total assets	<u>\$ 385,878</u>	<u>\$ 158,021</u>	<u>\$ 9,588</u>	<u>\$ 29,072</u>	<u>\$ 582,559</u>
<b>Liabilities:</b>					
Deposits held in custody for others	\$ 385,878	\$ 158,021	\$ 9,588	\$ -	\$ 553,487
Deferred compensation benefits payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,072</u>	<u>29,072</u>
Total liabilities	<u>\$ 385,878</u>	<u>\$ 158,021</u>	<u>\$ 9,588</u>	<u>\$ 29,072</u>	<u>\$ 582,559</u>

**PITT COUNTY, NORTH CAROLINA****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
TRUST AND AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013**

	<b>Balance</b>			<b>Balance</b>
	<b>July 01, 2012</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2013</b>
<b>Social Services, Sheriff, and Other Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 154,102	\$ 817,699	\$ (585,923)	\$ 385,878
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 154,102	\$ 817,699	\$ (585,923)	\$ 385,878
<b>Tax Collections Held for Municipalities Agency Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 95,089	\$ 35,695,218	\$ (35,632,286)	\$ 158,021
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 95,089	\$ 35,695,218	\$ (35,632,286)	\$ 158,021
<b>3% Interest Payable to State Agency Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 8,589	\$ 109,452	\$ (108,453)	\$ 9,588
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 8,589	\$ 109,452	\$ (108,453)	\$ 9,588
<b>Flexible Benefit Agency Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 26,891	\$ 178,559	\$ (176,378)	\$ 29,072
<b>Liabilities:</b>				
Deferred compensation benefits payable	\$ 26,891	\$ 178,559	\$ (176,378)	\$ 29,072
<b>Total - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 284,671	\$ 36,800,928	\$ (36,503,040)	\$ 582,559
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 257,780	\$ 36,622,369	\$ (36,326,662)	\$ 553,487
Deferred compensation benefits payable	\$ 26,891	\$ 178,559	\$ (176,378)	\$ 29,072
Total liabilities	<u>\$ 284,671</u>	<u>\$ 36,800,928</u>	<u>\$ (36,503,040)</u>	<u>\$ 582,559</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 Position by Component,**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

	<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>	<u>2013</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 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	\$ 2,947,086
Restricted	668,584	470,026	678,647	717,353	200,598	199,051	178,243	15,413,852	10,949,019	12,335,906
Unrestricted	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	-8,196,111
Total governmental activities net position	\$ 55,085,604	\$ 58,353,380	\$ 48,306,862	\$ 40,287,968	\$ 31,107,865	\$ 40,524,444	\$ 34,648,163	\$ 6,453,930	\$ 2,588,674	\$ 7,086,881
<b>Business-type activities</b>										
Net investment in capital assets	\$ 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	\$ 3,563,524
Restricted	(1,259,552)	(1,898,732)	(1,634,988)	(689,280)	(623,834)	(191,582)	878,331	1,639,256	2,444,272	2,895,804
Total business-type activities net position	\$ 210,131	\$ (175,378)	\$ 183,996	\$ 1,381,329	\$ 1,546,745	\$ 2,481,936	\$ 3,699,760	\$ 4,510,123	\$ 5,345,363	\$ 6,459,328
<b>Primary government</b>										
Net investment in capital assets	\$ 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	\$ 6,510,610
Restricted	668,584	470,026	678,647	717,353	200,598	199,051	178,243	15,413,852	10,949,019	12,335,906
Unrestricted	33,533,173	38,926,317	36,336,424	29,828,707	23,083,701	33,353,035	8,460,331	-10,634,106	-3,522,312	-5,300,307
Total primary government net position	\$ 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	\$ 13,546,209

