

Edgecombe County
Tarboro, North Carolina
Financial Statements
For The Year Ended June 30, 2011

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Edgecombe County, North Carolina

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Introductory Section

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Office of the
County Manager

November 30, 2011

The Board of Commissioners
Edgecombe County, North Carolina

We are pleased to submit the Comprehensive Annual Financial Report for Edgecombe County, North Carolina for the fiscal year ended June 30, 2011. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The Comprehensive Annual Financial Report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed to protect County assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the County's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Flowers & Stanley, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2011 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was a part of a broader, federal and state mandated "Single Audit" designed to meet the special needs of grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These auditor reports are available in the Single Audit section of this report.

GAAP requirements specify that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Some information traditionally reported in the letter of transmittal is now included in the MD&A as required. The County's MD&A can be found immediately following the report of the independent auditors.

The financial reporting entity includes all the funds and the account groups of the primary government, Edgecombe County, as well as its component unit. Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units are reported in a separate column in the general purpose financial statements to emphasize that they are legally separate from the primary government and to distinguish their financial positions, results of operations, and cash flows from those of the primary government. The Edgecombe County ABC Board is reported as a discretely presented component unit. This organization is reported in the financial statements in a manner similar to a Proprietary Fund.

DESCRIPTION OF THE COUNTY:

Edgecombe County, founded in 1735 is located in the northeastern part of the State. The County has a land area of 511 square miles and a population of 56,552.

Edgecombe County's economy is in transition. Although farming and agricultural services represent the traditional and historic economic base, growth in service sectors has outpaced manufacturing & agriculture. The County also has significant transportation, distribution, construction and state/local government sectors. Also in an effort to find new ways to generate additional revenues and creating new jobs, we are exploring opportunities such as tourism, landfill gas utilization and an expanded farmers market.

Edgecombe County, like most counties in the state, has a Commissioner/Manager form of government. The seven members of the Board are elected by district and serve staggered four-year terms.

The County provides its citizens a wide range of services that include education, human services, water & sewer, public safety, cultural and recreational activities, environmental protection, general administration, and others. This report includes all of the County's activities in maintaining these services, except schools, which are administered by the Edgecombe County and Nash-Rocky Mount Board of Education. The County also extends financial support to certain boards, agencies and commissions to assist their efforts in serving citizens, including The Beacon Center, Edgecombe Memorial Library, Edgecombe Community College, Braswell Library and the Carolinas Gateway Partnership.

ECONOMIC CONDITIONS AND OUTLOOK:

Edgecombe County has faced many challenges as it continues to undergo an economic transition as with the entire United States. Edgecombe County's unemployment rate for 2011 still fluctuated between 14% and 16% for the 2011 calendar year and has remained higher than the state average & consistently been in the top five highest in the state.

Existing businesses, QVC and Superior Essex, have planned major expansions. QVC is expected to build an additional 1 million square foot warehouse and distribution center to go along with the existing 1 million square foot facility located in Kingsboro Industrial Park. Superior Essex plans to invest \$10 to \$16 million and create approximately 130 new jobs in the county. The County has partnered with CSX railroad to participate in the exclusive certified site program to market the Edgecombe County Kingsboro Industrial Park. It is anticipated that this additional intensive marketing push will land new investment and jobs in the county.

More information on Edgecombe County can be found at www.edgecombecountync.gov.

Agriculture continues to be a stable foundation of the economy in Edgecombe County. While farmers are changing the crops that they grow each year depending on market prices, tobacco has remained an important part of most farming operations in providing a reliable income source. Tobacco acreage has doubled since 2004 due to the ability of growers to produce good yields and contract their crop for reasonable prices. This past year was a huge disappointment because of hurricane Irene. Crop prospects were very good, but the resulting damage of the hurricane reduced tobacco yields in the county by over 60% and cotton yields by 30% with resulting damage estimates around \$40,000,000. Peanut yields and prices have been the bright spot this season and contract prices next year are even better. Some farmers continue to work with vegetable crops and develop new opportunities to replace traditional crops and with our good soils and ability to provide irrigation there is room for added capacity. Poultry production has recently expanded in the county providing more opportunities for farmers to diversify their operation. Animal agriculture is providing an increasing share of the farm income in Edgecombe County and now represents over 30% of the farm income. Edgecombe County currently ranks 18th in North Carolina in agricultural income

MAJOR INITIATIVES:

- The County acquired a building in downtown Tarboro formerly owned by Embarq (now CenturyLink). We were able to purchase this building at a fraction of its market value, which will now serve as our Human Services Building. We are in the process of renovations and upon completion it will house the Department of Social Services & Health Department. In addition we have managed to address several space issues in the courthouse by relocating the register of Deeds office to the County Administrative Building. Creating more space for the Clerk of Court and District Attorney's office and adding more public restrooms & improve handicap accessibility.
- The Edgecombe Green Energy Project will provide workforce and economic development opportunities in our tobacco-dependent, Tier 1, rural county. By strategically investing resources, we will not only build a methane gas collection and renewable energy production system, but we will also create a source of revenue for the County that will be used to create and retain jobs and upgrade. The project outcomes include: construction of a landfill gas and electricity generation system; the immediate creation of two jobs; the creation of a sustainable revenue stream for an economic development and training fund; and the reduction of greenhouse gas emissions. Upon completion, at least 2 positions will be created for LFG monitoring and system maintenance; this site will become a site for industrial development and job creation with a very attractive incentive of low-to-no cost energy; we will brand and market Edgecombe as a Green County, making it more attractive for "green" and sustainable business opportunities; and 50% of the net revenue will be accumulated in an Economic Development Fund to be used for job creation and workforce training. In addition, this project will reduce the environmental impact of greenhouse gases produced by landfill.

THE FUTURE:

The directive from the Board of Commissioners for the 2011-2012 budget was no tax increase. Although the adopted budget increased expenditures 2% from the prior year the tax rate remained flat at 86 cent.

The major highlights of the 2011-12 budget are as follows:

- Aggressive risk management kept Workman's Compensation cost down.
- Health insurance costs projected an increase of only 5%
- Continued enforcement of foreclosures for delinquent taxes to increase collections.
- State Retirement increase of .65 % for all employees.
- Vacant positions will remain frozen.
- All agencies, including schools, were held to the same level as the prior year with the exception of an increase in capital outlay appropriation to the Community College.

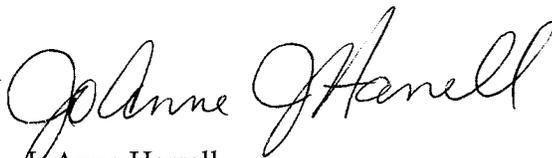
- Jail medical, food & supplies continue to increase.
- Minimal Capital Outlay was approved.
- The Department of Social Services building located in Tarboro is not only limited in space but in need of considerable renovations. The County purchased an office building with approximately 71,000 sq feet of office space which is currently being renovated and will also house the Health Department.
- Solid Waste fees remained the same.
- Water Rates remained the same.

ACKNOWLEDGMENTS:

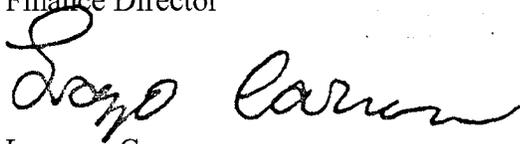
A combined effort of Flowers & Stanley, L.L.P., the entire staff of Edgecombe County Finance Department, the administration & staff of Edgecombe County, and other various agencies made the preparation of the comprehensive annual financial report possible. We offer each our sincere appreciation for their contribution toward the preparation of this report.

In closing, without the leadership and support of the Board of Commissioners, preparation of this report would not have been possible.

Respectfully submitted,



Anne Harrell
Finance Director



Lorenzo Carmon
County Manager

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EDGECOMBE COUNTY
NORTH CAROLINA

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2011

BOARD OF COUNTY COMMISSIONERS

LEONARD WIGGINS
Chairman

CHARLIE R. HARRELL
Vice-Chairman

JONATHAN K. FELTON

EVELYN POWELL

VIOLA S. HARRIS

DONALD C. BOSWELL

E. WAYNE HINES

COUNTY OFFICIALS

LORENZO CARMON
County Manager

JAMES KNIGHT
Sheriff

ROBIN CARPENTER
Register of Deeds

CAROLYN HEDGEPEETH
Clerk to the Board

ART BRADLEY
Cooperative Extension
Director

MINTON BEACH
Emergency Services Director

MICHAEL CUMMINGS
Solid Waste Supervisor

JAMES PRICE
Maintenance Supervisor

MAHLON DELOATCH
County Attorney

JOANNE J. HARRELL
Director of Fiscal Services

MARVA SCOTT
Social Services Director

KAREN LACHAPELLE
Health Director

JERRY W. SPRUELL
Director of Elections

CINDY COKER
Tax Assessor

OLA PITTMAN
Planning and Inspections
Director

GLORIA LYNDAKER
Tax Collector

LARRY FLOWERS
Information Resources Director

MICHAEL C. MATTHEWS
Water and Sewer
Director

DEBORAH COLEY
Aging Director

STEPHEN BERNARD
Veterans Service Officer

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Financial Section

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Flowers & Stanley, L.L.P.

Certified Public Accountants

3403 North Main Street – Tarboro, North Carolina 27886

Phone: 252-823-3125 Fax: 252-823-3201

Charles R. Flowers Jr., CPA
Michael L. Stanley, CPA

Eric B. Harrell, CPA
Anne Y. Mann, CPA

Members
North Carolina Association of
Certified Public Accountants

American Institute of
Certified Public Accountants

Independent Auditor's Report

To the Board of County Commissioners
Edgecombe County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Edgecombe County, North Carolina as of and for the year ended June 30, 2011, which collectively comprise Edgecombe County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Edgecombe County's management. 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 financial statements are free of material misstatement. The financial statements of the Edgecombe County ABC Board were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Edgecombe County, North Carolina as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2011, on our consideration of Edgecombe County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Edgecombe County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, 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 statements, budgetary schedules, other schedules, and the accompanying schedule of expenditures of federal and State awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory information and statistical tables of the Comprehensive Annual Financial Report (CAFR) have not been audited by us and, accordingly, we express no opinion on their contents.

Flowers & Stanley, LLP

Tarboro, North Carolina
November 30, 2011

Management Discussion and Analysis

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Management's Discussion and Analysis

As management of Edgecombe County, we offer readers of Edgecombe County's financial statements this narrative overview and analysis of the financial activities of Edgecombe County for the fiscal year ended June 30, 2011. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

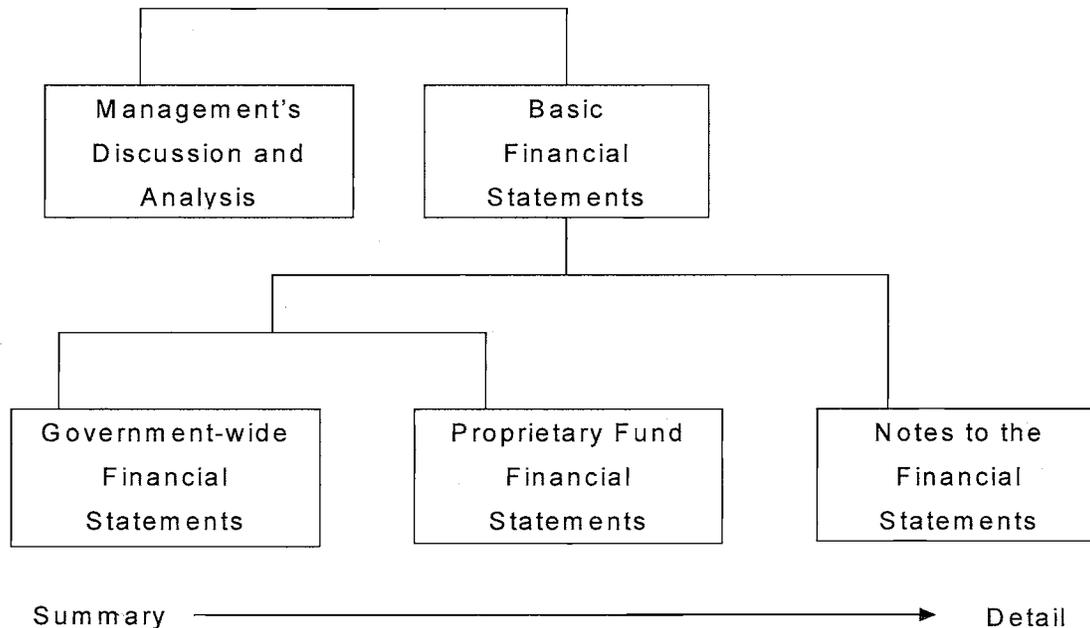
- The assets of Edgecombe County exceeded its liabilities at the close of the fiscal year by \$65,539,150 (*net assets*).
- The government's total net assets increased by \$1,877,289. In the Business activities, \$2 million of the increase is due to grants & contributions to construct water lines in various water districts across the county. The governmental activities had a decrease of \$152,964.
- As of the close of the current fiscal year, Edgecombe County's governmental funds reported combined ending fund balances of \$23,660,726 an increase of \$3,434,733 in comparison with the prior year. Approximately 53.0 percent of this total amount or \$12,534,794 is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,707,355 or 10.4 percent of total general fund expenditures for the fiscal year
- Edgecombe County's total long-term obligations increased by \$6,638,199 (20%) during the past fiscal year due to the issuance of \$8,000,000 installment contract for renovations on the Human Services Building.
- Edgecombe County maintains bond ratings from Moody's and Standard & Poor's of A3 and A+ respectively

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Edgecombe County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see 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 financial condition of Edgecombe County.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide 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 fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans and other post-employment benefits.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net assets and how they have changed. Net assets are the difference between the County's total assets and total liabilities. Measuring net assets is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component unit. The governmental activities include most of the County's basic services such as public safety, human services, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and solid waste services offered by Edgecombe County. The final category is the component units. Although legally separate from the County, the ABC Board is important to the County. The County is financially accountable for the Board by appointing its members and because the Board is required to distribute its profits to the County.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. 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. Edgecombe County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Edgecombe 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*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Management Discussion and Analysis
Edgecombe County, North Carolina

Edgecombe 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 – Edgecombe County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Edgecombe County uses enterprise funds to account for its water and sewer activity and for its solid waste operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Edgecombe County has one fiduciary fund, which is an agency fund.

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.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Edgecombe County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 81 of this report.

Government-wide Financial Analysis

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Assets						
Current and other assets	\$ 37,043,660	\$ 30,398,936	\$ 6,012,099	\$ 6,360,888	\$ 43,055,759	\$ 36,759,824
Capital assets	33,430,556	33,102,447	39,376,936	36,959,854	72,807,492	70,062,301
Total Assets	\$ 70,474,216	\$ 63,501,383	\$ 45,389,035	\$ 43,320,742	\$ 115,863,251	\$ 106,822,125
Liabilities						
Long-term liabilities outstanding	\$ 24,600,909	\$ 21,312,128	\$ 16,391,437	\$ 17,017,437	\$ 40,992,346	\$ 38,329,565
Other liabilities	7,455,423	3,618,407	1,876,332	1,212,293	9,331,755	4,830,700
Total Liabilities	\$ 32,056,332	\$ 24,930,535	\$ 18,267,769	\$ 18,229,730	\$ 50,324,101	\$ 43,160,265
Net Assets						
Invested in capital assets, net of related debt	\$ 17,887,299	\$ 17,793,681	\$ 25,825,139	\$ 21,967,465	\$ 43,712,438	\$ 39,761,146
Restricted	12,534,794	2,229,046	-	-	12,534,794	2,229,046
Unrestricted	7,995,791	18,548,121	1,296,127	3,123,547	9,291,918	21,671,668
Total Net Assets	\$ 38,417,884	\$ 38,570,848	\$ 27,121,266	\$ 25,091,012	\$ 65,539,150	\$ 63,661,860

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of Edgecombe County exceeded liabilities by \$65,539,150 as of June 30, 2011. The County's net assets increased by \$1,877,289 for the fiscal year ended June 30, 2011. One of the largest portions (66.7 %) reflects the County's investment in capital assets (e.g. land, buildings, equipment and water distribution systems), less any related debt still outstanding that was issued to acquire those items. Edgecombe County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Edgecombe County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Edgecombe County's net assets (19.13%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,291,918 is unrestricted.

Edgecombe County's Changes in Net Assets
Figure 3

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for services	\$ 7,811,033	\$ 8,270,953	\$ 4,659,078	\$ 4,502,760	\$ 12,470,111	\$ 12,773,713
Grants & Contributions:						
Operating	15,749,622	14,035,462	16,731	-	15,766,353	14,035,462
Capital	858,767	259,530	2,652,752	3,032,716	3,511,519	3,292,246
General Revenues:						
Property taxes	28,460,603	28,227,578	-	-	28,460,603	28,227,578
Other taxes	4,076,260	4,613,237	-	-	4,076,260	4,613,237
Grants & contributions not restricted to specific programs						
	788,712	371,344	-	-	788,712	371,344
Other	327,832	585,986	3,849	4,383	331,681	590,369
Total Revenues	<u>\$ 58,072,829</u>	<u>\$ 56,364,090</u>	<u>\$ 7,332,410</u>	<u>\$ 7,539,859</u>	<u>\$ 65,405,239</u>	<u>\$ 63,903,949</u>
Expenses:						
General Government	\$ 5,273,132	\$ 6,221,650	\$ -	\$ -	\$ 5,273,132	\$ 6,221,650
Public Safety	12,129,628	11,420,814	-	-	12,129,628	11,420,814
Transportation	62,716	60,564	-	-	62,716	60,564
Economic & Physical						
Development	2,426,412	1,486,151	-	-	2,426,412	1,486,151
Human Services	22,053,725	21,192,219	-	-	22,053,725	21,192,219
Culture & Recreation	633,162	713,703	-	-	633,162	713,703
Education	14,843,100	13,147,339	-	-	14,843,100	13,147,339
Interest on						
long-term debt	803,918	671,369	-	-	803,918	671,369
Landfill	-	-	2,317,177	2,009,749	2,317,177	2,009,749
Water & Sewer	-	-	2,984,980	2,809,833	2,984,980	2,809,833
Total Expenses	<u>\$ 58,225,793</u>	<u>\$ 54,913,809</u>	<u>\$ 5,302,157</u>	<u>\$ 4,819,582</u>	<u>\$ 63,527,950</u>	<u>\$ 59,733,391</u>
Increase (Decrease) in Net Assets	\$ (152,964)	\$ 1,450,281	\$ 2,030,253	\$ 2,720,277	\$ 1,877,289	\$ 4,170,558
Net Assets, July 1	38,570,848	37,120,567	25,091,013	22,370,735	63,661,861	59,491,302
Net Assets, June 30	<u>\$ 38,417,884</u>	<u>\$ 38,570,848</u>	<u>\$ 27,121,266</u>	<u>\$ 25,091,012</u>	<u>\$ 65,539,150</u>	<u>\$ 63,661,860</u>

Governmental Activities. Governmental activities decreased the County's net assets by \$152,964. During the year the County entered into a capital lease agreement for economic development purposes with OSSID LLC, which the County borrowed funds for the purchase of a building to lease to OSSID LLC for the debt service payments plus taxes & insurance.

Business-type Activities: Business-type activities increased Edgecombe County's net assets by \$2,030,253. This increase is attributed to the increase in capital assets of the Edgecombe Water Districts that were funded by grants.

Financial Analysis of the County's Funds

As noted earlier, Edgecombe County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of Edgecombe County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Edgecombe County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of Edgecombe County. At the end of the current fiscal year, Edgecombe County's fund balance available in the General Fund was \$12,682,574 while total fund balance reached \$17,134,281. The County currently has an available fund balance of 23.1% of general fund expenditures, while total fund balance represents 31.24% of that same amount.