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

	2004	2005	2006	2007	2008	Year Ended June 30 2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental activities:										
General government	\$ 12,562,758	\$ 13,501,699	\$ 16,037,941	\$ 15,101,864	\$ 18,117,235	\$ 16,704,353	\$ 16,768,759	\$ 19,876,656	\$ 16,702,756	\$ 16,702,756
Public safety	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	42,976,133
Economic & physical development	4,174,365	4,335,915	3,274,182	5,156,590	4,924,122	5,337,923	7,633,411	6,728,810	9,655,223	10,116,946
Environmental protection	213,262	208,524	4,469	245,464	248,179	259,750	267,785	245,159	230,549	200,253
Human Services	54,915,560	58,880,082	67,135,085	54,707,785	48,987,705	46,606,871	44,209,437	41,740,952	40,545,062	38,623,179
Cultural and recreation	491,838	505,161	457,882	583,843	645,517	608,328	718,401	698,384	618,966	590,667
Education	33,489,829	36,679,407	37,016,790	48,738,593	47,639,044	44,078,522	51,034,996	53,506,480	38,098,594	33,948,819
Debt service	4,205,707	4,556,482	4,976,804	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>132,566,136</u>	<u>142,247,857</u>	<u>154,115,311</u>	<u>157,702,294</u>	<u>157,703,750</u>	<u>6,931,700</u>	<u>4,270,139</u>	<u>6,967,304</u>	<u>9,001,235</u>	<u>6,952,420</u>
Business-type activities:										
Solid Waste	6,381,866	7,072,121	6,917,906	6,719,860	7,714,185	6,737,540	6,809,686	7,348,253	8,361,494	7,763,554
Total primary government expenses	<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>\$ 166,917,155</u>	<u>\$ 169,609,573</u>	<u>\$ 157,469,727</u>
<b>Program Revenues</b>										
Governmental activities										
Charges for services:										
General government	\$ 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	\$ 5,635,529
4,552,552	7,603,330	7,291,508	3,015	8,752,760	8,484,120	8,611,068	8,631,804	9,341,259	10,234,128	9,987,128
14,064	2,635	243,384	3,245	3,245	3,825	15,237	165,475	584,174	183,709	168,709
-	137,937	5,127,900	265,127	192,034	15,497	101,973	73,019	50,504	38,004	38,004
38,900,115	5,177,386	3,134,045	5,661,649	5,927,338	23,003	6,698,097	6,323,684	5,694,120	5,169,120	5,169,120
-	-	8,945	34,717	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
General government	255,485	-	25,800	-	283,037	2,426	7,348	20,334	3,269	8,501
37,736	32,200	263,177	293,962	788,756	2,279,470	120,165	100,592	56,387	263,750	228,750
1,935,588	2,621,715	91,610	98,086	227,341	-	5,218,265	4,367,361	3,764,654	3,514,654	
-	73,156	42,757,967	30,318,848	19,540,492	21,751,026	23,191,163	-	-	-	-
-	35,944,964	-	-	789,760	7,033,741	1,183,917	5,083,917	21,147,778	21,157,852	20,505,352
-	-	1,130,018	-	-	-	-	-	725,706	600,706	
Capital grants and contributions:										
General government	-	57,358	-	111,854	98,719	235,915	288,300	207,368	-	-
-	64,074	-	2,920,434	1,672,867	1,293,371	157,578	2,177	37,758	16,758	
-	-	-	-	1,969,407	1,969,407	107,686	307,686	51,725	40,680	
-	-	-	-	0	0	769,744	126,903	96,977	65,977	
-	-	-	1,462,000	1,821,032	117,996	64,383	358,751	1,548,346	1,418,346	
-	-	-	37,524	-	-	-	-	-	-	
Operating grants and contributions:										
General government	-	56,579,414	1,273,940	51,347,624	43,727,360	54,195,124	52,504,815	53,309,153	49,719,017	47,398,214
Public safety										
Economic & physical development										
Environmental protection										
Human Services										
Cultural and recreation										
Education										
Cultural and recreation										
Social services										
Total governmental activities program revenues	<u>55,120,584</u>	<u>56,579,414</u>	<u>62,460,085</u>	<u>51,347,624</u>	<u>43,727,360</u>	<u>54,195,124</u>	<u>52,504,815</u>	<u>53,309,153</u>	<u>49,719,017</u>	<u>47,398,214</u>

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

	2004	2005	2006	2007	2008	Year Ended June 30 2009	2010	2011	2012	2013
Business-type activities:										
Charge for services - Solid Waste	6,275,664	6,886,238	7,277,190	7,916,793	7,851,102	7,864,223	8,023,307	8,145,483	8,461,544	8,266,388
Capital grants and contributions - Solid Waste	194,705	-	-	-	-	5,783	-	12,248	755,556	700,247
Total business-type activities	6,470,369	6,886,238	7,277,190	7,916,793	7,851,102	7,860,006	8,023,307	8,157,731	9,217,400	8,966,635
Total primary government program revenues	\$ 61,590,053	\$ 63,265,652	\$ 68,737,275	\$ 59,264,417	\$ 51,578,462	\$ 61,865,130	\$ 60,528,122	\$ 61,466,884	\$ 58,936,417	\$ 56,364,849
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (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)	\$ (102,307,959)
Business-type activities	\$ 88,503	\$ (385,883)	\$ 359,284	\$ 1,196,933	\$ 136,917	\$ 932,466	\$ 1,213,321	\$ 809,478	\$ 855,906	\$ (1,203,081)
Total primary government net (expense)/revenue	\$ (77,357,049)	\$ (86,054,326)	\$ (91,295,942)	\$ (105,157,737)	\$ (113,776,505)	\$ (97,196,254)	\$ (110,344,530)	\$ (105,450,281)	\$ (110,673,156)	\$ (101,104,878)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	\$ 49,795,001	\$ 60,786,461	\$ 64,079,131	\$ 65,841,171	\$ 70,155,690	\$ 77,862,674	\$ 78,618,324	\$ 79,984,365	\$ 82,303,935	\$ 81,542,495
Local option sales tax	23,262,295	26,939,641	26,425,763	28,162,325	29,660,569	17,816,780	14,166,657	14,704,181	14,321,819	15,401,125
Payment in lieu of taxes and other taxes	-	-	1,614,982	1,683,750	1,752,849	12,164,104	11,109,775	10,655,050	10,876,593	11,493,571
Interest earned on investments	806,846	1,510,066	2,054,907	2,647,891	3,164,210	1,126,732	362,113	138,986	140,704	89,550
Loss on disposal of capital assets	-	-	(12,566,106)	81,608,677	98,335,737	-	108,970,290	-	(27,417,055)	-
Total governmental activities:	\$ 73,864,142	\$ 88,936,168	\$ 104,733,318	\$ 104,733,318	\$ 104,733,318	\$ 104,733,318	\$ 104,256,869	\$ 78,055,527	\$ 107,643,051	\$ 108,526,741
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous	106	371	90	-	400	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	\$ 106	\$ 371	\$ 90	\$ 400	\$ 400	\$ 28,499	\$ 3,191	\$ 4,203	\$ 885	\$ 89
Total primary government	\$ 73,864,248	\$ 88,936,539	\$ 81,608,767	\$ 98,336,137	\$ 104,761,817	\$ 108,973,481	\$ 104,261,072	\$ 78,066,412	\$ 107,643,140	\$ 108,545,630
<b>Change in Net Position</b>										
Governmental activities	\$ (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)	\$ 6,218,782
Business-type activities	\$ 88,609	\$ (385,512)	\$ 359,374	\$ 1,197,333	\$ 165,416	\$ 935,657	\$ 1,217,824	\$ 810,363	\$ 855,995	\$ 1,221,970
Total primary government	\$ (3,492,801)	\$ 2,882,213	\$ (9,687,175)	\$ (6,821,600)	\$ (9,014,688)	\$ 11,777,227	\$ (6,083,458)	\$ (27,383,889)	\$ (3,030,016)	\$ 7,440,752