At June 30, 2011, the governmental funds of Edgecombe County reported a combined fund balance of \$23,660,726, a 16.98% increase from last year. The installment agreement issuance of \$8 million for renovations for the Human Services Building offsets the \$2 million expenditures on this project and the \$2.5 million in expenditures of previously issued School General Obligation Bonds in the School Bond Capital Project Fund for a net increase in fund balance of \$3.4 million.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increase revenues by \$2,036,764.

Budgets are educated projections of expected operations in a coming year. At the time the budget is prepared there are many unknowns. Some expenditures are determined by the number of citizens that utilize the service, which could be more or less than expected or an unforeseen need that arises during the year that was not expected during the budget process. Also revenues budgeted in certain programs depends on the expenditures eligible for reimbursement in the various programs. In these cases, the actual revenue received may be less but in turn the expenditures are less also.

Proprietary Funds. Edgecombe County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets of the Solid Waste Fund at the end of the fiscal year amounted to \$253,950 and those for the Water and Sewer Districts equaled \$1,042,177. The total growth (decline) in net assets for both funds was (\$174,935) and \$2,205,188 respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of Edgecombe County's business-type activities.

Capital Asset and Debt Administration

Capital assets. Edgecombe County's capital assets for its governmental and business – type activities as of June 30, 2011, totals \$72,807,492 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, water distribution equipment and lines, and vehicles.

Capital asset transactions were kept to a minimum over the past year. Major capital asset transactions during the year include:

- Vehicles for various departments
- Additions to water and sewer distribution system
- Water & Sewer Equipment

**Edgecombe County's Capital Assets
(Net of depreciation)
Figure 4**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Land	\$ 1,300,723	\$ 1,300,723	\$ 921,907	\$ 921,907	\$ 2,222,630	\$ 2,222,630
Buildings & improvements	28,028,493	29,102,531	1,931,347	1,927,741	29,959,840	31,030,272
Machinery & equipment	1,583,428	1,334,822	561,513	211,998	2,144,941	1,546,820
Plant & distribution system	-	-	33,231,060	32,743,133	33,231,060	32,743,133
Vehicles & motorized equipment	493,244	406,900	347,009	279,940	840,253	686,840
Construction in progress	2,024,668	957,471	2,384,100	875,135	4,408,768	1,832,606
Total Net Assets	\$ 33,430,556	\$ 33,102,447	\$ 39,376,936	\$ 36,959,854	\$ 72,807,492	\$ 70,062,301

Additional information on the County's capital assets can be found in Note III. A. 5, of the Basic Financial Statements.

Long-term Debt. As of June 30, 2011, Edgecombe County had total bonded debt outstanding of \$20,971,000, all of which is debt backed by the full faith and credit of the County.

**Edgecombe County's Outstanding Debt
General Obligation Bonds
Figure 5**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General obligation bonds	\$ 10,590,000	\$ 11,250,000	\$ 10,381,000	\$ 10,534,500	\$ 20,971,000	\$ 21,784,500

Edgecombe County's total debt increased by \$6,638,199 (20%) during the past fiscal year.

Management Discussion and Analysis
Edgecombe County, North Carolina

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Edgecombe County is \$224,329,251. The County has \$6,572,000 in bonds authorized but un-issued at June 30, 2011.

Additional information regarding Edgecombe County's long-term debt can be found in Note III. B. 7., beginning on page 67 of this audited financial report.

Budget Highlights for the Fiscal Year Ending June 30, 2012

Governmental Activities: In the 2011-2012 Budget Ordinance Edgecombe County maintained the County tax rate at 86 cents per \$100 value. The total budget for the General Fund was increased from the previous year by 2% for a total General Fund budget of \$59,550,999 and a fund balance appropriation of \$5,437,926 of which \$550,375 is from restricted fund balance for school debt service leaving a \$4,887,551 appropriation from general fund.

Business – type Activities: The water and sewer rates in the County remained the same. With continued construction on the fourth and fifth districts, this is an opportunity for the County to not only serve its citizens but boost economic development with the water infrastructure to support industry. Rates for solid waste tipping fees will also remain the same at \$46.50/ton. The County is proceeding with the landfill gas project that will convert gas from the landfill into electricity to be sold back to our local EMC. As in the Governmental Activities, we are looking for different ways to reduce expenditures and operate more efficiently.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Fiscal Services, Edgecombe County, PO Box 10, Tarboro, NC 27886.

Basic Financial Statements

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Government-wide Financial Statements

Edgecombe County, North Carolina
Statement of Net Assets
June 30, 2011

Exhibit 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Edgecombe County ABC Board
Assets				
Current Assets:				
Cash and cash equivalents	\$ 15,935,844	\$ 4,167,935	\$ 20,103,779	\$ 582,571
Receivables (net)	8,080,535	963,964	9,044,499	-
Due from other governments	2,388,311	-	2,388,311	-
Due from component unit	19,725	-	19,725	-
Internal balances	2,181,472	(2,181,472)	-	-
Capital lease receivable	99,421	-	99,421	-
Inventories	-	-	-	406,983
Prepaid items	37,340	-	37,340	12,217
Total Current Assets	\$ 28,742,648	\$ 2,950,427	\$ 31,693,075	\$ 1,001,771
Restricted Assets:				
Cash and cash equivalents	\$ 7,041,641	\$ 660,482	\$ 7,702,123	\$ -
Accounts receivable	-	2,401,190	2,401,190	-
Total Restricted Assets	\$ 7,041,641	\$ 3,061,672	\$ 10,103,313	\$ -
Other Assets:				
Capital lease receivable - long-term	\$ 1,259,371	\$ -	\$ 1,259,371	\$ -
Capital Assets:				
Land, improvements, and construction in progress	\$ 3,325,391	\$ 3,306,007	\$ 6,631,398	\$ 148,525
Other capital assets, net of depreciation	30,105,165	36,070,929	66,176,094	607,142
Total Capital Assets	\$ 33,430,556	\$ 39,376,936	\$ 72,807,492	\$ 755,667
Total Assets	\$ 70,474,216	\$ 45,389,035	\$ 115,863,251	\$ 1,757,438

(continued)

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Net Assets
June 30, 2011

Exhibit 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Edgecombe County ABC Board
(continued)				
Liabilities				
Current Liabilities:				
Accounts payable & accrued expenses	\$ 3,752,235	\$ 223,136	\$ 3,975,371	\$ 241,134
Unearned revenue	140,761	-	140,761	-
Accrued interest payable	276,950	65,418	342,368	-
Accrued closure and postclosure care costs	-	80,000	80,000	-
Accrued vacation	1,051,821	30,530	1,082,351	-
Customer deposits	-	118,040	118,040	-
Bond Anticipation Notes payable	-	638,000	638,000	-
Revenue bonds payable	-	24,500	24,500	-
General Obligation Bonds payable	660,000	161,000	821,000	-
Notes payable & installment purchases	1,573,656	141,593	1,715,249	-
Due to primary government	-	-	-	19,725
Due to other governments	-	-	-	24
Liabilities to be Paid from Restricted Assets:				
Accounts payable	-	394,115	394,115	-
Total Current Liabilities	\$ 7,455,423	\$ 1,876,332	\$ 9,331,755	\$ 260,883
Long-term Liabilities:				
Due in more than one year	24,600,909	16,391,437	40,992,346	48,902
Total Liabilities	\$ 32,056,332	\$ 18,267,769	\$ 50,324,101	\$ 309,785
Net Assets				
Invested in capital assets, net of related debt	\$ 17,887,299	\$ 25,825,139	\$ 43,712,438	\$ 755,667
Restricted for:				
Stabilization by State Statute	4,454,404	-	4,454,404	-
Public Safety	114,045	-	114,045	-
Education	1,105,806	-	1,105,806	-
Human Services	587,950	-	587,950	-
Other purposes	6,272,589	-	6,272,589	676,548
Unrestricted	7,995,791	1,296,127	9,291,918	15,438
Total Net Assets	\$ 38,417,884	\$ 27,121,266	\$ 65,539,150	\$ 1,447,653

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Activities
For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 5,273,132	\$ 859,991	\$ 18,140	\$ -
Public Safety	12,129,628	2,954,906	859,418	17,483
Transportation	62,716	-	-	-
Economic and Physical Development	2,426,412	-	324,430	841,284
Human Services	22,053,725	3,996,136	13,842,917	-
Cultural and Recreation	633,162	-	-	-
Education	14,843,100	-	704,717	-
Interest on long-term debt	803,918	-	-	-
Total Governmental Activities	<u>\$ 58,225,793</u>	<u>\$ 7,811,033</u>	<u>\$ 15,749,622</u>	<u>\$ 858,767</u>
Business-type Activities:				
Landfill	\$ 2,317,177	\$ 2,122,429	\$ 16,731	\$ -
Water and Sewer	2,984,980	2,536,649	-	2,652,752
Total Business-type Activities	<u>\$ 5,302,157</u>	<u>\$ 4,659,078</u>	<u>\$ 16,731</u>	<u>\$ 2,652,752</u>
Total Primary Government	<u>\$ 63,527,950</u>	<u>\$ 12,470,111</u>	<u>\$ 15,766,353</u>	<u>\$ 3,511,519</u>
Component Unit: ABC Board	<u>\$ 2,974,496</u>	<u>\$ 2,974,023</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property taxes, levied for general purpose

Local option sales tax

Other taxes and licenses

Grants and contributions not restricted to specific programs

Investment earnings, unrestricted

Miscellaneous, unrestricted

Total General Revenues, Special Items, and Transfers

Change in net assets

Net Assets-beginning

Net Assets-ending

The notes to the financial statements are an integral part of this statement.

Exhibit 2

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Edgecombe County ABC Board
\$ (4,395,001)	\$ -	\$ (4,395,001)	
(8,297,821)	-	(8,297,821)	
(62,716)	-	(62,716)	
(1,260,698)	-	(1,260,698)	
(4,214,672)	-	(4,214,672)	
(633,162)	-	(633,162)	
(14,138,383)	-	(14,138,383)	
(803,918)	-	(803,918)	
<u>\$ (33,806,371)</u>	<u>\$ -</u>	<u>\$ (33,806,371)</u>	
\$ -	\$ (178,017)	\$ (178,017)	
-	2,204,421	2,204,421	
<u>\$ -</u>	<u>\$ 2,026,404</u>	<u>\$ 2,026,404</u>	
<u>\$ (33,806,371)</u>	<u>\$ 2,026,404</u>	<u>\$ (31,779,967)</u>	
			<u>\$ (473)</u>
\$ 28,460,603	\$ -	\$ 28,460,603	\$ -
3,991,521	-	3,991,521	-
84,739	-	84,739	-
788,712	-	788,712	-
29,634	3,849	33,483	473
298,198	-	298,198	-
<u>\$ 33,653,407</u>	<u>\$ 3,849</u>	<u>\$ 33,657,256</u>	<u>\$ 473</u>
\$ (152,964)	\$ 2,030,253	\$ 1,877,289	\$ -
38,570,848	25,091,013	63,661,861	1,447,653
<u>\$ 38,417,884</u>	<u>\$ 27,121,266</u>	<u>\$ 65,539,150</u>	<u>\$ 1,447,653</u>

The notes to the financial statements are an integral part of this statement.

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Fund Financial Statements

Edgecombe County, North Carolina
Balance Sheet
Governmental Funds
For the Year Ended June 30, 2011

Exhibit 3

	Major Funds				Total Governmental Funds
	General Fund	School Bond Fund	Human Svcs Bldg Capital Project	Nonmajor Governmental Funds	
Assets					
Cash and cash equivalents	\$ 15,570,590	\$ -	\$ -	\$ 365,254	\$ 15,935,844
Receivables, net	2,623,644	-	-	217,561	2,841,205
Taxes receivable	5,964,658	-	-	183,553	6,148,211
Due from other funds	2,274,504	-	-	(93,032)	2,181,472
Prepaid items	37,340	-	-	-	37,340
Restricted assets - cash	393,912	337,232	6,310,497	-	7,041,641
Total Assets	<u>\$ 26,864,648</u>	<u>\$ 337,232</u>	<u>\$ 6,310,497</u>	<u>\$ 673,336</u>	<u>\$ 34,185,713</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable & accrued liabilities	\$ 3,141,168	\$ -	\$ 375,140	\$ 243,324	\$ 3,759,632
Unearned revenue	140,761	-	-	-	140,761
Deferred revenue	6,448,438	-	-	176,156	6,624,594
Total Liabilities	<u>\$ 9,730,367</u>	<u>\$ -</u>	<u>\$ 375,140</u>	<u>\$ 419,480</u>	<u>\$ 10,524,987</u>
Fund Balances:					
Restricted:					
Stabilization by State Statute	\$ 4,451,707	\$ -	\$ -	\$ 2,697	\$ 4,454,404
Public Safety	-	-	-	114,045	114,045
Education	1,105,806	-	-	-	1,105,806
Capital projects	-	337,232	5,935,357	-	6,272,589
Human Services	587,950	-	-	-	587,950
Committed:					
Tax Revaluation	393,912	-	-	-	393,912
Economic Development	-	-	-	137,114	137,114
Assigned:					
Subsequent year's expenditures	4,887,551	-	-	-	4,887,551
Unassigned	5,707,355	-	-	-	5,707,355
Total Fund Balances	<u>\$ 17,134,281</u>	<u>\$ 337,232</u>	<u>\$ 5,935,357</u>	<u>\$ 253,856</u>	<u>\$ 23,660,726</u>
Total Liabilities and Fund Balances	<u>\$ 26,864,648</u>	<u>\$ 337,232</u>	<u>\$ 6,310,497</u>	<u>\$ 673,336</u>	<u>\$ 34,185,713</u>

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Balance Sheet
Governmental Funds
For the Year Ended June 30, 2011

Exhibit 3

(continued)

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets:

Total fund balance	\$ 23,660,726
Amounts reported for governmental activities in the Statement of Net Assets (Exhibit 1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	33,430,556
Investment in long-term capital lease receivable is not available to pay current period expenditures and is deferred in the funds.	1,358,792
Other long-term assets are not available to pay current-period expenditures and therefore are deferred in the funds.	1,499,155
Liabilities for earned but deferred revenues in fund statements.	6,631,991
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	(28,163,336)
Net Assets of Governmental Activities	\$ 38,417,884

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

Exhibit 4

	Major Funds				Total Governmental Funds
	General Fund	School Bond Fund	Human Svcs Bldg Capital Project	Nonmajor Governmental Funds	
Revenues					
Ad valorem taxes	\$ 26,335,080	\$ -	\$ -	\$ 811,439	\$ 27,146,519
Local option sales tax	3,323,188	-	-	668,333	3,991,521
Other taxes and licenses	84,739	-	-	242,881	327,620
Unrestricted intergovernmental	622,652	-	-	-	622,652
Restricted intergovernmental	15,695,243	-	-	1,139,926	16,835,169
Permits and fees	593,029	-	-	-	593,029
Sales and services	6,851,156	-	-	-	6,851,156
Investment earnings	25,506	1,501	2,554	72	29,633
Miscellaneous	266,105	-	-	-	266,105
Total Revenues	\$ 53,796,698	\$ 1,501	\$ 2,554	\$ 2,862,651	\$ 56,663,404
Expenditures					
Current:					
General Government	\$ 5,288,144	\$ -	\$ -	\$ -	\$ 5,288,144
Public Safety	10,601,105	-	-	1,418,812	12,019,917
Transportation	62,716	-	-	-	62,716
Economic and Physical Development	2,664,563	-	-	1,122,443	3,787,006
Human Services	21,805,050	-	-	-	21,805,050
Cultural and Recreational	633,162	-	-	-	633,162
Capital outlay	-	-	1,067,197	-	1,067,197
Intergovernmental:					
Education	11,022,020	-	-	668,333	11,690,353
Capital outlay	-	2,515,973	-	-	2,515,973
Debt service:					
Principal	2,056,070	-	1,000,000	-	3,056,070
Interest and other charges	710,175	-	-	-	710,175
Total Expenditures	\$ 54,843,005	\$ 2,515,973	\$ 2,067,197	\$ 3,209,588	\$ 62,635,763

(continued)

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

Exhibit 4

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	School Bond Fund	Human Svcs Bldg Capital Project		
(continued)					
Excess of Revenues Over (Under) Expenditures	\$ (1,046,307)	\$ (2,514,472)	\$ (2,064,643)	\$ (346,937)	\$ (5,972,359)
Other Financing Sources (Uses)					
Transfers from (to) other funds	\$ (6,310)	\$ -	\$ -	\$ 6,310	\$ -
Sale of fixed assets	32,092	-	-	-	32,092
Installment loan issuance	1,375,000	-	8,000,000	-	9,375,000
Total Other Financing Sources and Uses	\$ 1,400,782	\$ -	\$ 8,000,000	\$ 6,310	\$ 9,407,092
Net Change in Fund Balance	\$ 354,475	\$ (2,514,472)	\$ 5,935,357	\$ (340,627)	\$ 3,434,733
Fund Balance:					
Beginning	16,779,806	2,851,704	-	594,483	20,225,993
Ending	<u>\$ 17,134,281</u>	<u>\$ 337,232</u>	<u>\$ 5,935,357</u>	<u>\$ 253,856</u>	<u>\$ 23,660,726</u>

(continued)

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

Exhibit 4

(continued)

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the Statement of Activities are different because:

Net changes in fund balances - total governmental funds	\$ 3,434,733
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,686,902
Cost of capital assets disposed of during the year, not recognized on modified accrual basis.	-
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,393,539
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(6,318,792)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	(57,950)
Net pension obligations	(13,416)
Accrued interest	(93,881)
Other postemployment benefits	(184,099)
Total Changes in Net Assets of Governmental Activities	\$ (152,964)

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2011

Exhibit 5

	General Fund			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 26,471,026	\$ 26,436,526	\$ 26,335,080	\$ (101,446)
Local option sales tax	3,100,000	3,100,000	3,323,188	223,188
Other taxes and licenses	69,000	84,000	84,739	739
Unrestricted intergovernmental	605,668	605,668	622,652	16,984
Restricted intergovernmental	15,194,204	17,020,265	15,695,243	(1,325,022)
Permits and fees	771,880	585,700	593,029	7,329
Sales and services	7,749,152	7,945,733	6,851,156	(1,094,577)
Investment earnings	-	-	25,506	25,506
Miscellaneous	11,036	230,838	266,105	35,267
	\$ 53,971,966	\$ 56,008,730	\$ 53,796,698	\$ (2,212,032)
Expenditures				
Current:				
General Government	\$ 6,719,199	\$ 7,133,867	\$ 5,288,144	\$ 1,845,723
Public Safety	10,513,864	11,899,558	10,601,105	1,298,453
Transportation	60,564	62,716	62,716	-
Economic and				
Physical Development	1,056,680	3,227,369	2,664,563	562,806
Human Services	24,384,812	26,015,382	21,805,050	4,210,332
Cultural and Recreational	623,739	633,184	633,162	22
Intergovernmental:				
Education	12,233,543	12,433,543	11,022,020	1,411,523
Debt Service:				
Principal retirement	2,056,213	2,056,213	2,056,070	143
Interest and other charges	731,827	732,327	710,175	22,152
Contingency	20,000	-	-	-
	\$ 58,400,441	\$ 64,194,159	\$ 54,843,005	\$ 9,351,154

The notes to the financial statements are an integral part of this statement.