Table 3

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

		Year Ended June 30							
		2004	2005	2006	2007	2008	2009		
<b>General Fund</b>									
Reserved for:									
State statute	\$ 8,121,763	\$ 10,630,636	\$ 10,148,617	\$ 7,890,551	\$ 7,276,450	\$ 5,723,696	\$ 5,315,377	\$ -	\$ -
Prepaid Items	72,871	75,128	189,070	169,571	125,818	108,552	166,883		
Future wireless E-911/Public Safety expenditures	-	-	-	-	291,941	209,058	160,058		
For Register of Deeds	254,354	155,028	233,586	190,924	200,598	198,051	178,243		
Public Safety - Winterville Rural Fire Department	-	-	-	-	-	-	116,670		
Public Safety - Ayden Fire Department	-	-	-	-	-	-	11,567		
For Mental Health	-	-	-	-	-	-	-		
Total reserved	8,448,988	10,860,792	10,571,273	10,522,315	8,344,807	6,240,357	5,948,798		
Unreserved									
Designated for subsequent year's expenditures									
Designated for Potential TSR Refund (MH)	4,668,853	5,800,011	4,968,202	7,038,044	5,486,442	6,753,916	5,342,211		
Undesignable - prepaid items	20,005,649	16,631,302	18,075,910	17,805,686	17,387,066	16,593,431	19,625,099		
Nonspendable - prepaid items	-	-	-	-	-	-	127,233	96,021	150,981
Restricted by Stabilization of State Statute	-	-	-	-	-	-	5,930,673	6,859,363	7,718,515
Restricted	-	-	-	-	-	-	249,769	130,713	153,970
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	4,215,000	2,288,000	2,288,000
Unassigned	-	-	-	-	-	-	11,384,700	14,846,239	16,997,917
Total General Fund	\$ 33,123,490	\$ 33,292,195	\$ 33,615,385	\$ 35,366,045	\$ 31,218,315	\$ 29,587,704	\$ 30,916,108	\$ 21,907,375	\$ 24,220,336
	<b>\$ 33,123,490</b>	<b>\$ 33,292,195</b>	<b>\$ 33,615,385</b>	<b>\$ 35,366,045</b>	<b>\$ 31,218,315</b>	<b>\$ 29,587,704</b>	<b>\$ 30,916,108</b>	<b>\$ 21,907,375</b>	<b>\$ 24,220,336</b>
	<b>\$ 33,123,490</b>	<b>\$ 33,292,195</b>	<b>\$ 33,615,385</b>	<b>\$ 35,366,045</b>	<b>\$ 31,218,315</b>	<b>\$ 29,587,704</b>	<b>\$ 30,916,108</b>	<b>\$ 21,907,375</b>	<b>\$ 24,220,336</b>
<b>All Other Governmental Funds</b>									
Reserved for:									
State statute	\$ 824,916	\$ 582,561	\$ 1,211,152	\$ 1,465,594	\$ 2,520,470	\$ 2,361,080	\$ 1,786,089	\$ -	\$ -
Prepaid Items	31,485	46,538	31,228	23,760	106,705	80,544	73,575		
Wireless 911 Operations	414,230	314,988	445,061	526,429	-	-	-		
Winterville Rural Fire Dept	-	-	24,204	73,973	104,814	77,983	77,983		
Total reserved	1,270,631	944,097	1,711,645	2,089,756	2,731,989	2,519,607	1,937,847		
Unreserved									
Undesignable/(deficit)									
Special Revenue Funds	-	-	24,958	261,477	1,312,430	1,904,621	2,041,415		
Debt Service Fund	24,227	64,521	83,212	42,022	(8,068)	64,415	41,635		
Capital Project Funds	14,427,087	4,814,295	1,567,175	-	1,746,264	1,847,095	(159,711)		
All other special revenue funds	-	-	-	22,495,815	9,749,419	9,331,452	-		
Designated for capital projects	-	-	-	-	-	-	-		
Nonspendable - prepaid items	-	-	-	-	-	-	93,315	114,571	139,920
Restricted by Stabilization of State Statute	-	-	-	-	-	-	7,661,279	3,301,873	3,045,223
Restricted	-	-	-	-	-	-	23,074,203	8,566,117	8,266,395
Committed	-	-	-	-	-	-	11,623,127	12,407,122	10,413,097
Assigned	-	-	-	-	-	-	1,434,962	1,789,875	1,436,610
Unassigned	-	-	-	-	-	-	(1130,273)	(975,612)	(196,548)
Total all other governmental funds	\$ 15,721,945	\$ 5,822,913	\$ 3,386,900	\$ 24,879,070	\$ 15,532,034	\$ 15,667,190	\$ 3,860,086	\$ 4,725,6613	\$ 23,104,897
	<b>\$ 15,721,945</b>	<b>\$ 5,822,913</b>	<b>\$ 3,386,900</b>	<b>\$ 24,879,070</b>	<b>\$ 15,532,034</b>	<b>\$ 15,667,190</b>	<b>\$ 3,860,086</b>	<b>\$ 4,725,6613</b>	<b>\$ 23,104,897</b>
	<b>\$ 15,721,945</b>	<b>\$ 5,822,913</b>	<b>\$ 3,386,900</b>	<b>\$ 24,879,070</b>	<b>\$ 15,532,034</b>	<b>\$ 15,667,190</b>	<b>\$ 3,860,086</b>	<b>\$ 4,725,6613</b>	<b>\$ 23,104,897</b>