(continued)

Edgecombe County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2011

Exhibit 5

General Fund

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
(continued)				
Revenues Over (Under) Expenditures	\$ (4,428,475)	\$ (8,185,429)	\$ (1,046,307)	\$ 7,139,122
Other Financing Sources (Uses):				
Transfers from (to) other funds	\$ -	\$ (156,310)	\$ (156,310)	\$ -
Installment loan issuance	-	1,375,000	1,375,000	-
Sales of fixed assets	-	15,000	32,092	17,092
Appropriated fund balance	4,428,475	6,951,739	-	(6,951,739)
Total Other Financing Sources (Uses)	\$ 4,428,475	\$ 8,185,429	\$ 1,250,782	\$ (6,934,647)
Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	\$ -	\$ 204,475	\$ 204,475
Fund Balance:				
Beginning of year, July 1			16,535,894	
End of year, June 30			\$ 16,740,369	
Legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Transfer-in from General Fund			150,000	
Fund Balance Beginning			243,912	
Fund Balance, Ending (Exhibit 4)			\$ 17,134,281	

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Fund Net Assets
Proprietary Funds
June 30, 2011

Exhibit 6

	<u>Water & Sewer Operations</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Assets			
Current Assets:			
Cash and cash equivalents	\$ 1,270,940	\$ 2,896,995	\$ 4,167,935
Receivables, net	235,936	728,028	963,964
Total Current Assets	<u>\$ 1,506,876</u>	<u>\$ 3,625,023</u>	<u>\$ 5,131,899</u>
Noncurrent Assets:			
Restricted Assets:			
Cash and cash equivalents	\$ 660,482	\$ -	\$ 660,482
Accounts receivable	2,401,190	-	2,401,190
Total Restricted Assets	<u>\$ 3,061,672</u>	<u>\$ -</u>	<u>\$ 3,061,672</u>
Capital Assets:			
Land, improvements, & construction in progress	\$ 2,412,392	\$ 893,615	\$ 3,306,007
Capital assets (net)	34,728,462	1,342,467	36,070,929
Total Capital Assets	<u>\$ 37,140,854</u>	<u>\$ 2,236,082</u>	<u>\$ 39,376,936</u>
Total Noncurrent Assets	<u>\$ 40,202,526</u>	<u>\$ 2,236,082</u>	<u>\$ 42,438,608</u>
Total Assets	<u>\$ 41,709,402</u>	<u>\$ 5,861,105</u>	<u>\$ 47,570,507</u>
Liabilities			
Current Liabilities:			
Liabilities to be Paid from Restricted Assets:			
Accounts payable	\$ 394,115	\$ -	\$ 394,115
Due to other funds	2,181,472	-	2,181,472
Accounts payable	89,423	133,713	223,136
Customer deposits	118,040	-	118,040
Accrued vacation	15,768	14,762	30,530
Accrued closure & postclosure care costs	-	80,000	80,000
Accrued interest	65,418	-	65,418
Bond Anticipation notes payable	638,000	-	638,000
Revenue bonds payable	24,500	-	24,500
General obligation bonds payable	302,593	-	302,593
Total Current Liabilities	<u>\$ 3,829,329</u>	<u>\$ 228,475</u>	<u>\$ 4,057,804</u>

(continued)

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Fund Net Assets
Proprietary Funds
June 30, 2011

Exhibit 6

	<u>Water & Sewer Operations</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Liabilities (continued)			
Noncurrent Liabilities:			
Accrued landfill closure & postclosure care costs	\$ -	\$ 3,129,264	\$ 3,129,264
Accrued OPEB	9,651	8,235	17,886
Accrued vacation	14,484	5,099	19,583
Revenue bonds payable	1,164,000	-	1,164,000
General obligation bonds payable	12,060,704	-	12,060,704
Total Noncurrent Liabilities	<u>\$ 13,248,839</u>	<u>\$ 3,142,598</u>	<u>\$ 16,391,437</u>
Total Liabilities	<u>\$ 17,078,168</u>	<u>\$ 3,371,073</u>	<u>\$ 20,449,241</u>
Net Assets			
Invested in capital assets, net of related debt	\$ 23,589,057	\$ 2,236,082	\$ 25,825,139
Unrestricted	1,042,177	253,950	1,296,127
Total Net Assets	<u>\$ 24,631,234</u>	<u>\$ 2,490,032</u>	<u>\$ 27,121,266</u>

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011

Exhibit 7

	<u>Water & Sewer Operations</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Operating Revenues			
Charges for services and other	\$ 2,536,649	\$ 2,122,429	\$ 4,659,078
Operating Expenses			
Salaries and Employee Benefits	\$ 400,090	\$ 675,306	\$ 1,075,396
Water purchases	819,420	-	819,420
Landfill operations	-	1,549,088	1,549,088
Water operations	277,047	-	277,047
Depreciation	836,142	111,969	948,111
Total Operating Expenses	<u>\$ 2,332,699</u>	<u>\$ 2,336,363</u>	<u>\$ 4,669,062</u>
Operating Income (Loss)	<u>\$ 203,950</u>	<u>\$ (213,934)</u>	<u>\$ (9,984)</u>
Nonoperating Revenues (Expenses)			
Interest and investment revenue	\$ 767	\$ 3,082	\$ 3,849
Bad debt expense	(23,310)	19,186	(4,124)
Interest expense	(628,971)	-	(628,971)
Total Nonoperating Revenue (Expenses)	<u>\$ (651,514)</u>	<u>\$ 22,268</u>	<u>\$ (629,246)</u>
Income (Loss) before Contributions and Transfers	<u>\$ (447,564)</u>	<u>\$ (191,666)</u>	<u>\$ (639,230)</u>
Capital contributions	\$ 2,652,752	\$ 16,731	\$ 2,669,483
Transfers in (out)	-	-	-
Total Contributions and Transfers	<u>\$ 2,652,752</u>	<u>\$ 16,731</u>	<u>\$ 2,669,483</u>
Change in Net Assets	\$ 2,205,188	\$ (174,935)	\$ 2,030,253
Total Net Assets - beginning	22,426,046	2,664,967	25,091,013
Total Net Assets - ending	<u>\$ 24,631,234</u>	<u>\$ 2,490,032</u>	<u>\$ 27,121,266</u>

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

Exhibit 8

	<u>Water & Sewer Operations</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash received from customers	\$ 2,538,607	\$ 2,079,917	\$ 4,618,524
Cash paid for goods and services	(1,107,630)	(1,415,755)	(2,523,385)
Cash paid to employees for services	(394,667)	(668,930)	(1,063,597)
Customer deposits (returned)	6,133	-	6,133
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,042,443</u>	<u>\$ (4,768)</u>	<u>\$ 1,037,675</u>
Cash Flows from Non-capital Activities:			
Transfers in (out)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	\$ (1,807,290)	\$ (45,321)	\$ (1,852,611)
Bond/Debt issuance	638,000	-	638,000
Principal paid on bond maturities and equipment contracts	(318,592)	-	(318,592)
Interest paid on bond maturities and equipment contracts	(622,548)	-	(622,548)
Capital contributions - grants	1,807,358	16,731	1,824,089
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ (303,072)</u>	<u>\$ (28,590)</u>	<u>\$ (331,662)</u>
Cash Flows from Investing Activities:			
Interest on investments	<u>\$ 767</u>	<u>\$ 3,082</u>	<u>\$ 3,849</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 740,138</u>	<u>\$ (30,276)</u>	<u>\$ 709,862</u>
Cash and Cash Equivalents:			
Beginning of year, July 1	1,191,284	2,927,271	4,118,555
End of year, June 30	<u>\$ 1,931,422</u>	<u>\$ 2,896,995</u>	<u>\$ 4,828,417</u>

(continued)

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

Exhibit 8

	Water & Sewer Operations	Solid Waste Fund	Total
(continued)			
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 203,950	\$ (213,934)	\$ (9,984)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	\$ 836,142	\$ 111,969	\$ 948,111
Changes in Assets and Liabilities:			
Decrease (increase) in accounts receivable	25,268	(61,698)	(36,430)
Increase (decrease) in accounts payable and accrued liabilities	(5,741)	139,709	133,968
Increase (decrease) in allowance for bad debts	(23,309)	19,186	(4,123)
Increase (decrease) in customer deposits	6,133	-	6,133
Total Adjustments	\$ 838,493	\$ 209,166	\$ 1,047,659
Net Cash Provided (Used) by Operating Activities	\$ 1,042,443	\$ (4,768)	\$ 1,037,675

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Statement of Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011

Exhibit 9

	Agency Fund
Assets	
Cash and cash equivalents	\$ 153,966
Liabilities and Net Assets	
Liabilities:	
Miscellaneous liabilities	\$ 79,717
Intergovernmental payable - Schools	70,275
Intergovernmental payable - State of North Carolina	3,974
Total Liabilities	\$ 153,966
Net Assets:	
Assets held in trust	\$ -

The notes to the financial statements are an integral part of this statement.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

I. Summary of Significant Accounting Policies

The accounting policies of Edgecombe County and its component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a seven-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its discretely presented component unit, a legally separate entity for which the County is financially accountable.

Edgecombe County Water Districts (the "Districts") exist to provide and maintain a water system for the County residents within the districts. The Districts are combined and reported as an enterprise fund in the County's financial statements. The County entered into an agreement during fiscal year 2006, with each existing District and which will encompass additional Districts as they are created, that transferred all assets, liabilities (excluding bond indebtedness, loans, and installment notes, along with accrued interest payable), operational rights, and responsibilities to the County. In consideration for this agreement, along with related accrued interest payable, the County agreed to pay the Districts an amount equal to debt service costs for the respective Districts for the duration of the respective bonds, loans, and notes. The County maintains the Districts' assets, provides water and sewer operations and makes payments on outstanding debts on behalf of the respective Districts. Therefore, the County's financial statements reflect the assets and debts in the Edgecombe County Water Operations Fund. The board of county commissioners sits as the board of each District. No separate financial statements are issued by these Districts.

Edgecombe County Industrial Facility and Pollution Control Financing Authority (the "Authority") exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The Edgecombe County ABC Board, which has a June 30 year-end, is presented as if it is a separate proprietary fund of the County (discrete presentation). The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Edgecombe County Water District No. 1	Blended	Under State Law [NCGS 162A-89], the County's Board of Commissioners also serve as the governing board for the District.	None issued.
Edgecombe County Water District No. 2	Blended	Under State Law [NCGS 162A-89], the County's Board of Commissioners also serve as the governing board for the District.	None issued.
Edgecombe County Water District No. 3	Blended	Under State Law [NCGS 162A-89], the County's Board of Commissioners also serve as the governing board for the District.	None issued.
Edgecombe County Water District No. 4	Blended	Under State Law [NCGS 162A-89], the County's Board of Commissioners also serve as the governing board for the District.	None issued
Edgecombe County Water District No. 5	Blended	Under State Law [NCGS 162A-89], the County's Board of Commissioners also serve as the governing board for the District.	None issued.
County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member Board of Commissioners that is appointed by the County Commissioners. The County can remove any Commissioner of the Authority with or without cause.	None issued.
Edgecombe County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of The County.	Edgecombe County ABC Board 404 West Wilson St. Tarboro, N.C.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus - Basis of Accounting

Government-Wide Statements

The Statement of Net Assets and the Statement of Activities 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.

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 blended component units. Separate statements for each fund category - *governmental, proprietary, and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating 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:

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. The Tax Revaluation Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the General Fund.

School Bond Capital Project Fund - This fund accounts for the various school renovation projects being funded by the 2006 School Bonds sold in February 2006 and the 2010 School Bonds sold in March 2010.

Human Services Building Capital Project Fund - This fund accounts for the various renovation projects being funded by an \$8 million dollar installment purchase agreement executed in February of 2011.

The County reports the following major enterprise funds:

Water and Sewer Operations and Capital Projects Fund - These funds are used to account for the operations of Edgecombe Water and Sewer and the Water and Sewer Capital Projects within the County. Water Capital Projects funds are consolidated with the operations fund for financial reporting purposes.

Solid Waste Fund - This fund accounts for the operations of the County's Solid Waste and Landfill activities. The Landfill Closure and Postclosure Reserve Fund is a reserve established by the County to accumulate the funds necessary to cover the closure and postclosure care costs that will be incurred by the landfill in the future. The Landfill Closure and Postclosure Reserve Fund is consolidated with the solid waste operating fund for financial reporting purposes.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The County reports the following fund type:

Agency Funds - Agency Funds are custodial in nature and do not involve the measurement of operating results. The Agency Fund is used to account for assets the County holds on behalf of others. The County maintains the following agency funds: The Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Edgecombe County Board of Education and the Nash Rocky Mount Schools Board of Education; the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the N.C. Department of Motor Vehicles; the Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed and collected by the County for various municipalities and special districts within the County; and the Deed of Trust Fee Fund, which accounts for the five dollars of each fee collected by the register of deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis.

Nonmajor Funds - The County maintains four annually budgeted funds. The Fire Districts Fund, Industrial Sites Development Fund, and Emergency Telephone System Fund are reported as nonmajor special revenue funds. The School Capital Projects Fund is reported as a nonmajor capital project fund. The CDBG Scattered Sites Projects Fund, Public Safety Grant Fund, CDBG Grant Project Fund and the Economic Development and Housing Recovery Fund are reported as grant projects funds and multi-year budgets are adopted upon project approval.

C. Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

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. The government-wide, proprietary, 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.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

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

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 sales and 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 nonoperating 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 if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable 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 procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Edgecombe County is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes, which were billed during this period, are shown as a receivable on these financial statements.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

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. 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 assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

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

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Schools Capital Outlay Fund, Revaluation Fund, Fire Districts Fund, Industrial Sites Development Fund, Emergency Telephone System Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for School Bond Capital Project Fund, Community Development Block Grant - Scattered Site Fund, the Public Safety Grant Fund, Community Development Block Grant Fund, Economic Development and Housing Recovery Fund, and the Enterprise Capital Projects Fund, which are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all the annually budgeted funds and at the project level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000. The governing board must approve all amendments. During the year, several immaterial 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.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

E. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the County and the ABC Board 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).

The County and the ABC Board's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value.

2. Cash and Cash Equivalents

The County pools moneys 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. The ABC Board considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

3. Restricted Assets

The unexpended bond proceeds of the School Bonds and unexpended installment proceeds of the Human Services Building Capital Project and unexpended debt proceeds of the water capital project funds as well as certain grants receivable are classified as restricted assets within the respective funds because their use is completely restricted to the purpose for which the debt or grant was originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the Tax Revaluation fund is also classified as a restricted asset because its use is restricted per North Carolina General Statute 153A-150.

4. 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, 2010.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectable 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.

6. Inventories and Prepaid Items

The inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The cost of the inventory carried in the ABC Board is recorded as an expense as it is consumed or sold.

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.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization cost is \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The county holds title to certain Edgecombe County Board of Education properties that have been included in capital assets. The properties have been deeded to the County to permit installment purchase financing and acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the County.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	31-50
Improvements	25
Furniture and equipment	10
Vehicles	3-5
Computer Equipment	3

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	<u>Years</u>
Buildings	20
Furniture and equipment	10
Vehicles	3-5
Leasehold improvements	10-20

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

8. Long-term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

9. Compensated Absences

The vacation policies of the County and the ABC Board provide for the accumulation of up to thirty days earned vacation leave for regular employees and forty-five days for law enforcement officers, with such leave being fully vested when earned. For the County's government-wide and proprietary funds and the ABC Board, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and the ABC Board provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the County nor the ABC Board have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

10. Net Assets/Fund Balances

Net Assets

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

Restricted Fund Balance - This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

 Restricted for Stabilization of State Statute - portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

 Restricted for Public Safety - portion of fund balance that is restricted by revenue source for certain emergency telephone system expenditures.

 Restricted for Human Services - portion of fund balance that is restricted by revenue source for use for public health purposes.

 Restricted for Capital Projects - portion of fund balance that is restricted by revenue source for capital expenditures.

 Restricted for Education - portion of fund balance that is restricted by revenue source for education expenditures.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of Edgecombe County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

Committed for Tax Revaluation - portion of fund balance that can only be used for Tax Revaluation.

Committed for Economic Development - portion of fund balance that can only be used for Economic Development at Fountain Park.

Assigned Fund Balance - portion of fund balance that the Edgecombe County governing board has budgeted.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however the budget ordinance authorized the manager to modify the appropriations by resource or appropriation within funds up to \$5,000.

Unassigned Fund Balance - Portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

The County has no established spending policy for programs with multiple revenue sources. The Finance Officer's practice is to expend fund balance with restricted classification first and unassigned fund balance lastly if such is in the best interest of the County.

The County has not adopted any minimum fund balance policy for the General Fund but monitors the percentage of fund balance to budgeted expenditures closely. The current unassigned fund balance equals 10.4% of General Fund expenditures.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

F. Reconciliation of Government-wide and Fund Financial Statements

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$14,757,158 consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column).	\$ 70,064,509
Less accumulated depreciation	(36,633,953)
Net Capital Assets	\$ 33,430,556
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements.	1,499,155
Investment in long-term capital lease receivable deferred in the fund statements.	1,358,792
Liabilities for revenue deferred but earned and therefore recorded in the fund statements but not in the government-wide.	6,631,991
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Bonds, leases, and installment financing	(25,619,372)
Compensated absences	(1,497,450)
Accrued interest payable	(276,950)
Net pension obligation	(272,736)
Other postemployment benefits	(496,828)
Total Adjustment	\$ 14,757,158

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$3,587,698 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities. (Including investment in long-term capital lease receivable.)	\$ (3,469,292)
Depreciation expense, the allocation of those assets over their useful lives that is recorded on the Statement of Activities but not in the fund statements.	1,782,390
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the Statement of Activities - it effects only the government-wide Statement of Net Assets.	9,375,000
Principal payments on debt owed and other decreases in debt owed are recorded as a use of funds on the fund statements but again affect only the Statement of Net Assets in the government-wide statements.	(3,056,208)
Expenses reported in the Statement of Activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full Accrual).	93,881
Compensated absences and pension obligations are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	71,367
Other postemployment benefits and pension costs.	184,099
Property tax and other revenues reported in the Statement of Activities that do not provide current resources are not recorded as revenues in the fund statements.	(1,393,539)
Total Adjustment	<u>\$ 3,587,698</u>

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

II. Stewardship, Compliance, and Accountability

A. Material Violations of Finance-Related Legal and Contractual Provisions

The County reported no instances of non-compliance.

III Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's and the ABC Board'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 securities held by the County's or the ABC Board's agents in these units' names. 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 and the ABC Board, these deposits are considered to be held by their agents in the entities' names. 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, the ABC Board, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the ABC Board 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 of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. Neither the County nor the ABC Board has any formal policy regarding custodial credit risk for deposits.

At June 30, 2011, the County's deposits had a carrying amount of \$22,919,614 and a bank balance of \$27,512,825. Of the bank balance, \$250,000 was covered by federal depository insurance, \$22,750 in non-interest bearing deposits and \$27,240,075 in interest-bearing deposits were covered by collateral held under the Pooling Method.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

At June 30, 2011, Edgecombe County had \$2,395 cash on hand.

At June 30, 2011, the carrying amount of deposits for Edgecombe County ABC Board was \$579,846 and the bank balance was \$569,358. Of the bank balance, \$308,804 was covered by federal depository insurance and \$260,554 in interest-bearing deposits was insured under the Pooling Method. At June 30, 2011, the ABC Board has \$2,725 cash on hand.

2. Investments

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Over 1 Year</u>
N.C. Capital Management Trust				
- Cash Portfolio	\$ 4,886,288	n/a	n/a	n/a
	=====	=====	=====	=====

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment practice limits at least half of the County's investment portfolio to maturities of less than 12 months.

Credit Risk. The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County had no formal policy on managing credit risk. The County's investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2011.

At June 30, 2011, the ABC Board had no investments.