Table 4

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

	Year Ended June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Taxes:										
Property	\$ 50,404,485	\$ 60,831,679	\$ 64,024,879	\$ 66,158,617	\$ 70,960,636	\$ 77,740,541	\$ 78,631,906	\$ 82,355,998	\$ 81,339,280	
Sales	17,689,675	19,238,192	21,232,409	23,073,132	23,072,981	22,632,862	14,428,193	10,817,910	14,330,502	15,677,039
Other	6,695,093	7,401,149	6,815,814	7,541,028	8,319,157	4,918,193	2,643,570	10,930,853	11,217,657	11,217,657
<b>Total Taxes</b>	<b>74,789,253</b>	<b>87,471,320</b>	<b>92,073,102</b>	<b>96,003,777</b>	<b>102,322,774</b>	<b>107,787,765</b>	<b>103,908,337</b>	<b>104,186,361</b>	<b>107,554,410</b>	<b>108,233,976</b>
Intergovernmental										
Sales & Services / Permits & Fees	44,968,727	44,645,599	50,615,252	41,059,040	31,479,203	38,563,757	36,282,989	38,191,288	33,859,590	32,355,138
Interest	8,870,143	9,390,266	9,575,595	10,691,673	10,986,768	11,309,491	11,274,744	11,933,673	12,270,529	11,976,737
Miscellaneous	649,682	1,346,644	1,883,583	2,432,376	3,142,597	1,116,097	359,591	262,393	140,633	83,754
<b>Total Revenues</b>	<b>130,037,591</b>	<b>143,978,143</b>	<b>156,169,002</b>	<b>162,021,470</b>	<b>151,779,702</b>	<b>149,190,505</b>	<b>149,170,119</b>	<b>154,693,851</b>	<b>156,328,300</b>	<b>154,216,022</b>
<b>Expenditures</b>										
General Government	10,527,303	11,779,455	15,507,763	13,183,808	14,224,253	13,972,599	13,629,713	13,455,312	12,717,923	12,178,377
Public Safety	22,413,203	25,090,104	24,828,006	26,791,432	28,796,663	32,049,357	35,958,562	37,264,598	41,181,005	39,894,354
Environmental Protection	213,262	211,435	219,636	246,652	231,415	242,986	252,499	229,879	217,076	200,253
Economic Development	3,928,355	4,100,580	4,263,373	4,916,623	4,667,773	5,090,345	7,416,836	6,648,224	8,986,731	9,469,340
Human Services (Health, DSS, Mental Health)	54,489,313	58,852,913	66,949,101	54,364,801	48,668,953	45,042,960	42,612,499	40,327,489	39,726,818	37,486,478
Culture and Recreation	49,838	505,161	536,972	583,843	645,517	608,328	718,401	688,384	618,966	590,667
Education	30,222,455	31,385,448	32,948,342	34,993,965	58,517,353	38,077,316	58,320,263	65,996,318	55,350,580	40,720,188
Capital Outlay	4,741,619	2,669,908	8,911,587	11,677,400	13,792,889	13,964,836	-	-	-	-
Debt Service:										
Principal	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	10,656,994
Interest	4,205,707	4,407,418	5,000,322	4,647,862	5,906,402	4,390,526	6,181,091	7,052,042	9,796,979	7,105,713
<b>Total Expenditures</b>	<b>137,763,550</b>	<b>143,834,242</b>	<b>167,097,200</b>	<b>159,518,749</b>	<b>182,921,770</b>	<b>163,543,582</b>	<b>174,318,159</b>	<b>181,060,736</b>	<b>178,092,806</b>	<b>158,302,364</b>
Excess of revenues over (under) expenditures	<b>(7,730,059)</b>	<b>143,901</b>	<b>(10,928,198)</b>	<b>(7,739,047)</b>	<b>(33,731,285)</b>	<b>(1,843,463)</b>	<b>(19,624,308)</b>	<b>(24,732,436)</b>	<b>(22,113,586)</b>	<b>(4,086,342)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in										
Transfers out										
Bonds issued										
Refunding bonds issued										
Payment to refunding escrow agent										
Payment to escrow agent, debt refunding payment										
Payment to escrow agent, advance interest payment										
Proceeds from capital lease										
Advance payments from debt refunding										
Debt Obligation issued										
Appropriated Fund Balances										
Premium on issued debt										
Total other financing sources (uses)	<b>8,057,000</b>	<b>432,125</b>	<b>3,422,002</b>	<b>30,981,748</b>	<b>20,236,491</b>	<b>348,000</b>	<b>35,580,548</b>	<b>28,185,290</b>	<b>6,873,879</b>	<b>5,075,440</b>
Net change in fund balances	<b>\$ 326,041</b>	<b>\$ 576,026</b>	<b>\$ (7,506,196)</b>	<b>\$ 23,242,701</b>	<b>\$ (13,494,774)</b>	<b>\$ (1,495,463)</b>	<b>\$ 15,956,240</b>	<b>\$ 3,452,854</b>	<b>\$ (15,229,707)</b>	<b>\$ 989,098</b>
Debt service as a percentage of noncapital expenditures	8.07%	7.96%	8.18%	8.63%	7.91%	9.69%	8.84%	9.08%	11.08%	11.22%

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						
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	-	-	-	2,068,236,052	106,987,984	0.7000	9,412,272,973	94.5%
2007	7,084,226,847	-	-	-	1,998,812,513	105,553,248	0.7000	9,439,255,440	97.3%
2008	7,450,655,025	-	-	-	2,568,090,556	108,434,679	0.7150	10,427,180,260	97.1%
2009	9,099,185,257	-	-	-	2,587,970,546	109,424,469	0.6650	11,914,546,075	99.0%
2010	9,346,427,845	-	-	-	2,470,662,313	109,460,104	0.6650	12,045,815,765	99.0%
2011	9,652,528,904	-	-	-	2,045,396,018	105,153,583	0.6650	11,921,109,295	99.0%
2012	9,554,186,028	-	-	-	2,091,154,625	104,488,137	0.6650	11,867,327,078	99.0%
2013	9,113,031,060	-	-	-	2,266,724,289	104,234,635	0.6800	11,598,829,884	99.0%

Source: Annual County Report of Valuation and Property Tax Levies

Table 6

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

	2004						Year Taxes Are Payable					
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		
Pitt County - Total	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7150	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6800	
General Fund	0.6650	0.6650	0.6850	0.6850	0.7000	0.6516	0.6540	0.6550	0.6560	0.6730		
Industrial Development	0.0150	0.0150	0.0150	0.0150	0.0134	0.0110	0.0110	0.0100	0.0090	0.0070		
County Capital Reserve	0.0200	0.0200	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000		
<u>Municipality Rates:</u>												
Town of Ayden	0.5500	0.5200	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	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	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	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	0.6000	
City of Greenville	0.6150	0.5600	0.5600	0.5600	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	
Town of Griffion	0.5700	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.6000	0.6000	
Town of Grimesland	0.4500	0.4500	0.4500	0.4500	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	
Village of Simpson	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	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	0.4750	
<u>Fire Districts:</u>												
Ayden Fire District	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0425	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	0.0885	
Belvoir Fire District	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0189	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	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	0.0740	
Clarks Neck Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	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	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	0.0600	
Farmville Fire District	0.0400	0.0360	0.0360	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	0.0500	
Gardnersville Fire District	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0800	0.0940	
Griffion Fire District	0.0475	0.0475	0.0499	0.0499	0.0499	0.0499	0.0499	0.0499	0.0499	0.0599	0.0599	
Grimesland Fire District	0.0400	0.0400	0.0450	0.0450	0.0450	0.0650	0.0650	0.0650	0.0650	0.0700	0.0700	
Pactolus Fire District	0.0465	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	
Red Oak Fire District	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	
Sharp Point Fire District	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	
Simpson Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0650	0.0650	
Staion House Fire District	0.0175	0.0175	0.0175	0.0175	0.0190	0.0190	0.0190	0.0200	0.0215	0.0250	0.0275	
Stokes Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0700	
Winterville Fire District	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0440	0.0440	
EMS District	0.0400	0.0400	0.0400	0.0400	0.0440	0.0440	0.0440	0.0440	0.0460	0.0460	0.0460	