3. Property Tax - Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. 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.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Year Levied	Tax	Interest *	Total
2011	\$ 1,809,948	\$ -	\$ 1,809,948
2010	1,680,845	96,649	1,777,494
2009	771,265	113,762	885,027
2008	782,984	185,959	968,943
Total	<u>\$ 5,045,042</u>	<u>\$ 396,370</u>	<u>\$ 5,441,412</u>

* (Interest figured through fiscal year-end 6/30/11)

4. Receivables

Receivables at the government-wide level at June 30, 2011, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due from other Governments	Other	Total
Governmental Activities:					
General	\$ 557,874	\$ 7,740,006	\$ 2,028,085	\$ 21,398	\$ 10,347,363
Other governmental	-	183,553	360,226	-	543,779
Total Receivables	<u>\$ 557,874</u>	<u>\$ 7,923,559</u>	<u>\$ 2,388,311</u>	<u>\$ 21,398</u>	<u>\$ 10,891,142</u>
Allowance for Doubtful Accounts	<u>(126,378)</u>	<u>(276,193)</u>	<u>-</u>	<u>-</u>	<u>(402,571)</u>
Total Governmental Activities	<u>\$ 431,496</u>	<u>\$ 7,647,366</u>	<u>\$ 2,388,311</u>	<u>\$ 21,398</u>	<u>\$ 10,488,571</u>
Business-type Activities:					
Landfill	\$ 450,106	\$ 590,286	\$ 32,825	\$ -	\$ 1,073,217
Water & Sewer	379,973	-	2,401,190	-	2,781,163
Total Receivables	<u>\$ 830,079</u>	<u>\$ 590,286</u>	<u>\$ 2,434,015</u>	<u>\$ -</u>	<u>\$ 3,854,380</u>
Allowance for Doubtful Accounts	<u>(489,226)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(489,226)</u>
Total Business-type Activities	<u>\$ 340,853</u>	<u>\$ 590,286</u>	<u>\$ 2,434,015</u>	<u>\$ -</u>	<u>\$ 3,365,154</u>

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The due from other governments that is owed to the County governmental and business-type activities consists of the following:

	Governmental Activities	Business-type Activities
NC Department of Revenue	\$ -	\$ 22,772
NC Department of Environmental and Natural Resources	-	10,053
Sales & Use Tax	891,531	-
Jail reimbursement	186,696	-
Other miscellaneous	254,053	-
Medicaid/Medicare	108,782	-
Admin. Reimbursement	547,205	-
Child Day Care	239,082	-
911 fees	20,240	-
Other grants - Public Safety	10,150	-
Other grants - Economic Development	130,572	-
Other grants - Water & Sewer	-	2,401,190
Total	\$ 2,388,311	\$ 2,434,015

5. Capital Lease Receivable

The County entered into an agreement for the purchase of an industrial building currently occupied by OSSID LLC for \$1,375,000. The purchase was financed by the county with two notes from North Carolina's Eastern region. A capital lease agreement was executed with OSSID LLC equal to the debt service payments, taxes, and insurance costs annually for the term of the notes. Under the lease agreement, OSSID LLC has the option to purchase the building for \$1 at the end of the lease or earlier for a price equal to the amount corresponding to the month within which the date of exercise occurs. The purpose of the transaction was for economic Development.

The future minimum lease payments receivable as of June 30, 2011 were as follows:

2012	\$	149,000
2013		149,000
2014		149,000
2015		149,000
2016		149,000
Thereafter		613,792
Total	\$	1,358,792

**Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011**

6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2011, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 1,300,723	\$ -	\$ -	\$ 1,300,723
Construction in progress	957,471	1,067,197	-	2,024,668
Total	<u>\$ 2,258,194</u>	<u>\$ 1,067,197</u>	<u>\$ -</u>	<u>\$ 3,325,391</u>
 Capital Assets Being Depreciated:				
Buildings & improvements	\$ 21,400,893	\$ 126,292	\$ -	\$ 21,527,185
Special Item - Schools	37,125,668	-	-	37,125,668
Equipment	4,402,834	583,648	26,045	4,960,437
Vehicles & motor equipment	2,889,925	337,448	97,460	3,129,913
Total	<u>\$ 65,819,320</u>	<u>\$ 1,047,388</u>	<u>\$ 123,505</u>	<u>\$ 66,743,203</u>
 Less Accumulated Depreciation for:				
Buildings	\$ 9,086,252	\$ 543,713	\$ -	\$ 9,629,965
Buildings & improvements	269,327	19,844	-	289,171
Special Item - Schools	20,068,451	636,773	-	20,705,224
Equipment	3,068,012	335,042	26,045	3,377,009
Vehicles & motor equipment	2,483,025	251,104	97,460	2,636,669
Total	<u>\$ 34,975,067</u>	<u>\$ 1,786,476</u>	<u>\$ 123,505</u>	<u>\$ 36,638,038</u>
 Total Capital Assets Being Depreciated, Net	 <u>\$ 30,844,253</u>			 <u>\$ 30,105,165</u>
 Governmental Activities:				
Capital Assets, Net	 <u><u>\$ 33,102,447</u></u>			 <u><u>\$ 33,430,556</u></u>

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

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

General Government	\$ 242,678
Public Safety	735,827
Economic and Physical Development	5,564
Human Services	165,634
Education	636,773
Total Depreciation Expense	<u>\$ 1,786,476</u> =====

Special Item - Schools - During 2006, General Obligation Bonds of \$9.37 million were issued for renovation projects on four schools. The titles of these four schools were transferred to the County through an agreement with the Edgecombe County School Board. The title to Phillips School was transferred to the County during the year 2009. This will facilitate accounting for the renovation projects and enable the County to request a refund of sales tax related to the construction. The cost of the schools and the accumulated depreciation were adjustments to the capital assets for the County. Once the bond debt is repaid, the title for the schools will revert back to the Edgecombe County School Board.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities:				
Landfill				
Capital Assets not Being Depreciated:				
Land	\$ 893,615	\$ -	\$ -	\$ 893,615
Capital Assets Being Depreciated:				
Buildings & improvements	\$ 1,707,298	\$ 18,466	\$ -	\$ 1,725,764
Furniture & maintenance equipment	325,700	26,855	-	352,555
Vehicles	1,203,376	-	12,384	1,190,992
Total	<u>\$ 3,236,374</u>	<u>\$ 45,321</u>	<u>\$ 12,384</u>	<u>\$ 3,269,311</u>
Less Accumulated Depreciation for:				
Buildings & improvements	\$ 608,444	\$ 40,795	\$ -	\$ 649,239
Furniture & maintenance equipment	202,134	18,295	-	220,429
Vehicles	1,016,681	52,879	12,384	1,057,176
Total	<u>\$ 1,827,259</u>	<u>\$ 111,969</u>	<u>\$ 12,384</u>	<u>\$ 1,926,844</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 1,409,115</u>			<u>\$ 1,342,467</u>
Landfill Capital Assets, Net	<u>\$ 2,302,730</u>			<u>\$ 2,236,082</u>

(continued)

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities: (continued)				
Edgecombe County Water Districts:				
Capital Assets not Being Depreciated:				
Land	\$ 28,292	\$ -	\$ -	\$ 28,292
Construction in progress	875,135	3,332,372	1,823,407	2,384,100
Total	\$ 903,427	\$ 3,332,372	\$ 1,823,407	\$ 2,412,392
Capital Assets Being Depreciated:				
Plant & distribution systems	\$ 36,837,374	\$ 1,247,158	\$ -	\$ 38,084,532
Buildings & improvements	872,512	43,750	-	916,262
Furniture & maintenance equipment	197,824	389,494	12,500	574,818
Vehicles	216,488	143,005	62,617	296,876
Total	\$ 38,124,198	\$ 1,823,407	\$ 75,117	\$ 39,872,488
Less Accumulated Depreciation for:				
Plant & distribution systems	\$ 4,094,241	\$ 759,231	\$ -	\$ 4,853,472
Buildings & improvements	43,625	17,815	-	61,440
Furniture & maintenance equipment	109,392	36,039	-	145,431
Vehicles	123,243	23,057	62,617	83,683
Total	\$ 4,370,501	\$ 836,142	\$ 62,617	\$ 5,144,026
Total Capital Assets Being Depreciated, Net				
	\$ 33,753,697			\$ 34,728,462
Edgecombe County Water Districts Capital Assets, Net				
	\$ 34,657,124			\$ 37,140,854
Business-Type Activities: Capital Assets, Net				
	\$ 36,959,854			\$ 39,376,936

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Construction Commitments

The government has active construction projects as of June 30, 2011 for the Water Distribution System. At year-end, the government's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Water Distribution System	\$ 1,813,413	\$ 1,986,333
Human Services Bldg	750,397	5,208,705
Total	\$ 2,563,810	\$ 7,195,038

Discretely Presented Component Units

Activity for the ABC Board for the year ended June 30, 2011, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets not Being Depreciated:				
Land	\$ 148,525	\$ -	\$ -	\$ 148,525
Capital Assets Being Depreciated:				
Buildings	\$ 1,067,031	\$ 14,014	\$ -	\$ 1,081,045
Furniture & equipment	275,916	32,997	15,798	293,115
Total	\$ 1,342,947	\$ 47,011	\$ 15,798	\$ 1,374,160
Less Accumulated Depreciation for:				
Buildings	\$ 546,164	\$ 23,087	\$ -	\$ 569,251
Furniture & equipment	198,709	14,105	15,047	197,767
Total	\$ 744,873	\$ 37,192	\$ 15,047	\$ 767,018
Total Capital Assets Being Depreciated, Net	\$ 598,074			\$ 607,142
Total Capital Assets, Net	\$ 746,599			\$ 755,667

**Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011**

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2011 were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Accrued Interest</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:					
General	\$ 2,849,787	\$ 569,174	\$ 276,950	\$ 89,950	\$ 3,785,861
Other governmental	<u>240,963</u>	<u>2,361</u>	<u>-</u>	<u>-</u>	<u>243,324</u>
 Total Governmental Activities	 <u>\$ 3,090,750</u>	 <u>\$ 571,535</u>	 <u>\$ 276,950</u>	 <u>\$ 89,950</u>	 <u>\$ 4,029,185</u>
 Business-type Activities:					
Solid Waste	\$ 133,713	\$ 14,762	\$ -	\$ 80,000	\$ 228,475
Water and Sewer District	<u>483,538</u>	<u>15,768</u>	<u>65,418</u>	<u>-</u>	<u>564,724</u>
 Total Business-type Activities	 <u>\$ 617,251</u>	 <u>\$ 30,530</u>	 <u>\$ 65,418</u>	 <u>\$ 80,000</u>	 <u>\$ 793,199</u>

2. Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description

Edgecombe County and the ABC Board contribute to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary 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.

**Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011**

Funding Policy

Plan members are required to contribute six percent of their annual covered salary. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.46% and 6.41%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 6.56% of annual covered payroll. The contribution requirements of members and of Edgecombe County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$978,705, \$723,705, and \$728,273, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$18,154, \$13,003, and \$13,349, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

Law Enforcement Officers Special Separation Allowance

Plan Description

Edgecombe 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 .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

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

Retirees receiving benefits	13
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	54
Total	67
	=====

A separate report was not issued for the plan.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Summary of Significant Accounting Policies

Basis of Accounting

The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method Used to Value Investments

No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 200 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.0% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4.5% to 7.85% per year. Both (a) and (b) included an inflation component of 3.0%. The assumptions did not include post-retirement benefit increases. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at December 31, 2010 was 20 years.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Annual Pension Cost and Net Pension Obligation

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

Annual required contribution	\$ 110,228
Interest on net pension obligation	12,966
Adjustment to annual required contribution	(13,883)
Annual pension cost	\$ 109,311
Contributions made	95,895
Increase (decrease) in net pension obligation	\$ 13,416
Net Pension Obligation -	
Beginning of year	259,320
End of year	\$ 272,736

3 Year Trend Information			
For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	93,512	92.06%	253,412
2010	93,944	93.71%	259,320
2011	109,311	87.73%	272,736

Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$1,040,758. The covered payroll (annual payroll of active employees covered by the plan) was \$2,148,725 and the ratio of the UAAL to the covered payroll was 48.44 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011**

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description

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

Funding Policy

Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2011 were \$105,992, which consisted of \$105,992 from the County and \$0 from the law enforcement officers.

Registers of Deeds' Supplemental Pension Fund

Plan Description

The County also contributes to the Registers of Deeds' Supplemental Pension Fund (the Fund), a noncontributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Registers of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011**

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 3 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2011, the County's required and actual contributions were \$2,694.

Other Postemployment Benefit

Plan Description

Under a County resolution, Edgecombe County provides healthcare benefits through the Healthcare Benefits Plan (HCB Plan) as a single-employer defined benefit plan to cover retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least five years of creditable service with the County. The County pays the full cost of coverage for these benefits. Also, the County's retirees can purchase coverage for their dependents as the County's group rates. The HCB Plan is available to qualified retirees at 100% until the age of 65 or until Medicare eligible, whichever is sooner. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at December 31, 2010, the date of the latest actuarial valuation:

	General <u>Employees</u>	Law Enforcement <u>Officers</u>
Retirees and dependents receiving benefits	29	10
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	<u>401</u>	<u>51</u>
Total	<u>430</u>	<u>61</u>
	=====	=====

Funding Policy

The County pays the full cost for the healthcare benefits paid to qualified retirees under a County ordinance, which may be amended by the Board. The County has chosen to fund the healthcare benefits on a pay as you go basis.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The current ARC rate is 3.11% of annual covered payroll. For the current year, the County contributed \$250,860 or 1.54% of annual covered payroll. The County obtains healthcare coverage through private insurers. The County's required contributions, under a Board resolution, for employees not engaged in law enforcement and for law enforcement officers represented 1.53% and 2.55% of covered payroll, respectively. There were no contributions made by employees. The County's obligation to contribute to HCB Plan is established and may be amended by the Board of Commissioners.

Summary of Significant Accounting Policies

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

Annual OPEB Cost and Net OPEB Obligation.

The County's annual other postemployment benefit (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 current year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the postemployment healthcare benefits:

Annual required contribution	\$ 443,647
Interest on net OPEB obligation	12,807
Adjustment to annual required contribution	(11,049)
Annual OPEB cost (expense)	<u>\$ 445,405</u>
Contributions made	250,860
Increase (decrease) in net OPEB obligation	<u>\$ 194,545</u>
Net OPEB Obligation -	
Beginning of year	<u>320,169</u>
End of year	<u>\$ 514,714</u>
	=====

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

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

<u>For Year Ended June 30</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011	\$ 445,405	56.32%	\$ 514,714
2010	\$ 379,944	62.86%	\$ 320,169

Funded Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$5,865,377. The covered payroll (annual payroll of active employees covered by the plan) was \$14,276,424, and the ratio of UAAL to the covered payroll was 41.08 percent.

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

Actuarial Methods and Assumptions

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

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

In the December 31, 2010, actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), which is a 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. The rate included a 3.75 percent inflation assumption. The medical cost trend rate varied between 10.50 and 5.00 percent. 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 unit credit on a level percent of pay, open basis. The remaining amortization period at December 31, 2010, was 30 years.

Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. For the fiscal year ended June 30, 2011, the County made contributions to the State for death benefits of \$20,684. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .11% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

3. Closure and Post-closure Care Costs - Edgecombe County Solid Waste Facility

State and federal laws and regulations require the County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The landfill stopped accepting municipal solid waste on January 1, 1998.

The County is also permitted to accept construction and demolition waste on top of a closed landfill site for maximum period of five years or until maximum capacity has been reached. The estimated closure and postclosure liability at June 30, 2011 is \$3,209,264

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that help determine if a unit is financially able to meet closure and postclosure care requirements. However, the County has also elected to establish a reserve fund that accumulates resources through annual contributions for the payment of closure and postclosure care costs. At June 30, 2011, those funds are held in investments with a cost and market value of \$2,480,218. The County expects that future inflation costs will be paid from the interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

4. Deferred/Unearned Revenues

The balance in deferred revenue on the fund statements and unearned revenues on the government-wide statements at year-end is composed of the following elements:

	Unearned Revenue	Deferred Revenue
Prepaid taxes not yet earned (General)	\$ 140,761	\$ -
Taxes receivable (net) (General)	-	5,964,658
Taxes receivable (net) (Special Revenue)	-	176,156
Other deferred revenue (General)	-	483,780
Total	\$ 140,761	\$6,624,594

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

5. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general liability coverage of \$2 million per occurrence, and workers' compensation coverage up to the statutory limits. The pools are reinsured through commercial companies for single occurrence losses in excess of \$500,000 up to a \$2 million limit for general liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property coverage, and single occurrence losses of \$350,000 for workers' compensation.

The County carries flood insurance through the North Carolina Association of County Commissioners (NCACC). Because the County is in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, the County has purchased adequate flood insurance coverage with a \$25,000 deductible per flood occurrence.

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 Director of Finance, Tax Collector, Register of Deeds, and Sheriff are each individually bonded for \$500,000, 100,000, \$10,000, and \$25,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

Edgecombe County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Board has property, general liability, auto liability, workers' compensation, and employee health coverage. The Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The County operates a limited risk, self-insurance program to provide health benefits to County employees. Premiums are paid into the General Fund by all other funds (including amounts withheld from employees) and are available to pay claims and administrative costs of the program. The Interfund premiums are based upon actual estimates of the amounts needed to pay prior and current year claims. Administrative services are contracted with CIGNA, Inc. Aggregate stop loss is purchased in the amount of 125% of expected annual claims and losses above \$75,000 on any one claim. Premiums are paid to the fund by the County for employees and by the employee for dependents. A total of \$3,463,320 in claims were incurred for benefits during the year ended June 30, 2011. Changes in the fund's claims liability amount was as follows:

	Year Ended June 30,	
	2011	2010
Unpaid claims, beginning of year	\$ 159,212	\$ 216,215
Incurred claims (including IBNRs)	4,066,249	3,076,580
Claim payments	3,463,320	3,133,583
Unpaid claims, end of year	\$ 762,141	\$ 159,212
	=====	=====

6. Contingent Liabilities

At June 30, 2011, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate outcome of these legal matters will not have a materially adverse effect on the County's financial position.

7. Long-Term Obligations

General Obligation Indebtedness

All general obligation bonds serviced by the County's general fund are collateralized by the full faith, credit, and taxing power of the County. Edgecombe County Water District issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Water District Fund, are collateralized by the full faith, credit, and taxing power of the District. Principal and interest payments are appropriated when due.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The County's general obligation bonds payable at June 30, 2011 is comprised of the following individual issues:

	Balance <u>6-30-11</u>
General Obligation Bonds:	
Serviced by the County's General Fund:	
\$9,370,000 2006 School Bonds - February 1, 2006; due in annual principal payments of \$250,000 to \$550,000 and semi-annual interest payments of 3.45% to 4%; payable August 1 and February 1	\$ 7,335,000
\$3,430,000 2010 School Bonds - March 9, 2010; Due in annual principal payments of \$170,000 to \$175,000 and semi-annual interest payments of 3.00% to 4.25%; payable April 1 and October 1	3,255,000
Serviced by the Water and Sewer District #1:	
\$3,000,000 2001 USDA/Rural Development Water Bonds Series A and Series B General Obligation:	
Series A - \$2,696,000 Water Bond due in annual installments of \$28,500 to \$112,500 plus interest @ 4.75% through June of 2038.	2,299,500
Series B - \$304,000 Water Bond due in annual installments of \$3,500 to \$14,000 plus interest @ 4.75% through June of 2038.	259,000
Serviced by the Water and Sewer District #2:	
Series A - \$2,707,000 Water Bond due in annual installments of \$29,000 to \$116,000 (beginning 2005) plus interest @ 4.625% through June of 2042	2,475,500
Series B - \$1,293,000 Water Bond due in annual installments of \$14,000 to \$56,000 (beginning 2005) plus interest @ 4.625% through June of 2042	1,183,000
Serviced by the Water and Sewer District #3:	
Series 2005 Water General Obligation Bond - June 20, 2007; due in annual installments of \$3,000 to \$12,000 plus interest @ 4.25% through 2045	280,000
Serviced by the Water and Sewer District #5:	
Series 2009 Water General Obligation Bond - April 20, 2009; due in annual installments of approximately \$215,000 including principal and interest @ 4.375% through June 1, 2048	3,884,000
Total General Obligation Bonds	<u>\$ 20,971,000</u> =====

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The County's financing debt at June 30, 2011 is comprised of the following:

	Balance 6-30-11
Notes Payable:	
\$760,000 Note Payable - June 22, 2007; due in quarterly principal and interest payments of \$23,284 through June 2017; interest @ 4.125%; payable on September 1, December 1, March 1, and June 1	\$ 490,764
\$990,000 Note Payable - April 15, 2011; Due in semi-annual principal and interest payments of \$50,871.79 through March 1, 2023; interest @ 3.5%; Payable September 1 and March 1	990,000
\$385,000 Note Payable - April 15, 2011; Due in semi-annual principal and interest payments of \$22,981.12 through March 1, 2021; interest @ 3.5%; Payable September 1 and March 1	385,000
Installment Purchases:	
\$500,000 Installment Agreement - October 15, 2008; due in semi-annual payments of \$25,000 plus interest @ 3.77% through October, 2018; payable October 1 and April 1	375,000
\$500,000 Installment Agreement - October 15, 2008; due in semi-annual principal and interest payments of \$55,010 through October, 2014; interest @ 3.55%; payable October 1 and April 1	260,989
\$1,300,000 Installment Agreement - December 19, 2003; due in semi-annual principal and interest payments of \$65,000 through June 2013; interest @ 3.66%; payable on June 19 and December 19	325,000
\$9,500,000 Installment Agreement - November 10, 1997; due in semi-annual principal and interest payments of \$362,750 through December 2017; interest @ 4.25%; payable on December 1 and June 1	4,082,907
\$121,750 Installment Agreement; due in annual principal and interest payments of \$7,366 through September 14, 2038; interest @ 4.375%; payable on September 14	119,711
\$8,000,000 Installment Agreement; due in semi-annual principal and interest payments of \$275,862 through August 17, 2025; interest @ 3.591%; payable February 17 and August 17	8,000,000
Total	\$ 15,029,371

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The County's Water and Sewer District financing debt at June 30, 2011 is comprised of the following:

Water and Sewer Notes Payable:

Serviced by the Water and Sewer District #3:

\$2,690,259 State Clean Water Bond; due in annual principal payments of \$141,593 plus semi-annual interest payments @ 4.02% payable November 1 and May 1, beginning November 1, 2006.