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

Source: Pitt County Tax Assessor

Table 7

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

Taxpayer	Type of Business	Fiscal Year 2013				Fiscal Year 2012				Fiscal Year 2011				Fiscal Year 2010				Fiscal Year 2009			
		Assessed Value	Rank	% of Total Assessed	Valuation	Assessed Value	Rank	% of Total Assessed	Valuation	Assessed Value	Rank	% of Total Assessed	Valuation	Assessed Value	Rank	% of Total Assessed	Valuation	Assessed Value	Rank		
DSM Pharmaceuticals	Manufacturer	\$ 212,764,918	2	1.82%	\$ 136,653,968	2	\$ 211,430,150	2	\$ 213,697,866	1	\$ 227,344,834	1									
DSM Dynema, LLC	Manufacturer	243,042,824	1	2.07%	251,195,207	1	262,018,187	1	211,909,666	2	170,815,355	2									
Carolina Telephone	Communications	28,638,317	10	0.24%	54,425,412	3	57,728,335	3	62,000,000	3	62,000,000	3									
Asmo	Manufacturer	54,232,103	4	0.46%	52,427,361	4	56,196,982	4	51,222,537	4	61,929,573	4									
Weyerhauser Company	Manufacturer	46,665,251	5	0.40%	47,836,270	6	46,966,121	6	45,330,654	6	45,498,667	5									
North Campus Crossing LLC (I&II)	Apartments	-		0.00%	23,978,251	10	45,418,511	7	45,418,511	5	45,418,511	6									
Mareida Greenville Mall (Colonial)	Mall	40,480,286	6	0.35%	39,833,585	7	41,858,620	9	41,858,724	9	41,858,724	7									
Copper Beech Townhome Communities	Apartments	34,605,790	7	0.30%	34,605,790	8	43,156,107	8	43,152,107	8	41,200,073	8									
PL Greenville LP (Bellamy)	Apartments	29,073,633	8	0.25%	29,073,633	9	39,542,426	10	39,542,426	10	38,419,601	9									
NACCO	Manufacturer	-		0.00%	-	-	-	-	-	-	34,948,490	10									
Attends Healthcare	Manufacturer	72,760,202	3	0.62%	49,028,757	5	51,509,574	5	44,715,520	7	-	-									
USCO/C of Greater NC LLC	Communications	28,776,812	9	0.25%	-	-	-	-	-	-	-	-									
Corridor Greenville (The Exchange)	Apartments	-		0.00%	-	-	-	-	-	-	-	-									
Speight, Maxine	Developer	-		0.00%	-	-	-	-	-	-	-	-									
Totals		\$ 791,040,146		6.75%	\$ 719,058,234		\$ 855,825,013		\$ 798,838,011		\$ 769,469,804										

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

Source: Pitt County Tax Assessor

**Table 8**

Pitt County  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Collected within the Fiscal Year of the Levy			Collections for Prior Years			Total Amount Collected	Total Percentage Collected		
		Total		Percentage of Original Levy	Percentage of Adjusted Levy						
		Amount Collected	Percentage of Original Levy	95.77%	95.62%	96.39%	96.31%				
2004	46,472,963	46,548,879	95.77%	95.62%	1,964,084	46,472,963	100.00%				
2005	57,727,485	(1,458,773)	56,268,712	94.237,137	93.95%	2,017,033	56,254,170	97.45%			
2006	60,295,684	698,616	60,984,300	58,743,657	97.43%	1,552,027	60,295,684	100.00%			
2007	62,756,579	1,580,524	64,337,103	60,454,677	96.33%	93.97%	2,301,902	62,756,579	100.00%		
2008	70,118,338	713,268	70,831,606	67,321,263	96.01%	95.04%	1,838,681	69,159,944	98.63%		
2009	77,210,700	(68,103)	77,142,897	73,335,531	94.98%	95.06%	2,116,311	75,451,842	97.72%		
2010	76,839,094	67,981	76,907,075	73,447,355	95.59%	95.50%	2,202,767	75,650,122	98.45%		
2011	77,149,471	(1,265,750)	75,883,721	72,098,919	93.45%	95.01%	2,341,016	74,439,935	96.49%		
2012	78,720,265	(282,444)	78,437,821	74,447,693	94.57%	94.91%	2,615,285	77,062,978	97.89%		
2013	77,910,953	(685,609)	77,225,344	73,415,329	94.23%	95.07%	2,116,475	75,531,804	96.95%		

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.

**Table 9**

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

Fiscal Year	Governmental Activities					Business-type Activities					
	General Obligation Bonds	COPs	LOBs	QSCBs	Notes Payable	General Obligation Bonds	Revenue Bonds	Installment Loans	Total Government	Per Capita	Percentage of Personal Income
2004	10,885,000	68,355,000	-	-	9,516,430	1,400,000	-	-	90,156,430	649	2.42%
2005	8,310,000	95,540,000	-	-	2,266,640	1,200,000	-	-	107,316,640	758	2.69%
2006	6,655,000	90,800,000	-	-	5,193,458	1,000,000	-	-	103,648,458	698	2.40%
2007	3,295,000	116,115,000	-	-	4,496,096	800,000	-	-	124,706,096	852	2.75%
2008	2,340,000	130,195,000	-	-	5,133,440	600,000	-	-	138,268,440	910	2.77%
2009	1,080,000	123,645,000	-	-	4,866,253	400,000	-	-	129,991,253	835	2.47%
2010	-	151,335,000	-	-	3,946,052	200,000	-	-	155,481,052	980	2.88%
2011	-	105,330,000	59,835,000	5,952,500	3,953,949	-	-	-	175,071,449	1,034	3.12%
2012	-	98,860,000	57,450,000	5,602,353	8,691,345	-	-	-	170,603,698	1,002	N/A
2013	-	92,715,000	54,705,000	5,252,206	11,761,922	-	-	-	164,434,128	953	N/A

Source: Audited financial reports of this entity.

Table 10

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

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							
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	0.00%	0.00117%	1			
2011	-	-	-	0.00%	0.0000%	0			
2012	-	-	-	N/A	0.0000%	0			
2013	-	-	-	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.

Table 11

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

	Year Ended June 30					
	2004	2005	2006	2007	2008	2009
Assessed Value of Property	\$ 6,974,760	\$ 8,449,853	\$ 8,892,219	\$ 9,188,593	\$ 10,127,180	\$ 11,796,580
Debt Limit, % of Assessed Value (Statutory Limitation)	\$ 557,981	\$ 675,988	\$ 711,378	\$ 735,087	\$ 810,174	\$ 943,726
Amount of Debt Applicable to Limit						
Gross debt	90,156	107,317	103,648	124,706	138,288	129,991
Less: Amount available for repayment of general obligation bonds	-	-	-	-	-	-
Debt outstanding serviced by Enterprise Fund (solid waste)	1,400	1,200	1,000	800	600	400
Revenue bonds	68,356	95,540	90,900	116,116	130,195	123,646
Total net debt applicable to limit	20,401	10,577	11,848	7,791	7,473	5,946
Legal Debt Margin	\$ 537,579	\$ 665,412	\$ 699,529	\$ 727,296	\$ 802,701	\$ 937,780
Total net debt applicable to the limit as a percentage of debt limit	3.86%	1.56%	1.67%	1.06%	0.92%	0.63%
	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
	7.39%	7.39%	7.39%	7.39%	7.39%	7.39%
	17.71%	17.71%	17.71%	17.71%	17.71%	17.71%

Source: Annual audited financial reports of this entity.

Table 12

Pitt County  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2013

<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	\$ 15,455,000	100.00%	\$ 15,455,000
TOWN OF AYDEN	-	100.00%	-
TOWN OF BETHEL	1,205,000	100.00%	1,205,000
TOWN OF FARMVILLE	-	100.00%	-
TOWN OF FOUNTAIN	76,000	100.00%	76,000
TOWN OF GRIMESLAND	249,500	100.00%	249,500
TOWN OF WINTERVILLE	936,500	100.00%	936,500
CONTENTNEA METROPOLITAN SEWAGE DISTRICT (1)	81,000	0.00%	-
General Obligation Debt			
Certificates of Participation			92,715,000
Limited Obligation Bonds			54,705,000
Notes Payable			11,761,922
Qualified School Construction Bonds			5,252,206
Total direct debt			\$ 164,434,128
Total overlapping debt			<u><u>\$ 17,922,000</u></u>
Total direct and overlapping debt			<u><u>\$ 182,356,128</u></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.