\$ 1,982,297
=====

The following table summarizes the annual requirements to amortize all long-term debt outstanding (excluding bond anticipation notes, compensated absence, accrued separation allowance, enterprise revenue bonds payables, and closure/post closure accrual):

Year	Business-type Activities		Governmental Activities		
	General	Notes Payable	Notes Payable	Installment Purchases	General
	Obligation Bonds				Obligation Bonds
2011-2012	\$ 161,000	\$ 141,593	\$ 180,315	\$ 1,393,341	\$ 660,000
2012-2013	167,500	141,593	181,334	1,421,035	660,000
2013-2014	175,000	141,593	315,137	1,329,883	660,000
2014-2015	183,500	141,593	244,049	1,236,996	660,000
2015-2016	191,500	141,593	115,637	930,797	660,000
2017-2021	1,095,000	707,962	640,149	4,275,072	3,300,000
2022-2026	1,368,500	566,370	189,141	2,500,573	3,310,000
2027-2031	1,709,500	-	-	22,049	680,000
2032-2036	2,060,000	-	-	27,610	-
2037-2041	1,886,500	-	-	26,253	-
2042-2046	1,085,000	-	-	-	-
2047-2051	298,000	-	-	-	-
Total	\$ 10,381,000	\$ 1,982,297	\$ 1,865,762	\$ 13,163,609	\$ 10,590,000

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Year	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011-2012	\$ 2,233,656	\$ 938,777	\$ 302,593	\$ 550,235	\$ 2,536,249	\$ 1,489,012
2012-2013	2,262,369	858,954	309,093	537,074	2,571,462	1,396,028
2013-2014	2,305,020	784,885	316,593	523,614	2,621,613	1,308,499
2014-2015	2,141,045	685,579	325,093	509,808	2,466,138	1,195,387
2015-2016	1,706,434	603,243	333,093	634,888	2,039,527	1,238,131
2017-2021	8,215,221	2,000,599	1,802,962	2,230,756	10,018,183	4,231,355
2022-2026	5,999,714	771,045	1,934,870	1,833,211	7,934,584	2,604,256
2027-2031	702,049	83,495	1,709,500	1,402,403	2,411,549	1,485,898
2032-2036	27,610	8,294	2,060,000	958,000	2,087,610	966,294
2037-2041	26,253	1,802	1,886,500	512,824	1,912,753	514,626
2042-2046	-	-	1,085,000	250,062	1,085,000	250,062
2047-2051	-	-	298,000	5,338	298,000	5,338
Total	\$ 25,619,371	\$ 6,736,673	\$ 12,363,297	\$ 9,948,213	\$ 37,982,668	\$ 16,684,886

Bond Anticipation Notes

The Water and Sewer Districts within Edgecombe County have issued various bond anticipation notes, in order to finance various water and sewer improvements.

Serviced by the Water and Sewer District # 5:
 \$638,000 Bond Anticipation Notes - September 16, 2010;
 Due December 14, 2011; interest @ 1.79%

At June 30, 2011, Edgecombe County Water and Sewer District No. 5, had bonds authorized but unissued of \$2,072,000 and District No. 4 had bonds authorized but unissued of \$4,500,000

The County's legal debt margin was \$ 224,329,251 at June 30, 2011.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Revenue Bonds

In April 1999, the County issued \$1,396,000 of Water Revenue Bonds to finance water lines for Edgecombe Water and Sewer District No. 1. At 4.75% interest, the interest on the bonds is payable annually on June 1. The revenue bonds, which mature through June 1, 2038, are reported on the Edgecombe Water and Sewer District No. 1's financial statements because the principal and interest on the bonds are payable from the net revenues of the system. The revenue bonds do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any of the County's property or upon its income, receipts, or revenues. The taxing power of the County is not pledged for the payment of the principal or interest on the revenue bonds, and no owner has the right to compel the exercise of the taxing power of the County or the forfeiture of any of its property in connection with any default under the bond order.

Revenue bond debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest
2012	\$ 24,500	\$ 56,454
2013	25,500	55,290
2014	26,500	54,079
2015	28,000	52,820
2016-2020	161,000	242,773
2021-2025	201,000	200,973
2026-2030	247,000	149,104
2031-2035	295,000	85,215
2036-2040	180,000	17,100
Total	\$ 1,188,500	\$ 913,808
	=====	=====

The County has pledged future water customer revenues net of specified operating expense from Water District No. 1 to repay this debt. The Bond Order requires the debt service coverage ratio to be no less than 110%. The debt service coverage ratio for the year ended June 30, 2011, is as follows:

(Modified Accrual Basis)	
Operating revenues	\$ 887,827
Operating expenses	523,795
Operating Income	\$ 364,032
Non-operating revenues (expenses)	(181,079)
Income Available for Debt Service	\$ 182,953
	=====
Debt service, principal and interest paid (Revenue bond only)	\$ 80,954
	=====
Debt service coverage ratio	226%
	=====

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2011:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011	Current Portion of Balance
Governmental					
Activities:					
General obligation					
debt	\$ 11,250,000	\$ -	\$ 660,000	\$ 10,590,000	\$ 660,000
Notes payable	561,814	1,375,000	71,050	1,865,764	180,315
Installment					
purchase	7,488,766	8,000,000	2,325,159	13,163,607	1,393,341
Compensated					
absences	1,439,499	1,051,821	993,869	1,497,451	1,051,821
Unfunded Special					
Separation					
Allowance	259,320	13,416	-	272,736	-
OPEB	312,729	184,099	-	496,828	-
Total Governmental					
Activities	<u>\$ 21,312,128</u>	<u>\$ 10,624,336</u>	<u>\$ 4,050,078</u>	<u>\$ 27,886,386</u>	<u>\$ 3,285,477</u>

(Continued)

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011	Current Portion of Balance
Business-type Activities:					
Water & Sewer Districts					
General obligation					
debt	\$ 10,534,500	\$ -	\$ 153,500	\$ 10,381,000	\$ 161,000
Bond anticipation	-	638,000	-	638,000	638,000
Revenue bonds	1,212,000	-	23,500	1,188,500	24,500
Notes payable	2,123,889	-	141,592	1,982,297	141,593
Compensated					
absences	30,541	15,768	16,057	30,252	15,768
OPEB	3,939	5,712	-	9,651	-
Total Water & Sewer Districts	\$ 13,904,869	\$ 659,480	\$ 334,649	\$ 14,229,700	\$ 980,861
Landfill					
Accrued landfill closure and postclosure					
care costs	\$ 3,090,848	\$ 200,000	\$ 81,584	\$ 3,209,264	\$ 80,000
Compensated					
absences	18,219	14,762	13,120	19,861	14,762
OPEB	3,501	4,734	-	8,235	-
Total Landfill	\$ 3,112,568	\$ 219,496	\$ 94,704	\$ 3,237,360	\$ 94,762
Total Business-type Activities	\$ 17,017,437	\$ 878,976	\$ 429,353	\$ 17,467,060	\$ 1,075,623

(Continued)

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011	Current Portion of Balance
Discretely Presented					
Component Units:					
Compensated					
absences	\$ 25,597	\$ -	\$ 3,624	\$ 21,973	\$ -
OPEB	18,036	9,018	125	26,929	-
Total Discretely Presented					
Component Units	<u>\$ 43,633</u>	<u>\$ 9,018</u>	<u>\$ 3,749</u>	<u>\$ 48,902</u>	<u>\$ -</u>

Compensated absences typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

Conduit Debt Obligation

Edgecombe County Industrial Facility and Pollution Control Authority have issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011, there was one series of industrial revenue bonds outstanding. The Company for whom they were issued, is in bankruptcy and it is impossible to determine what the unpaid balance is at June 30, 2011.

**Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011**

C. Interfund Balances and Activity

Balances due to/from other funds at June 30, 2011, consist of the following:

Due to the General Fund for advance of grant proceeds yet to be received from:	
Water and Sewer Fund	\$ 2,181,472 =====

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers to/from other funds at June 30, 2011, consist of the following:

From the General Fund to the Revaluation Fund (To accumulate resources for the octennial revaluation of real property)	\$ 150,000
From the General Fund to Enhanced 911	4,510
From the General Fund to Other	1,800
Total	<u>\$ 156,310</u> =====

D. Fund Balance

Currently Edgecombe County does not have a revenue spending policy.

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	\$ 17,134,281
Less:	
Stabilization by State Statute	4,451,707
Appropriated Fund Balance in 2012 budget	4,887,551
Tax Revaluation	393,912
Human Services	587,950
Education	1,105,806
Remaining Fund Balance	<u>\$ 5,707,355</u> =====

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

IV. Joint Ventures

The County, in conjunction with the Town of Tarboro, participates in the Tarboro-Edgecombe Airport Authority. Each participating government appoints three members to the six-member board. The Airport is a joint venture established to facilitate economic expansion within the County and improve the quality of life for its citizens. The Airport is not self-sustaining. The County has an ongoing financial responsibility for the Airport because it and the Town are legally obligated under the intergovernmental agreement that created the Airport to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The County contributed \$10,486 for operations and \$5,260 for capital outlay to the Airport during the fiscal year ended June 30, 2011. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2011. Complete financial statements for the Airport can be obtained from the Airport's administrative offices of the Town of Tarboro, PO Box 220, Tarboro, North Carolina 27886.

The County also participates in a joint venture to operate the Edgecombe Memorial Library and Braswell Memorial Library along with local municipalities. The County Board of Commissioners appoints three board members to the six-member boards of the Libraries. The County has an ongoing financial responsibility for the joint venture because the Libraries' continued existence depends on the participating governments' continued funding. None of the participating governments has any equity interest in the Libraries, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$553,738 to the Libraries to supplement its activities. Complete financial statements for the Libraries can be obtained from the Libraries' offices at 909 Main Street, Tarboro, North Carolina 27886 and 727 N. Grace Street, Rocky Mount, North Carolina, respectively.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The County, in conjunction with the State of North Carolina and the Edgecombe County Board of Education, participates in a joint venture to operate the Edgecombe County Community College. Each of the participants appoints four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex officio nonvoting member of the community college's 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. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$1,408,710 for operations and \$100,000 for capital outlay to the community college during the fiscal year ended June 30, 2011. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2010. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 2009 W. Wilson Street Ext., Tarboro, North Carolina 27886.

V. Jointly Governed Organization

The County, in conjunction with the City of Wilson, City of Rocky Mount, County of Wilson, and County of Nash, participates in the Rocky Mount - Wilson Regional Airport Authority. Each participating City appoints two members and each participating County appoints one member to the seven-member board. The Airport is a joint venture established to facilitate economic expansion within the region and improve the quality of life for its citizens. The County has an ongoing financial responsibility for the Airport because it and the other participants are legally obligated under the intergovernmental agreement that created the Airport to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The County contributed \$46,970 for operations and \$0 for capital outlay to the Airport during the fiscal year ended June 30, 2011. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2011. Complete financial statements for the Airport can be obtained from the Airport's administrative offices at 250 Airport Drive, Elm City, North Carolina 27822.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

The County participates in a joint venture with Wilson, Greene, and Nash Counties to provide mental health services to the residents of the four Counties through the Beacon Center. Each County appoints one of its County Commissioners to the Area Authority. The remaining sixteen Authority members are then selected by these Commissioners, four from each County. The County has an ongoing financial responsibility for the joint venture based on annual funding appropriations. Neither of the Counties have an equity interest in the Area Authority, so no equity interest has been reflected in the financial statements at June 30, 2011. The County appropriated \$17,423 to the Area Authority for year ended June 30, 2011. Complete financial statements for the Area Authority may be obtained from the Area Authority's offices at 500 Nash Medical Arts Mall, Rocky Mount, North Carolina.

The County participates in a joint venture with the Town of Tarboro to operate the Edgecombe County Cultural Arts Council, Inc. The County appoints thirteen of the nineteen board members to the Board of Arts Council. Neither participating government has any equity interest in the Arts Council, so no equity interest has been reflected in the financial statements at June 30, 2011. The County contributed \$35,431 to the Arts Council during the year ended June 30, 2011. Complete financial statements for the Arts Council can be obtained from the Arts Council office at 130 Bridgers Street, Tarboro, North Carolina 27886.

The County participates in a joint venture with the City of Rocky Mount and Nash County to operate the Down East Home Consortium, (the "DEHC"). The agreement commenced on June 30, 1996, and covered three consecutive fiscal years. After the initial period, the members of the DEHC chose to continue as a consortium and must notify HUD when it has dissolved. The participating governments mutually agree that Rocky Mount shall act as the lead entity. Each of the entities appoint one member of the three-member DEHC Home Coordinating committee. Each participating government shall receive a percentage of the home funds based on a proration of the population. Each participating government shall be responsible for providing matching funds required by federal regulations for any home funds allocated and accepted for use by that government. For fiscal year June 30, 2011 the County made no contributions to DEHC.

The County participates in a joint venture with Nash County, the Town of Tarboro, and the City of Rocky Mount to operate Carolinas Gateway Partnership, Inc. The partnership's bylaws state that private sector funds are matched on an equal basis by the public partners. For fiscal year June 30, 2011, the County contributed \$143,438 to support the partnership.

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

VI. Benefit Payments Issued by the State

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

	<u>Federal</u>	<u>State</u>
Temporary Assistance for Needy Families	\$ 629,583	\$ -
Medicaid	71,167,818	28,602,881
Food Stamp Program	24,347,153	-
Energy Assistance	589,773	-
Independent Living	13,139	-
Title IV-E, Adoption Subsidy	455,558	101,535
Title IV-E, Foster Care	105,683	72,328
State/County Special Assistance for Adults	-	783,548
F/C At Risk Maximixation	-	6,430
Foster Care at Risk	-	4,958
CWS Adoption Subsidy	-	319,502
Special Children Adoption	114,000	-
State Foster Home	-	47,734
SFHF Maimization	-	38,268
Special Supplemental Nutrition Program for WIC	1,439,205	-
 Total	 <u>\$ 98,861,912</u>	 <u>\$ 29,977,184</u>

Edgecombe County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011

VII. Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

The County has received proceeds from several federal and State Grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Operating Leases

The County is obligated under operating leases to make monthly payments ranging from \$55 to \$6,093 through June 2013. Lease expenditures for the fiscal year ended June 30, 2011 totaled \$140,648. Under these leases, minimum lease payments for the fiscal year ending June 30, 2012 total \$140,648.

VIII. Additional Disclosures Concerning Water District Presentation
(Exhibits F-1, F-2)

USDA has requested that each water district within the County be presented separately as opposed to being consolidated into one water district operating fund. However, the County did not have each of the district's separated out into individual funds, so adequate information was not available to provide separate schedules for each district. In addition, there was no separate budget prepared for each water district. In consultation with the USDA, the County has decided not to report these water districts in separate funds at this time, but rather to break the districts out based on usage and other measures and report the information on Exhibits F-1 and F-2.

IX. Significant Effects of Subsequent Events

In October 2011, Edgecombe County entered an agreement with Carolina Gateway Partnership to purchase an option from them by January 31, 2012 for \$250,000 on 316.71 acres located at the Kingsboro development site for economic development purposes. It is the intent of the Board of Commissioners to purchase and exercise the option to purchase for a remaining balance of \$2,250,000.

In October 2011 Edgecombe County management detected potential fraud by employees located in the Department of Social Services. Currently there are internal, criminal, State and Federal investigations into the situation. It is unknown at this time the dollar amount that may result from these investigations.

Required Supplemental Financial Data

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Edgecombe County, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Funding Progress

Exhibit A-1

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
12/31/94	\$ -	\$ 204,738	\$ 204,738	\$ -	\$ 976,889	20.96%
12/31/95	-	246,470	246,470	-	1,048,731	23.50%
12/31/96	-	332,050	332,050	-	1,088,328	30.51%
12/31/97	-	347,380	347,380	-	1,108,039	31.35%
12/31/98	-	352,569	352,569	-	1,182,195	29.82%
12/31/99	-	391,485	391,485	-	1,394,619	28.07%
12/31/00	-	642,145	642,145	-	1,384,109	46.39%
12/31/01	-	634,387	634,387	-	1,533,872	41.36%
12/31/02	-	655,749	655,749	-	1,549,290	42.33%
12/31/03	-	743,010	743,010	-	1,600,376	46.43%
12/31/04	-	873,911	873,911	-	1,625,775	53.75%
12/31/05	-	817,612	817,612	-	1,784,149	45.83%
12/31/06	-	815,976	815,976	-	1,859,394	43.88%
12/31/07	-	948,719	948,719	-	1,958,095	48.45%
12/31/08	-	936,905	936,905	-	1,973,902	47.46%
12/31/09	-	1,142,606	1,142,606	-	2,049,359	55.75%
12/31/10	-	1,040,758	1,040,758	-	2,148,725	48.44%

**Edgecombe County, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Employer Contributions**

Exhibit A-2

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2004	\$ 90,553	58.17%
2005	77,630	90.65%
2006	86,223	90.43%
2007	79,336	101.09%
2008	81,461	98.52%
2009	93,512	92.06%
2010	93,944	93.71%
2011	109,311	87.73%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12-31-10
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	20 Years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases*	4.25% - 7.85%
*Includes inflation at	3.00%
Cost-of living adjustments	N/A

**Edgecombe County, North Carolina
Other Postemployment Benefits
Required Supplementary Information
Schedule of Funding Progress**

Exhibit A-3

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/08	\$ -	\$ 5,226,254	\$ 5,226,254	\$ -	\$ 14,811,257	35.29%
12/31/09	-	5,865,377	5,865,377	-	14,276,424	41.08%

**Edgecombe County, North Carolina
Other Postemployment Benefits
Required Supplementary Information
Schedule of Employer Contributions**

Exhibit A-4

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2009	\$ 378,961	52.8%
2010	379,944	62.9%
2011	514,714	56.3%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/2009
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	4.00%
Medical cost trend	10.5 to 5%
*Includes inflation at	3.75%
Cost-of-living adjustments	N/A

Individual Fund Schedules

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Major Governmental Funds

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Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes:			
Taxes	\$ 26,096,526	\$ 25,932,455	\$ (164,071)
Penalties and interest	340,000	402,625	62,625
Total Ad Valorem Taxes	\$ 26,436,526	\$ 26,335,080	\$ (101,446)
Local Option Sales Taxes:			
Article 39 one percent	\$ 1,100,000	\$ 1,187,165	\$ 87,165
Article 40 one - half of one percent	1,600,000	1,697,763	97,763
Article 42 one - half of one percent	400,000	445,555	45,555
Article 44 sales tax	-	(7,295)	(7,295)
Total Local Option Sales Taxes	\$ 3,100,000	\$ 3,323,188	\$ 223,188
Other Taxes and Licenses:			
Animal tax	\$ 15,000	\$ 13,611	\$ (1,389)
Franchise tax	60,000	62,223	2,223
Privilege licenses	5,000	5,500	500
Gross receipt tax	4,000	3,405	(595)
Total Other Taxes and Licenses	\$ 84,000	\$ 84,739	\$ 739
Unrestricted Intergovernmental:			
Hold Harmless Provision	\$ 503,668	\$ 465,939	\$ (37,729)
NC Department of Motor Vehicles	72,000	75,577	3,577
Beer and wine tax	30,000	81,136	51,136
Total Unrestricted Intergovernmental	\$ 605,668	\$ 622,652	\$ 16,984

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues (continued):			
Restricted Intergovernmental:			
General Fund	\$ 2,736,364	\$ 1,728,661	\$ (1,007,703)
Health Department	2,344,739	2,412,267	67,528
Department of Social Services	11,767,562	11,400,467	(367,095)
Court facility fees	110,000	99,530	(10,470)
Nash County - Veteran Services Officer	44,600	38,236	(6,364)
ABC bottle taxes	17,000	16,082	(918)
Total Restricted Intergovernmental	<u>\$ 17,020,265</u>	<u>\$ 15,695,243</u>	<u>\$ (1,325,022)</u>
Permits and Fees:			
Building and zoning permits	\$ 65,700	\$ 62,692	\$ (3,008)
Election fees	-	1,361	1,361
Register of Deeds	275,000	262,071	(12,929)
Sheriff, Jail, and other law fees	170,000	211,551	41,551
Legal fee reimbursement	75,000	55,354	(19,646)
Total Permits and Fees	<u>\$ 585,700</u>	<u>\$ 593,029</u>	<u>\$ 7,329</u>
Sales and Services:			
Rents, concessions, and fees	\$ 370,606	\$ 533,850	\$ 163,244
Inmate housing	2,200,000	2,382,340	182,340
Health fees	5,174,447	3,738,756	(1,435,691)
Social Services fees	181,180	177,925	(3,255)
Vehicle tax collection fees	19,500	18,285	(1,215)
Total Sales and Services	<u>\$ 7,945,733</u>	<u>\$ 6,851,156</u>	<u>\$ (1,094,577)</u>
Investment earnings	<u>\$ -</u>	<u>\$ 25,506</u>	<u>\$ 25,506</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues (continued):			
Miscellaneous:			
Other	\$ 20,799	\$ 27,104	\$ 6,305
Donations	12,511	12,345	(166)
Insurance claims	4,700	27,864	23,164
Medicaid reimbursement - ambulance	192,828	198,792	5,964
Total Miscellaneous	<u>\$ 230,838</u>	<u>\$ 266,105</u>	<u>\$ 35,267</u>
Total Revenues	<u>\$ 56,008,730</u>	<u>\$ 53,796,698</u>	<u>\$ (2,212,032)</u>
Expenditures:			
General Government:			
Governing Body:			
Salaries and employee benefits	\$ 97,515	\$ 96,418	\$ 1,097
Other operating expenditures	174,685	168,229	6,456
Dues and meetings	44,000	46,155	(2,155)
Total Governing Body	<u>\$ 316,200</u>	<u>\$ 310,802</u>	<u>\$ 5,398</u>
Administration:			
Salaries and employee benefits	\$ 347,930	\$ 336,503	\$ 11,427
Other operating expenditures	93,623	73,454	20,169
Capital outlay	-	-	-
Total Administration	<u>\$ 441,553</u>	<u>\$ 409,957</u>	<u>\$ 31,596</u>
Elections:			
Salaries and employee benefits	\$ 211,350	\$ 200,877	\$ 10,473
Other operating expenditures	106,979	47,739	59,240
Capital outlay	-	-	-
Total Elections	<u>\$ 318,329</u>	<u>\$ 248,616</u>	<u>\$ 69,713</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
General Government (continued):			
Finance:			
Salaries and employee benefits	\$ 325,350	\$ 303,475	\$ 21,875
Audit	50,500	50,500	-
Other operating expenditures	123,650	94,032	29,618
Total Finance	<u>\$ 499,500</u>	<u>\$ 448,007</u>	<u>\$ 51,493</u>
Tax Collector:			
Salaries and employee benefits	\$ 241,627	\$ 237,192	\$ 4,435
Other operating expenditures	215,938	173,923	42,015
Total Tax Collector	<u>\$ 457,565</u>	<u>\$ 411,115</u>	<u>\$ 46,450</u>
Department of Motor Vehicles			
Salaries and employee benefits	\$ 113,873	\$ 113,641	\$ 232
Other operating expenditures	7,502	6,142	1,360
Total Department of Motor Vehicles	<u>\$ 121,375</u>	<u>\$ 119,783</u>	<u>\$ 1,592</u>
Tax Assessor:			
Salaries and employee benefits	\$ 370,750	\$ 345,148	\$ 25,602
Other operating expenditures	270,569	112,681	157,888
Capital outlay	21,000	21,401	(401)
Total Tax Assessor	<u>\$ 662,319</u>	<u>\$ 479,230</u>	<u>\$ 183,089</u>
Legal:			
Contracted services	\$ 54,000	\$ 44,897	\$ 9,103

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
General Government (continued):			
Data Processing:			
Salaries and employee benefits	\$ 230,900	\$ 223,284	\$ 7,616
Other operating expenditures	125,700	102,562	23,138
Capital outlay	36,344	31,775	4,569
Total Data Processing	\$ 392,944	\$ 357,621	\$ 35,323
Register of Deeds:			
Salaries and employee benefits	\$ 216,040	\$ 207,135	\$ 8,905
Other operating expenditures	-	-	-
Capital outlay	207,550	122,205	85,345
Children's trust fund	1,800	1,485	315
Domestic violence fund	8,000	8,910	(910)
Total Register of Deeds	\$ 433,390	\$ 339,735	\$ 93,655
Public Buildings:			
Salaries and employee benefits	\$ 394,731	\$ 357,004	\$ 37,727
Other operating expenditures	49,500	34,432	15,068
Utilities	844,200	589,721	254,479
Maintenance	592,120	429,210	162,910
Capital outlay	867,756	131,088	736,668
Total Public Buildings	\$ 2,748,307	\$ 1,541,455	\$ 1,206,852
Court Facilities:			
Rent - Courts of Justice	\$ 16,800	\$ 16,800	\$ -
Law library	18,000	9,182	8,818
Juvenile detention	50,000	45,568	4,432
Total Court Facilities	\$ 84,800	\$ 71,550	\$ 13,250

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	Exhibit B-1 Variance Positive (Negative)
Expenditures (continued):			
General Government (continued):			
Central Services:			
Insurance and other	\$ 414,500	\$ 326,198	\$ 88,302
Copy machine rental	189,085	179,178	9,907
Total Central Services	<u>\$ 603,585</u>	<u>\$ 505,376</u>	<u>\$ 98,209</u>
 Total General Government	 <u>\$ 7,133,867</u>	 <u>\$ 5,288,144</u>	 <u>\$ 1,845,723</u>
 Public Safety:			
Sheriff:			
Salaries and employee benefits	\$ 3,445,561	\$ 3,346,402	\$ 99,159
Other operating expenditures	764,476	667,785	96,691
Narcotics control	32,000	19,325	12,675
Capital outlay	289,625	253,548	36,077
Total Sheriff	<u>\$ 4,531,662</u>	<u>\$ 4,287,060</u>	<u>\$ 244,602</u>
 Jail:			
Salaries and employee benefits	\$ 2,432,542	\$ 2,310,659	\$ 121,883
Other operating expenditures	1,743,953	1,184,440	559,513
Capital outlay	27,860	25,981	1,879
Total Jail	<u>\$ 4,204,355</u>	<u>\$ 3,521,080</u>	<u>\$ 683,275</u>
 Fire:			
Forest fire contracts	\$ 84,000	\$ 80,589	\$ 3,411
Workman's compensation	15,000	13,159	1,841
Assistance to local fire departments	240,875	237,931	2,944
Total Fire	<u>\$ 339,875</u>	<u>\$ 331,679</u>	<u>\$ 8,196</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Public Safety (continued):			
Emergency Management Coordinator:			
Salaries and employee benefits	\$ 218,000	\$ 214,893	\$ 3,107
Other operating expenditures	69,750	44,198	25,552
Capital outlay	22,040	22,037	3
Total Emergency Mgmt Coordinator	<u>\$ 309,790</u>	<u>\$ 281,128</u>	<u>\$ 28,662</u>
Criminal Justice Partnership:			
Salaries and employee benefits	\$ -	\$ -	\$ -
Other operating expenditures	79,803	69,755	10,048
Capital outlay	-	-	-
Total Criminal Justice Partnership	<u>\$ 79,803</u>	<u>\$ 69,755</u>	<u>\$ 10,048</u>
COPS Technology Program:			
Other operating expenditures	\$ -	\$ -	\$ -
Capital outlay	-	-	-
Total COPS Technology Program	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Public Safety Grants:			
Project Re-Entry - Gov. Crime Prev.	\$ 140,000	\$ 131,001	\$ 8,999
Gang Violence Prevention - JCPC	20,489	18,115	2,374
Homeland Security - Training	-	-	-
Total Gang Violence Prevention Grant	<u>\$ 160,489</u>	<u>\$ 149,116</u>	<u>\$ 11,373</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Public Safety (continued):			
Communications:			
Salaries and employee benefits	\$ 455,345	\$ 431,791	\$ 23,554
Other operating expenditures	170,790	134,626	36,164
Capital outlay	-	-	-
Total Communications	<u>\$ 626,135</u>	<u>\$ 566,417</u>	<u>\$ 59,718</u>
Rescue Squads:			
Contracted services	<u>\$ 1,349,247</u>	<u>\$ 1,145,226</u>	<u>\$ 204,021</u>
Medical Examiner:			
Fees	\$ 7,000	\$ 4,200	\$ 2,800
Autopsies	35,000	18,000	17,000
Total Medical Examiner	<u>\$ 42,000</u>	<u>\$ 22,200</u>	<u>\$ 19,800</u>
Animal Control:			
Salaries and employee benefits	\$ 99,350	\$ 95,284	\$ 4,066
Other operating expenditures	35,138	31,103	4,035
Total Animal Control	<u>\$ 134,488</u>	<u>\$ 126,387</u>	<u>\$ 8,101</u>
Inspections:			
Salaries and employee benefits	\$ 98,414	\$ 91,761	\$ 6,653
Other operating expenditures	23,300	9,296	14,004
Total Inspections	<u>\$ 121,714</u>	<u>\$ 101,057</u>	<u>\$ 20,657</u>
Total Public Safety	<u>\$ 11,899,558</u>	<u>\$ 10,601,105</u>	<u>\$ 1,298,453</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Transportation:			
Contribution to regional airport	\$ 62,716	\$ 62,716	\$ -
Economic and Physical Development:			
Water and Sewer Projects:			
Other operating expenditures	\$ 717,942	\$ 333,715	\$ 384,227
Agricultural Extension:			
Salaries and employee benefits	\$ 298,770	\$ 221,292	\$ 77,478
Other operating expenditures	74,991	66,654	8,337
Total Agricultural Extension	\$ 373,761	\$ 287,946	\$ 85,815
Soil and Water Conservation:			
Salaries and employee benefits	\$ 146,645	\$ 141,339	\$ 5,306
Other operating expenditures	34,700	12,394	22,306
Total Soil & Water Conservation	\$ 181,345	\$ 153,733	\$ 27,612
Economic Development:			
Industrial Incentive	\$ 97,500	\$ 91,442	\$ 6,058
Carolina Gateway Partnership	143,438	143,438	-
Rocky Mount/Edgecombe County			
Community Development Corporation	22,530	22,530	-
Land/right of way	1,412,500	1,410,193	2,307
Contractual services	53,750	34,130	19,620
Total Economic Development	\$ 1,729,718	\$ 1,701,733	\$ 27,985

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Economic and Physical Development: (continued)			
Planning:			
Salaries and employee benefits	\$ 184,803	\$ 167,998	\$ 16,805
Other operating expenditures	39,800	19,438	20,362
Capital outlay	-	-	-
Total Planning	<u>\$ 224,603</u>	<u>\$ 187,436</u>	<u>\$ 37,167</u>
Total Economic and Physical Development	<u>\$ 3,227,369</u>	<u>\$ 2,664,563</u>	<u>\$ 562,806</u>
Human Services:			
Veterans Service Officer:			
Salaries and employee benefits	\$ 88,270	\$ 84,791	\$ 3,479
Other operating expenditures	3,700	3,282	418
Total Veterans Service Officer	<u>\$ 91,970</u>	<u>\$ 88,073</u>	<u>\$ 3,897</u>
Other:			
Youth services	\$ 420,446	\$ 342,269	\$ 78,177
Misc. Human Services	49,821	46,765	3,056
Total Other	<u>\$ 470,267</u>	<u>\$ 389,034</u>	<u>\$ 81,233</u>
Health Department:			
Administration:			
Salaries and employee benefits	\$ 144,206	\$ 152,845	\$ (8,639)
Other operating expenditures	81,984	67,297	14,687
Capital outlay	-	-	-
Total Administration	<u>\$ 226,190</u>	<u>\$ 220,142</u>	<u>\$ 6,048</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
Human Services: (continued)			
Health Department: (continued)			
Maternal and Child Health:			
Salaries and employee benefits	\$ 677,862	\$ 669,174	\$ 8,688
Other operating expenditures	152,453	117,888	34,565
Total Maternal and Child Health	\$ 830,315	\$ 787,062	\$ 43,253
Family Planning:			
Salaries and employee benefits	\$ 499,895	\$ 496,811	\$ 3,084
Other operating expenditures	149,056	122,476	26,580
Total Family Planning	\$ 648,951	\$ 619,287	\$ 29,664
First Time Motherhood:			
Other operating expenditures	\$ 2,150	\$ 2,087	\$ 63
Child Service Coordination:			
Salaries and employee benefits	\$ 140,185	\$ 104,187	\$ 35,998
Other operating expenditures	8,065	7,029	1,036
Total Child Service Coordination	\$ 148,250	\$ 111,216	\$ 37,034
School Nurse Initiative Program:			
Salaries and employee benefits	\$ 168,815	\$ 182,250	\$ (13,435)
Other operating expenditures	6,347	4,806	1,541
Total School Nurse Initiative Program	\$ 175,162	\$ 187,056	\$ (11,894)

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
Human Services: (continued)			
Health Department (continued):			
School Health:			
Salaries and employee benefits	\$ 177,734	\$ 181,697	\$ (3,963)
Other operating expenditures	2,250	1,991	259
Total School Health	\$ 179,984	\$ 183,688	\$ (3,704)
Healthy Start:			
Salaries and employee benefits	\$ 126,884	\$ 111,274	\$ 15,610
Other operating expenditures	10,261	7,367	2,894
Total Healthy Start	\$ 137,145	\$ 118,641	\$ 18,504
Environmental Health:			
Salaries and employee benefits	\$ 303,220	\$ 286,865	\$ 16,355
Other operating expenditures	25,700	18,194	7,506
Total Environmental Health	\$ 328,920	\$ 305,059	\$ 23,861
Tuberculosis:			
Salaries and employee benefits	\$ 91,435	\$ 77,226	\$ 14,209
Other operating expenditures	10,376	7,835	2,541
Total Tuberculosis	\$ 101,811	\$ 85,061	\$ 16,750
Adult Health Services:			
Salaries and employee benefits	\$ 158,012	\$ 152,097	\$ 5,915
Other operating expenditures	45,506	41,364	4,142
Total Adult Health Services	\$ 203,518	\$ 193,461	\$ 10,057

(continued)

**Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011**

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
Human Services: (continued)			
Health Department (continued):			
Health Works:			
Salaries and employee benefits	\$ 50,074	\$ 45,294	\$ 4,780
Other operating expenditures	18,628	17,611	1,017
Total Health Works	\$ 68,702	\$ 62,905	\$ 5,797
Home Health Services:			
Salaries and employee benefits	\$ 952,687	\$ 715,130	\$ 237,557
Other operating expenditures	812,565	549,706	262,859
Capital outlay	-	-	-
Total Home Health Services	\$ 1,765,252	\$ 1,264,836	\$ 500,416
Health Promotion:			
Salaries and employee benefits	\$ 26,071	\$ 27,564	\$ (1,493)
Other operating expenditures	8,018	7,280	738
Total Health Promotion	\$ 34,089	\$ 34,844	\$ (755)
Community Health Services:			
Salaries and employee benefits	\$ -	\$ -	\$ -
Other operating expenditures	-	-	-
Total Community Health Services	\$ -	\$ -	\$ -
Immunization Action Plan:			
Salaries and employee benefits	\$ 53,459	\$ 51,853	\$ 1,606
Other operating expenditures	2,957	2,729	228
Capital outlay	-	-	-
Total Immunization Action Plan	\$ 56,416	\$ 54,582	\$ 1,834

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Human Services: (continued)			
Health Department (continued):			
Communicable Disease:			
Salaries and employee benefits	\$ 237,461	\$ 236,372	\$ 1,089
Other operating expenditures	18,037	17,359	678
Total Communicable Disease	<u>\$ 255,498</u>	<u>\$ 253,731</u>	<u>\$ 1,767</u>
Comprehensive Breast:			
Salaries and employee benefits	\$ 38,898	\$ 31,589	\$ 7,309
Other operating expenditures	17,700	17,035	665
Total Comprehensive Breast	<u>\$ 56,598</u>	<u>\$ 48,624</u>	<u>\$ 7,974</u>
Breast Health Initiative:			
Salaries and employee benefits	\$ 15,602	\$ 16,279	\$ (677)
Other operating expenditures	35,143	33,969	1,174
Total Breast Health Initiative	<u>\$ 50,745</u>	<u>\$ 50,248</u>	<u>\$ 497</u>
AIDS:			
Salaries and employee benefits	\$ 10,416	\$ 11,043	\$ (627)
HIV/STD Prevention Risk Reduction:			
Salaries and employee benefits	\$ 39,658	\$ 41,406	\$ (1,748)
Other operating expenditures	50,343	49,259	1,084
Total HIV/STD Prevention Risk Reduction	<u>\$ 90,001</u>	<u>\$ 90,665</u>	<u>\$ (664)</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
Human Services: (continued)			
Health Department (continued):			
Medicaid Outreach:			
Salaries and employee benefits	\$ -	\$ -	\$ -
Other operating expenditures	-	-	-
Total Medicaid Outreach	\$ -	\$ -	\$ -
Hospice:			
Salaries and employee benefits	\$ 383,970	\$ 343,822	\$ 40,148
Other operating expenditures	204,982	120,907	84,075
Capital outlay	-	-	-
Total Hospice	\$ 588,952	\$ 464,729	\$ 124,223
WIC:			
Salaries and employee benefits	\$ 351,787	\$ 331,035	\$ 20,752
Other operating expenditures	93,352	85,910	7,442
Total WIC	\$ 445,139	\$ 416,945	\$ 28,194
CDC/DENR Lead Grant:			
Salaries and employee benefits	\$ -	\$ -	\$ -
Other operating expenditures	-	-	-
Total CDC/DENR Lead Grant	\$ -	\$ -	\$ -
Special Programs:			
Salaries and employee benefits	\$ 276,162	\$ 249,814	\$ 26,348
Other operating expenditures	121,231	111,827	9,404
Total Special Programs	\$ 397,393	\$ 361,641	\$ 35,752