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

Source: Local Government Commission

Table 13

Pitt County  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Year	Population(1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Public School Enrollment(3)	Unemployment Rate(4)
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	5,620,218	32,841	23,240	10.8%
2012	170,263	*	*	23,300	9.6%
2013	172,569	*	*	23,495	*

\* 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

Employer	Employees	Rank	2012-2013 (1)		Employees	Rank	2002-2003 (1)	
			Percentage of Total County Employment	Percentage of Total County Employment			Employees	Rank
Vidant Medical Center	6,857	1	8.46%	8.46%	4,150	2	6,43%	6,43%
East Carolina University	5,392	2	6.65%	6.65%	4,176	1	6.47%	6.47%
Pitt County Schools	2,754	3	3.40%	3.40%	3,200	3	4.96%	4.96%
DSM	1,250	4	1.54%	1.54%	1,300	4	2.01%	2.01%
NACCO	1,000	5	1.23%	1.23%	1,100	5	1.70%	1.70%
Pitt Community College	953	6	1.18%	1.18%	650	9	1.01%	1.01%
County of Pitt	914	7	1.13%	1.13%	925	7	1.43%	1.43%
Alliance One	850	8	1.05%	1.05%	550	10	0.85%	0.85%
Wal Mart	795	9	0.98%	0.98%	-	-	0.00%	0.00%
City of Greenville	764	10	0.94%	0.94%	675	8	1.05%	1.05%
Collins & Aikman					1,000	6	1.55%	1.55%

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

Table 15

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

Function/Program	Year Ended June 30						2012	2013
	2004	2005	2006	2007	2008	2009		
General government	139.50	139.50	141.50	142.50	142.00	144.00	143.50	138.00
Public safety	295.35	299.35	312.25	321.50	326.56	372.00	399.75	426.50
Social services	221.00	219.00	223.00	225.00	227.00	232.00	234.00	229.00
Economic and physical dev	18.60	18.60	19.60	18.60	18.60	19.10	21.35	20.35
Environmental protection	22.25	21.25	21.25	21.00	21.50	21.50	21.75	21.75
Health	116.90	117.70	119.50	124.60	129.10	131.90	137.90	138.90
Mental Health	199.80	191.40	54.75	21.25	0.00	0.00	0.00	0.00
Veteran's Services	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Total	1014.40	1007.80	892.85	876.45	866.76	922.50	960.25	976.50
							939.55	910.30

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).

Table 16

Pitt County  
Operating Indicators by Function  
Last Ten Fiscal Years

	Year Ended June 30					
	2004	2005	2006	2007	2008	2009
<b>Governmental Activities:</b>						
<b>General Government</b>						
Number of registered voters	94,613	92,753	96,244	90,676	96,416	102,049
Number of marriage licenses issued	1,006	1,163	1,146	1,039	1,222	1,131
<b>Public Safety</b>						
Number of 911 dispatch/calls	11,313	11,400	12,230	32,000	35,843	36,695
Number of law violations	19,577	19,388	19,388	26,427	26,505	26,212
<b>Environmental Protection</b>						
Number of Soil & Water customers served	692	1,587	2,109	N/A	822	958
<b>Economic and Physical Development</b>						
Number of commercial permits issued	145	134	145	107	61	32
Number of residential permits issued	2,639	1,656	2,122	1,671	1,299	508
<b>Human Services</b>						
Households that received assistance with energy bills	2,320	2,519	2,380	2,721	2,880	3,848
Medicaid clients receiving transportation assistance	1,254	2,199	2,320	2,386	2,242	2,272
Number of child support collection cases	8,290	8,198	7,692	7,660	9,679	7,944
Average number of Public Health WIC cases	4,432	4,257	4,505	4,525	4,598	4,811
Restaurant/Lodging inspections, consults & permitting activities	3,747	5,156	5,891	7,500	8,929	10,801
<b>Culture and Recreation</b>						
Total circulation for library system	389,620	409,184	409,184	452,011	460,478	486,559
<b>Education</b>						
Public school student enrollment K-12	21,229	21,582	22,030	22,498	22,994	23,235
<b>Business-Type Activities:</b>						
<b>Solid Waste and Recycling</b>						
Tons of garbage processed	131,000	138,000	133,100	134,500	135,530	126,000
Tons of recycled material	35,000	35,506	35,150	35,700	36,000	36,000

**Table 17**

Pitt County  
Capital Asset Statistics by Function  
Last Ten Fiscal Years

	Year Ended June 30						2013
	2004	2005	2006	2007	2008	2009	
<b>Governmental Activities:</b>							
<b>General Government</b>							
Buildings	5	5	5	5	5	5	15
Vehicles	31	31	35	35	30	30	49
<b>Public Safety</b>							
Buildings	3	3	3	3	3	3	4
Vehicles	177	178	181	181	175	183	193
<b>Environmental Protection</b>							
Buildings	0	0	0	0	0	0	1
Vehicles	3	3	3	3	7	7	7
<b>Economic and Physical Development</b>							
Buildings	0	0	0	0	0	0	3
Vehicles	7	7	7	7	11	12	7
<b>Human Services</b>							
Buildings	5	5	5	5	5	5	3
Vehicles	72	72	71	73	67	72	70
<b>Culture and Recreation</b>							
Buildings	0	0	1	1	1	1	1
Vehicles	0	0	0	0	0	0	0
<b>Education</b>							
Buildings	5	6	7	7	8	8	5
Vehicles	0	0	0	0	0	0	0
<b>Business-Type Activities:</b>							
<b>Solid Waste and Recycling</b>							
Buildings	2	2	2	2	2	2	4
Vehicles	14	14	14	14	16	16	14