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Human Services (continued):			
Health Department (continued):			
Improving Immunization Capacity:			
Other operating expenditures	\$ -	\$ -	\$ -
EPSDT Outreach:			
Salaries and employee benefits	\$ -	\$ -	\$ -
Other operating expenditures	-	-	-
Total EPSDT Outreach	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Children's Special Orthopedic:			
Salaries and employee benefits	\$ 11,544	\$ 9,244	\$ 2,300
Other operating expenditures	875	875	-
Total Children's Special Orthopedic	<u>\$ 12,419</u>	<u>\$ 10,119</u>	<u>\$ 2,300</u>
Dental Program:			
Salaries and employee benefits	\$ 206,358	\$ 139,570	\$ 66,788
Other operating expenditures	439,065	371,302	67,763
Duke Endowment Grant-Supplies	29,751	29,751	-
Duke Endowment Grant-Capital Outlay	13,676	13,676	-
Total Dental Program	<u>\$ 688,850</u>	<u>\$ 554,299</u>	<u>\$ 134,551</u>
NC Teen Tobacco Use:			
Salaries and employee benefits	\$ 50,232	\$ 45,029	\$ 5,203
Other operating expenditures	23,285	21,163	2,122
Total NC Teen Tobacco Use	<u>\$ 73,517</u>	<u>\$ 66,192</u>	<u>\$ 7,325</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
Human Services (continued):			
Health Department (continued):			
Diabetes:			
Salaries and employee benefits	\$ 66,656	\$ 61,616	\$ 5,040
Other operating expenditures	2,025	1,879	146
Total Diabetes	\$ 68,681	\$ 63,495	\$ 5,186
BT Preparedness:			
Salaries and employee benefits	\$ 41,166	\$ 41,964	\$ (798)
Other operating expenditures	22,983	17,420	5,563
Total BT Preparedness	\$ 64,149	\$ 59,384	\$ 4,765
Community Child Health Network			
Other operating expenditures	\$ -	\$ -	\$ -
University Health System Grant:			
Salaries and employee benefits	\$ 44,695	\$ 33,573	\$ 11,122
Other operating expenditures	28,120	22,229	5,891
Total University Health System Grant	\$ 72,815	\$ 55,802	\$ 17,013
SG Komen Breast Cancer Project:			
Salaries and employee benefits	\$ -	\$ -	\$ -
Other operating expenditures	-	-	-
Total Breast Cancer Project	\$ -	\$ -	\$ -

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Human Services (continued):			
Health Department (continued):			
Phase I H1N1 Planning:			
Salaries and employee benefits	\$ 9,000	\$ 2,178	\$ 6,822
Other operating expenditures	7,000	5,954	1,046
Total Phase I H1N1 Planning	<u>\$ 16,000</u>	<u>\$ 8,132</u>	<u>\$ 7,868</u>
H1N1 Enhanced Surveillance:			
Salaries and employee benefits	\$ 11,396	\$ 11,686	\$ (290)
Other operating expenditures	31,000	31,211	(211)
Total H1N1 Enhanced Surveillance	<u>\$ 42,396</u>	<u>\$ 42,897</u>	<u>\$ (501)</u>
Phase III H1N1-851			
Salaries and employee benefits	\$ 9,524	\$ 4,582	\$ 4,942
Other operating expenditures	54,476	53,071	1,405
Total Phase III H1N1-851	<u>\$ 64,000</u>	<u>\$ 57,653</u>	<u>\$ 6,347</u>
Lead Screening-City of Rocky Mount:			
Salaries and employee benefits	\$ 47,735	\$ 43,767	\$ 3,968
Other operating expenditures	2,318	2,291	27
Total Lead Screening Rocky Mount	<u>\$ 50,053</u>	<u>\$ 46,058</u>	<u>\$ 3,995</u>
ECU Lay Health Advisors:			
Salaries and employee benefits	\$ 5,000	\$ 5,589	\$ (589)
Other operating expenditures	30,000	30,000	-
Total ECU Lay Health Advisors	<u>\$ 35,000</u>	<u>\$ 35,589</u>	<u>\$ (589)</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
Human Services (continued):			
Health Department (continued):			
NC Smoke Free Restaurants/Bars:			
Other operating expenditures	\$ -	\$ -	\$ -
Total Health Department	\$ 7,989,477	\$ 6,927,173	\$ 1,062,304
Mental Health:			
Assist to the Beacon Center	\$ 232,416	\$ 17,423	\$ 214,993
Aging:			
Salaries and employee benefits	\$ 52,718	\$ 51,638	\$ 1,080
Other operating expenditures	27,705	11,322	16,383
Total Aging	\$ 80,423	\$ 62,960	\$ 17,463
Social Services:			
Administration:			
Salaries and employee benefits	\$ 7,536,239	\$ 6,691,002	\$ 845,237
Other operating expenditures	989,596	812,254	177,342
Capital outlay	127,000	44,674	82,326
Total Administration	\$ 8,652,835	\$ 7,547,930	\$ 1,104,905
Public Assistance:			
Assistance payments	\$ 8,497,994	\$ 6,772,457	\$ 1,725,537
Total Social Services	\$ 17,150,829	\$ 14,320,387	\$ 2,830,442
Total Human Services	\$ 26,015,382	\$ 21,805,050	\$ 4,210,332

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (continued):			
Cultural and Recreational:			
Contribution to local library	\$ 553,758	\$ 553,738	\$ 20
Cultural Arts Council	35,431	35,431	-
Community recreation	15,195	15,195	-
School recreation	28,800	28,798	2
Total Cultural and Recreational	<u>\$ 633,184</u>	<u>\$ 633,162</u>	<u>\$ 22</u>
Education:			
Public Schools:			
Current	\$ 9,124,833	\$ 9,124,833	\$ -
Building capital fund (PSBCF)	800,000	-	800,000
NC Lottery allocations	1,000,000	388,477	611,523
Community Colleges:			
Current	1,408,710	1,408,710	-
Capital Outlay	100,000	100,000	-
Total Education	<u>\$ 12,433,543</u>	<u>\$ 11,022,020</u>	<u>\$ 1,411,523</u>
Debt Service:			
Principal retirement	\$ 2,056,213	\$ 2,056,070	\$ 143
Interest and other charges	732,327	710,175	22,152
Total Debt Service	<u>\$ 2,788,540</u>	<u>\$ 2,766,245</u>	<u>\$ 22,295</u>
Total Expenditures	<u>\$ 64,194,159</u>	<u>\$ 54,843,005</u>	<u>\$ 9,351,154</u>
Revenues Over (Under) Expenditures	<u>\$ (8,185,429)</u>	<u>\$ (1,046,307)</u>	<u>\$ 7,139,122</u>

(continued)

Edgecombe County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit B-1

	Budget	Actual	Variance Positive (Negative)
(continued)			
Other Financing Sources (Uses):			
Transfers To/From Other Funds:			
E911	\$ (4,510)	\$ (4,510)	\$ -
Revaluation	(150,000)	(150,000)	-
Economic Development	(1,800)	(1,800)	-
Installment loan issuance	1,375,000	1,375,000	-
Sale of fixed assets	15,000	32,092	17,092
Appropriated fund balance	6,951,739	-	(6,951,739)
Total Other Financing Sources (Uses)	\$ 8,185,429	\$ 1,250,782	\$ (6,934,647)
Revenues and Other Financing Sources			
(Uses) Over (Under) Expenditures	\$ -	\$ 204,475	\$ 204,475
Fund Balance:			
Beginning of year, July 1		16,535,894	
End of year, June 30		\$ 16,740,369	

Edgecombe County, North Carolina
School Bond Capital Project
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit B-2

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Investment Income	\$ 583,780	\$ 662,605	\$ 1,501	\$ 664,106	\$ 80,326
Expenditures:					
Southwest High School:					
Construction	\$ 1,924,302	\$ 1,895,432	\$ -	\$ 1,895,432	\$ 28,870
Engineering	193,663	191,924	-	191,924	1,739
Legal & Administration	3,815	3,814	-	3,814	1
Total	<u>\$ 2,121,780</u>	<u>\$ 2,091,170</u>	<u>\$ -</u>	<u>\$ 2,091,170</u>	<u>\$ 30,610</u>
Carver Elementary:					
Construction	\$ 1,073,240	\$ 1,052,999	\$ -	\$ 1,052,999	\$ 20,241
Engineering	75,307	75,306	-	75,306	1
Legal & Administration	5,636	5,635	-	5,635	1
Total	<u>\$ 1,154,183</u>	<u>\$ 1,133,940</u>	<u>\$ -</u>	<u>\$ 1,133,940</u>	<u>\$ 20,243</u>
Bullock Elementary:					
Construction	\$ 3,696,542	\$ 3,628,676	\$ -	\$ 3,628,676	\$ 67,866
Engineering	242,605	242,605	-	242,605	-
Legal & Administration	4,636	4,635	-	4,635	1
Total	<u>\$ 3,943,783</u>	<u>\$ 3,875,916</u>	<u>\$ -</u>	<u>\$ 3,875,916</u>	<u>\$ 67,867</u>
Coker Wimberly Middle:					
Construction	\$ 1,655,514	\$ 1,624,558	\$ -	\$ 1,624,558	\$ 30,956
Engineering	120,984	120,984	-	120,984	-
Legal & Administration	7,536	7,535	-	7,535	1
Total	<u>\$ 1,784,034</u>	<u>\$ 1,753,077</u>	<u>\$ -</u>	<u>\$ 1,753,077</u>	<u>\$ 30,957</u>
Phillips School:					
Construction	\$ 1,450,000	\$ 1,463,175	\$ -	\$ 1,463,175	\$ (13,175)
Engineering	120,000	29,000	-	29,000	91,000
Legal & Administration	6,000	1,947	-	1,947	4,053
Total	<u>\$ 1,576,000</u>	<u>\$ 1,494,122</u>	<u>\$ -</u>	<u>\$ 1,494,122</u>	<u>\$ 81,878</u>

(continued)

Edgecombe County, North Carolina
School Bond Capital Project
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit B-2

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Expenditures: (continued)					
Nash-Rocky Mount:					
Nash-Rocky Mt Schools	\$ 3,362,483	\$ 846,510	\$ 2,515,973	\$ 3,362,483	\$ -
Legal & Administration	67,517	67,517	-	67,517	-
	<u>\$ 3,430,000</u>	<u>\$ 914,027</u>	<u>\$ 2,515,973</u>	<u>\$ 3,430,000</u>	<u>\$ -</u>
Legal and Administration	\$ 100,000	\$ 74,648	\$ -	\$ 74,648	\$ 25,352
Total Expenditures	<u>\$ 14,109,780</u>	<u>\$ 11,336,900</u>	<u>\$ 2,515,973</u>	<u>\$ 13,852,873</u>	<u>\$ 256,907</u>
Revenues Over (Under) Expenditures	<u>\$ (13,526,000)</u>	<u>\$ (10,674,295)</u>	<u>\$ (2,514,472)</u>	<u>\$ (13,188,767)</u>	<u>\$ 337,233</u>
Other Financing Sources:					
Transfers from					
General Fund	\$ 726,000	\$ 726,000	\$ -	\$ 726,000	\$ -
Bond issuance	12,800,000	12,800,000	-	12,800,000	-
Total	<u>\$ 13,526,000</u>	<u>\$ 13,526,000</u>	<u>\$ -</u>	<u>\$ 13,526,000</u>	<u>\$ -</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 2,851,705</u>	<u>\$ (2,514,472)</u>	<u>\$ 337,233</u>	<u>\$ 337,233</u>
Fund Balance:					
Beginning of year, July 1			2,851,704		
End of year, June 30			<u>\$ 337,232</u>		

Edgecombe County, North Carolina
Human Services Building Capital Project
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit B-3

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Investment Income	\$ -	\$ -	\$ 2,554	\$ 2,554	\$ 2,554
Expenditures:					
Renovations:					
Construction	\$ 5,900,760	\$ -	\$ 750,397	\$ 750,397	\$ 5,150,363
Engineering	336,908	-	316,800	316,800	20,108
Capitalized interest	282,326	-	-	-	282,326
Note payoff	1,000,000	-	1,000,000	1,000,000	-
Furnishings	480,006	-	-	-	480,006
Total Expenditures	<u>\$ 8,000,000</u>	<u>\$ -</u>	<u>\$ 2,067,197</u>	<u>\$ 2,067,197</u>	<u>\$ 5,932,803</u>
Revenues Over (Under) Expenditures	\$ (8,000,000)	\$ -	\$ (2,064,643)	\$ (2,064,643)	\$ 5,935,357
Other Financing Sources:					
Installment loan issuance	<u>8,000,000</u>	<u>-</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,935,357</u>	<u>\$ 5,935,357</u>	<u>\$ 5,935,357</u>
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ 5,935,357</u>		

**Edgecombe County, North Carolina
Revaluation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011**

Exhibit B-4

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment earnings	\$ -	\$ -	\$ -
Expenditures:			
General Government:			
Property revaluation	-	-	-
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -
Other Financing Sources:			
Transfer In:			
General Fund	-	150,000	150,000
Revenues and Other Sources Over (Under) Expenditures	\$ -	\$ 150,000	\$ 150,000
Appropriated fund balance	-	-	-
Revenues, Other Sources, and Appropriated Fund Balance Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>
Fund Balance:			
Beginning of year, July 1		243,912	
End of year, June 30		<u>\$ 393,912</u>	

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Nonmajor Governmental Funds

Edgecombe County, North Carolina
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2011

	Special Revenue Funds			
	CDBG Scattered Sites Project Fund	Fire Districts Fund	Industrial Sites Development Fund	Emergency Telephone System
Assets				
Cash and cash equivalents	\$ -	\$ 10,610	\$ 137,114	\$ 117,513
Accounts receivable, net	27,218	-	-	20,240
Taxes receivable, net	-	183,553	-	-
Total Assets	\$ 27,218	\$ 194,163	\$ 137,114	\$ 137,753
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,382	\$ 18,007	\$ -	\$ 23,708
Due to other funds	24,836	-	-	-
Deferred revenue	-	176,156	-	-
Total Liabilities	\$ 27,218	\$ 194,163	\$ -	\$ 23,708
Fund Balances:				
Restricted for:				
Stabilization by State Statute Public Safety	\$ -	\$ -	\$ -	\$ -
	-	-	-	114,045
Assigned:				
Economic Development	-	-	137,114	-
Total Fund Balances	\$ -	\$ -	\$ 137,114	\$ 114,045
Total Liabilities and Fund Balances	\$ 27,218	\$ 194,163	\$ 137,114	\$ 137,753

Exhibit C-1

Public Safety Grant Fund	CDBG Grant Fund	Economic Development & Housing Recovery Fund	Total Nonmajor Special Revenue Funds	Schools Capital Project Fund	Total Nonmajor Governmental Funds
\$ 250	\$ -	\$ 57,066	\$ 322,553	\$ 42,701	\$ 365,254
10,150	46,288	-	103,896	113,665	217,561
-	-	-	183,553	-	183,553
<u>\$ 10,400</u>	<u>\$ 46,288</u>	<u>\$ 57,066</u>	<u>\$ 610,002</u>	<u>\$ 156,366</u>	<u>\$ 766,368</u>
\$ 10,400	\$ 5,984	\$ 26,477	\$ 86,958	\$ 156,366	\$ 243,324
-	40,304	27,892	93,032	-	93,032
-	-	-	176,156	-	176,156
<u>\$ 10,400</u>	<u>\$ 46,288</u>	<u>\$ 54,369</u>	<u>\$ 356,146</u>	<u>\$ 156,366</u>	<u>\$ 512,512</u>
\$ -	\$ -	\$ 2,697	\$ 2,697	\$ -	\$ 2,697
-	-	-	114,045	-	114,045
-	-	-	137,114	-	137,114
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,697</u>	<u>\$ 253,856</u>	<u>\$ -</u>	<u>\$ 253,856</u>
<u>\$ 10,400</u>	<u>\$ 46,288</u>	<u>\$ 57,066</u>	<u>\$ 610,002</u>	<u>\$ 156,366</u>	<u>\$ 766,368</u>

Edgecombe County, North Carolina
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2011

Special Revenue Funds

	CDBG Scattered Sites Fund	Fire Districts Fund	Industrial Sites Development Fund	Emergency Telephone System
Revenues				
Ad valorem taxes	\$ -	\$ 811,439	\$ -	\$ -
Local option sales tax	-	-	-	-
Restricted intergovernmental	354,145	-	-	-
Other taxes and licenses	-	-	-	242,881
Investment earnings	-	-	-	-
Total Revenues	\$ 354,145	\$ 811,439	\$ -	\$ 242,881
Expenditures				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	-	811,439	-	589,890
Education	-	-	-	-
Economic and Physical Development	354,145	-	-	-
Total Expenditures	\$ 354,145	\$ 811,439	\$ -	\$ 589,890
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	\$ -	\$ (347,009)
Other Financing Sources (Uses)				
Transfers to/from other funds	-	-	-	4,510
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ (342,499)
Fund Balances:				
Beginning of year, July 1	-	-	137,114	456,544
End of year, June 30	\$ -	\$ -	\$ 137,114	\$ 114,045

Exhibit C-2

Public Safety Grant Fund	CDBG Grant Fund	Economic Development & Housing Recovery Fund	Total Nonmajor Special Revenue Funds	Schools Capital Outlay Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 811,439	\$ -	\$ 811,439
-	-	-	-	668,333	668,333
128,677	281,159	375,945	1,139,926	-	1,139,926
-	-	-	242,881	-	242,881
-	-	72	72	-	72
<u>\$ 128,677</u>	<u>\$ 281,159</u>	<u>\$ 376,017</u>	<u>\$ 2,194,318</u>	<u>\$ 668,333</u>	<u>\$ 2,862,651</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17,483	-	-	1,418,812	-	1,418,812
-	-	-	-	668,333	668,333
-	-	-	-	-	-
111,194	281,159	375,945	1,122,443	-	1,122,443
<u>\$ 128,677</u>	<u>\$ 281,159</u>	<u>\$ 375,945</u>	<u>\$ 2,541,255</u>	<u>\$ 668,333</u>	<u>\$ 3,209,588</u>
\$ -	\$ -	\$ 72	\$ (346,937)	\$ -	\$ (346,937)
-	-	1,800	6,310	-	6,310
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,872</u>	<u>\$ (340,627)</u>	<u>\$ -</u>	<u>\$ (340,627)</u>
-	-	825	594,483	-	594,483
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,697</u>	<u>\$ 253,856</u>	<u>\$ -</u>	<u>\$ 253,856</u>

Edgecombe County, North Carolina
Community Development Block Grant Fund
Scattered Site Project Fund - 09-C-1990 & ER 10-C-2140
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit C-3

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues:					
Restricted Intergovernmental:					
Community Development					
Block Grant 09-C-1990	\$ 400,000	\$ 20,007	\$ 339,217	\$ 359,224	\$ (40,776)
ER 10-C-2140	500,000	-	14,928	14,928	(485,072)
Total Revenues	<u>\$ 900,000</u>	<u>\$ 20,007</u>	<u>\$ 354,145</u>	<u>\$ 374,152</u>	<u>\$ (525,848)</u>
Expenditures:					
Economic and					
Physical Development:					
CDBG 09-C-1990:					
Rehabilitation	\$ 48,000	\$ 350	\$ 38,734	\$ 39,084	\$ 8,916
Relocation	289,500	1,680	247,166	248,846	40,654
Clearance	22,500	2,030	34,690	36,720	(14,220)
Administration	40,000	15,947	18,627	34,574	5,426
Total	<u>\$ 400,000</u>	<u>\$ 20,007</u>	<u>\$ 339,217</u>	<u>\$ 359,224</u>	<u>\$ 40,776</u>
ER 10-C-2140:					
Contractual Services	\$ 3,500	\$ -	\$ 3,500	\$ 3,500	\$ -
Rehabilitation	450,000	-	-	-	450,000
Administration	46,500	-	11,428	11,428	35,072
Total	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ 14,928</u>	<u>\$ 14,928</u>	<u>\$ 485,072</u>
Total Expenditures	<u>\$ 900,000</u>	<u>\$ 20,007</u>	<u>\$ 354,145</u>	<u>\$ 374,152</u>	<u>\$ 525,848</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ -</u>		

Edgecombe County, North Carolina
Fire Districts Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit C-4

	2011		
	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes	\$ 947,500	\$ 811,439	\$ (136,061)
Expenditures:			
Public Safety:			
Fire Districts	947,500	811,439	136,061
 Revenues Over Expenditures	\$ -	\$ -	\$ -
Fund Balance:			
Beginning of year, July 1		-	
End of year, June 30		\$ -	

**Edgecombe County, North Carolina
Industrial Sites Development Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011**

Exhibit C-5

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment earnings	\$ -	\$ -	\$ -
Property sale/lease payments	-	-	-
Total Revenues	\$ -	\$ -	\$ -
Expenditures:			
Economic and Physical Development:			
Engineering	-	-	-
Revenues Over Expenditures	\$ -	\$ -	\$ -
Other Financing Sources (Uses):			
Transfers Out	-	-	-
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ -	\$ -	\$ -
Fund Balance:			
Beginning of year, July 1		137,114	
End of year, June 30		\$ 137,114	

**Edgecombe County, North Carolina
Emergency Telephone System Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011**

Exhibit C-6

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
NC 911 PSAP fees	\$ 252,294	\$ 242,881	\$ (9,413)
Expenditures:			
Public Safety:			
Salaries and benefits	\$ 79,814	\$ 77,874	\$ 1,940
Operating expenses	140,670	114,976	25,694
Capital Outlay	452,499	397,040	55,459
Total Expenditures	<u>\$ 672,983</u>	<u>\$ 589,890</u>	<u>\$ 83,093</u>
Revenues Over (Under) Expenditures	<u>\$ (420,689)</u>	<u>\$ (347,009)</u>	<u>\$ 73,680</u>
Other Financing Sources (Uses):			
Transfer from General Fund	\$ -	\$ 4,510	\$ 4,510
Fund Balance Appropriated	420,689	-	(420,689)
Total Other Financing Sources (Uses)	<u>\$ 420,689</u>	<u>\$ 4,510</u>	<u>\$ (416,179)</u>
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	<u><u>\$ -</u></u>	<u><u>\$ (342,499)</u></u>	<u><u>\$ (342,499)</u></u>
Fund Balance:			
Beginning of year, July 1		456,544	
End of year, June 30		<u><u>\$ 114,045</u></u>	

Edgecombe County, North Carolina
Schools Capital Project Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2011

Exhibit C-7

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Local Sales Tax - Restricted Portion	\$ 700,000	\$ 668,333	\$ (31,667)
Expenditures:			
Education:			
Schools - Capital outlay	700,000	668,333	31,667
Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year, July 1		-	
End of year, June 30		<u>\$ -</u>	

Edgecombe County, North Carolina
Public Safety Grant Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit C-8

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues:					
Restricted Intergovernmental:					
JAG-033-1-09-003	\$ 49,197	\$ 41,564	\$ 7,333	\$ 48,897	\$ (300)
Hazard Mitigation Grant	94,512	-	10,150	10,150	(84,362)
Golden Leaf Grant	90,000	-	85,194	85,194	(4,806)
Tobacco Trust	26,000	-	26,000	26,000	-
Total Revenues	\$ 259,709	\$ 41,564	\$ 128,677	\$ 170,241	\$ (89,468)
Expenditures:					
Public Safety:					
JAG-033-1-09-003					
Targeted Outreach CSI	\$ 49,197	\$ 41,564	\$ 7,333	\$ 48,897	\$ 300
Hazard Mitigation Grant:					
Program Soft Costs	\$ 520	\$ -	\$ -	\$ -	\$ 520
Owner buyout	93,992	-	10,150	10,150	83,842
Total	\$ 94,512	\$ -	\$ 10,150	\$ 10,150	\$ 84,362
Total Public Safety	\$ 143,709	\$ 41,564	\$ 17,483	\$ 59,047	\$ 84,662
Economic & Physical Development:					
Golden Leaf - Arena	\$ 90,000	\$ -	\$ 85,194	\$ 85,194	\$ 4,806
Tobacco Trust - Market	26,000	-	26,000	26,000	-
Total	\$ 116,000	\$ -	\$ 111,194	\$ 111,194	\$ 4,806
Total Expenditures	\$ 259,709	\$ 41,564	\$ 128,677	\$ 170,241	\$ 89,468
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

Edgecombe County, North Carolina
Public Safety Grant Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit C-8

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
(continued)					
Other Financing Sources (Uses):					
Transfer from					
General Fund	\$ -	\$ -		\$ -	\$ -
Loan issuance	-	-		-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Revenues and Other Financing					
Sources (Uses) Over					
(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ -	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ -</u>		

Edgecombe County, North Carolina
Community Development Block Grant Fund
Economic Development
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit C-9

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues:					
Restricted Intergovernmental:					
Community Development					
Block Grant:					
09-C-1952 Capacity Bldg	\$ 75,000	\$ -	\$ 46,288	\$ 46,288	\$ (28,712)
Talent Enhancement	75,000	46,991	25,832	72,823	(2,177)
09-C-2027 Hook Up	40,850	1,154	23,281	24,435	(16,415)
The Rural Center	479,652	-	185,758	185,758	(293,894)
Total Revenues	\$ 670,502	\$ 48,145	\$ 281,159	\$ 329,304	\$ (341,198)
Expenditures:					
Economic Development:					
Community Development					
Block Grant:					
Capacity Bldg-RMECDC:					
Other professional	\$ 67,500	\$ -	\$ 46,288	\$ 46,288	\$ 21,212
Administration	7,500	-	-	-	7,500
Total	\$ 75,000	\$ -	\$ 46,288	\$ 46,288	\$ 28,712
CDBG Talent Enhancement:					
Contractual Services	\$ 67,500	\$ 42,503	\$ 24,122	\$ 66,625	\$ 875
Administration	7,500	4,488	1,710	6,198	1,302
	\$ 75,000	\$ 46,991	\$ 25,832	\$ 72,823	\$ 2,177
09-C-2027 Hook Up:					
Rehabilitation	\$ 35,650	\$ -	\$ 20,102	\$ 20,102	\$ 15,548
Administration	5,200	1,154	3,179	4,333	867
	\$ 40,850	\$ 1,154	\$ 23,281	\$ 24,435	\$ 16,415

(continued)

Edgecombe County, North Carolina
Community Development Block Grant Fund
Economic Development
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit C-9

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Expenditures: (continued)					
The Rural Center - Jade Apparel	\$ 479,652	\$ -	\$ 185,758	\$ 185,758	\$ 293,894
Total Expenditures	<u>\$ 670,502</u>	<u>\$ 48,145</u>	<u>\$ 281,159</u>	<u>\$ 329,304</u>	<u>\$ 341,198</u>
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses):					
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ -</u>		

Edgecombe County, North Carolina
Economic Development & Housing Recovery Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit C-10

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues:					
Restricted Intergovernmental:					
NC Housing & Finance:					
2010 Single Family	\$ 200,000	\$ -	\$ 16,834	\$ 16,834	\$ (183,166)
Down East Home	604,334	-	349,111	349,111	(255,223)
The Rural Center-SEPRO	60,000	-	-	-	(60,000)
Golden Leaf-Tourism	30,000	-	10,000	10,000	(20,000)
County match	1,800	-	1,800	1,800	-
Investment income	-	-	72	72	72
Total Revenues	<u>\$ 896,134</u>	<u>\$ -</u>	<u>\$ 377,817</u>	<u>\$ 377,817</u>	<u>\$ (518,317)</u>
Expenditures:					
Economic and Physical Development:					
NC Housing & Finance:					
2010 Single Family	\$ 200,000	\$ -	\$ 16,834	\$ 16,834	\$ 183,166
Down East Home	604,334	-	349,111	349,111	255,223
The Rural Center-SEPRO	61,800	-	-	-	61,800
Golden Leaf-Tourism	30,000	-	10,000	10,000	20,000
Total Expenditures	<u>\$ 896,134</u>	<u>\$ -</u>	<u>\$ 375,945</u>	<u>\$ 375,945</u>	<u>\$ 520,189</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,872</u>	<u>\$ 1,872</u>	<u>\$ 1,872</u>
Fund Balance:					
Beginning of year, July 1			825		
End of year, June 30			<u>\$ 2,697</u>		

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Enterprise Funds

Edgecombe County, North Carolina
Water District Capital Projects Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit D-1

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Year</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
Water District No. 3:					
Restricted Intergovernmental:					
USDA/Rural Development	\$ 3,900,000	\$ 3,472,720	\$ -	\$ 3,472,720	\$ (427,280)
NC Clean Water & Utilities Bond - Loan	2,690,259	2,690,259	-	2,690,259	-
NC Clean Water & Utilities Bond - Grant	3,000,000	3,000,000	-	3,000,000	-
Rural Center	200,000	200,000	-	200,000	-
County appropriation	43,500	43,500	-	43,500	-
General Obligation Bonds	294,000	294,000	-	294,000	-
Sales Tax Refunds	36,600	55,896	-	55,896	19,296
Total	<u>\$ 10,164,359</u>	<u>\$ 9,756,375</u>	<u>\$ -</u>	<u>\$ 9,756,375</u>	<u>\$ (407,984)</u>
Water District No. 5:					
Restricted Intergovernmental:					
USDA/Rural Development	\$ 3,988,000	\$ 3,310,406	\$ 422,186	\$ 3,732,592	\$ (255,408)
General Obligation Bonds	3,928,000	3,928,000	-	3,928,000	-
Local match	24,300	26,609	27	26,636	2,336
Total	<u>\$ 7,940,300</u>	<u>\$ 7,265,015</u>	<u>\$ 422,213</u>	<u>\$ 7,687,228</u>	<u>\$ (253,072)</u>
Water District No. 4 - Phase I:					
Restricted Intergovernmental:					
CDBG 07-C-1717	\$ 750,000	\$ 683,930	\$ 66,070	\$ 750,000	\$ -
Rural Center	500,000	203,745	293,413	497,158	(2,842)
Total	<u>\$ 1,250,000</u>	<u>\$ 887,675</u>	<u>\$ 359,483</u>	<u>\$ 1,247,158</u>	<u>\$ (2,842)</u>
Water District No. 4 - Phase II:					
Restricted Intergovernmental:					
Rural Center	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	\$ -
USDA	427,281	427,281	-	427,281	-
Fund Balance appropriation	344,181	-	-	-	(344,181)
Total	<u>\$ 1,271,462</u>	<u>\$ 927,281</u>	<u>\$ -</u>	<u>\$ 927,281</u>	<u>\$ (344,181)</u>

(continued)

Edgecombe County, North Carolina
Water District Capital Projects Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit D-1

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual</u>		<u>Variance Positive (Negative)</u>
			<u>Current Year</u>	<u>Total to Date</u>	
Revenues: (continued)					
Water District No. 4 - Phase III					
Restricted Intergovernmental:					
Rural Center	\$ 1,000,000	\$ -	\$ -	\$ -	\$ (1,000,000)
USDA Grant	2,509,400	-	79,230	79,230	(2,430,170)
USDA Loan	3,615,000	-	-	-	(3,615,000)
Local match	63,600	-	69,278	69,278	5,678
Total	<u>\$ 7,188,000</u>	<u>\$ -</u>	<u>\$ 148,508</u>	<u>\$ 148,508</u>	<u>\$ (7,039,492)</u>
Water District No. 5 - 97 Wastewater:					
Restricted Intergovernmental:					
USDA Grant	\$ 1,000,000	\$ -	\$ -	\$ -	\$ (1,000,000)
USDA Revenue Bonds	638,000	-	638,000	638,000	-
NC Clean Water Bonds	1,728,859	-	266,208	266,208	(1,462,651)
The Rural Center	400,000	-	400,000	400,000	-
The Rural Center	1,000,000	-	1,000,000	1,000,000	-
Local match	760	-	662	662	(98)
Total	<u>\$ 4,767,619</u>	<u>\$ -</u>	<u>\$ 2,304,870</u>	<u>\$ 2,304,870</u>	<u>\$ (2,462,749)</u>
Miscellaneous Water Projects:					
The Rural Center Grants:					
PER NC 33 East Logsboro	\$ 35,000	\$ -	\$ 35,000	\$ 35,000	\$ -
PER Speed Community	31,250	-	-	-	(31,250)
Hydraulic Water Model	21,300	-	21,300	21,300	-
Local match	29,200	-	-	-	(29,200)
Total	<u>\$ 116,750</u>	<u>\$ -</u>	<u>\$ 56,300</u>	<u>\$ 56,300</u>	<u>\$ (60,450)</u>
Total Revenues	<u>\$ 32,698,490</u>	<u>\$ 18,836,346</u>	<u>\$ 3,291,374</u>	<u>\$ 22,127,720</u>	<u>\$ (10,570,770)</u>

(continued)

Edgecombe County, North Carolina
Water District Capital Projects Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit D-1

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Expenditures:					
Water District No. 3:					
Capital Outlay	\$ 422,500	\$ 389,504	\$ -	\$ 389,504	\$ 32,996
Supplies	56,845	33,892	-	33,892	22,953
Construction	8,412,059	7,793,606	62,763	7,856,369	555,690
Engineering Fees	760,800	722,437	-	722,437	38,363
Land Right of Way	196,618	196,595	-	196,595	23
Administration & Legal	50,000	29,810	-	29,810	20,190
Capitalized Interest	246,882	171,514	-	171,514	75,368
Contingency	18,655	12,072	-	12,072	6,583
Total	<u>\$ 10,164,359</u>	<u>\$ 9,349,430</u>	<u>\$ 62,763</u>	<u>\$ 9,412,193</u>	<u>\$ 752,166</u>
Water District No. 5:					
Construction	\$ 6,430,324	\$ 5,912,909	\$ -	\$ 5,912,909	\$ 517,415
Engineering Fees	621,360	668,241	13,823	682,064	(60,704)
Land Right of Way	23,450	23,450	-	23,450	-
Leggett Note Purchase	226,000	176,929	-	176,929	49,071
Administration & Legal	40,712	38,099	56	38,155	2,557
Capitalized Interest	350,000	67,212	-	67,212	282,788
Equipment	192,680	188,242	408,306	596,548	(403,868)
Contingency	55,774	29,026	-	29,026	26,748
Total	<u>\$ 7,940,300</u>	<u>\$ 7,104,108</u>	<u>\$ 422,185</u>	<u>\$ 7,526,293</u>	<u>\$ 414,007</u>
Water District No. 4 - Phase I:					
Construction	\$ 997,650	\$ 742,209	\$ 289,235	\$ 1,031,444	\$ (33,794)
Engineering Fees	183,000	123,793	58,297	182,090	910
Land Right of Way	9,000	3,550	-	3,550	5,450
Administration & Legal	30,000	18,123	11,951	30,074	(74)
Contingency	30,350	-	-	-	30,350
Total	<u>\$ 1,250,000</u>	<u>\$ 887,675</u>	<u>\$ 359,483</u>	<u>\$ 1,247,158</u>	<u>\$ 2,842</u>

(continued)

Edgecombe County, North Carolina
Water District Capital Projects Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From inception and for the Fiscal Year Ended June 30, 2011

Exhibit D-1

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Year	Current Year	Total to Date	
Expenditures: (continued)					
Water District No. 4 - Phase II:					
Construction	\$ 945,000	\$ 877,955	\$ -	\$ 877,955	\$ 67,045
Engineering Fees	147,000	132,551	-	132,551	14,449
Land Right of Way	25,000	2,100	-	2,100	22,900
Administration & Legal	8,000	20,833	17,250	38,083	(30,083)
Equipment	42,000	38,224	-	38,224	3,776
Contingency	104,462	-	-	-	104,462
Total	<u>\$ 1,271,462</u>	<u>\$ 1,071,663</u>	<u>\$ 17,250</u>	<u>\$ 1,088,913</u>	<u>\$ 182,549</u>
Water District No. 4 - Phase III:					
Construction	\$ 6,284,000	\$ -	\$ -	\$ -	\$ 6,284,000
Engineering Fees	654,000	-	79,067	79,067	574,933
Land Right of Way	15,000	-	163	163	14,837
Administration & Legal	35,000	-	-	-	35,000
Capitalized interest	200,000	-	-	-	200,000
Total	<u>\$ 7,188,000</u>	<u>\$ -</u>	<u>\$ 79,230</u>	<u>\$ 79,230</u>	<u>\$ 7,108,770</u>
Water District No. 5 - 97 Wastewater:					
Construction	\$ 3,777,109	\$ -	\$ 1,873,413	\$ 1,873,413	\$ 1,903,696
Engineering Fees	436,277	-	382,618	382,618	53,659
Land Right of Way	40,000	-	18,377	18,377	21,623
Administration & Legal	92,522	-	30,462	30,462	62,060
Equipment	50,000	-	-	-	50,000
Contingency	371,711	-	-	-	371,711
Total	<u>\$ 4,767,619</u>	<u>\$ -</u>	<u>\$ 2,304,870</u>	<u>\$ 2,304,870</u>	<u>\$ 2,462,749</u>
Miscellaneous Water Projects:					
PER NC 33 East Logsboro	\$ 47,250	\$ -	\$ 47,250	\$ 47,250	\$ -
PER Speed Community	35,000	-	-	-	35,000
Hydraulic Water Model	34,500	-	26,800	26,800	7,700
Total	<u>\$ 116,750</u>	<u>\$ -</u>	<u>\$ 74,050</u>	<u>\$ 74,050</u>	<u>\$ 42,700</u>
Total Expenditures	<u>\$ 32,698,490</u>	<u>\$ 18,412,876</u>	<u>\$ 3,319,831</u>	<u>\$ 21,732,707</u>	<u>\$ 10,965,783</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 423,470</u>	<u>\$ (28,457)</u>	<u>\$ 395,013</u>	<u>\$ 395,013</u>

Edgecombe County, North Carolina
Water and Sewer Operations
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2011

Exhibit D-2

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues:			
Water Sales - charges for service	\$ 2,248,000	\$ 2,293,185	\$ 45,185
Late charges and penalties	100,000	111,997	11,997
Total Operating Revenues	\$ 2,348,000	\$ 2,405,182	\$ 57,182
Non-operating Revenues:			
Water tap fees	\$ 70,000	\$ 63,592	\$ (6,408)
Investment Income	-	105	105
Transfer from Capital Project	-	-	-
Rural Center grant	-	-	-
Other	90	67,875	67,785
Total Non-operating Revenues	\$ 70,090	\$ 131,572	\$ 61,482
Total Revenues	\$ 2,418,090	\$ 2,536,754	\$ 118,664
Expenditures:			
Water Operation and Administration:			
Salaries and employee benefits	\$ 411,050	\$ 394,666	\$ 16,384
Water purchases	840,000	819,420	20,580
Operating expenditures	300,900	215,697	85,203
System maintenance	68,000	61,351	6,649
Capital outlay	-	-	-
Debt Service:			
Principal	318,593	318,593	-
Interest	622,547	622,547	-
Total Expenditures	\$ 2,561,090	\$ 2,432,274	\$ 128,816

(continued)

Edgecombe County, North Carolina
Water and Sewer Operations
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2011

Exhibit D-2

	2011		Variance Positive (Negative)
	Budget	Actual	
(continued)			
Revenues Over Expenditures	\$ (143,000)	\$ 104,480	\$ 247,480
Other Financing Sources (Uses):			
Fund Balance appropriation	143,000	-	(143,000)
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ -	\$ 104,480	\$ 104,480

Reconciliation from budgetary basis (modified accrual) to full accrual:

Revenues Over Expenditures	\$ 104,480
Reconciling Items:	
Transfer from Capital Project	\$ -
Payment of debt principal	318,593
Change in interest accrual	(6,424)
Capital Outlay	-
Increase in accrued vacation pay & OPEB	(5,424)
Provision for bad debt	(23,310)
Depreciation	(836,142)
Capital contributions	2,652,752
Interest on Capital Projects	663
Total Reconciling Items	\$ 2,100,708
Change in Net Assets	\$ 2,205,188

Edgecombe County, North Carolina
Solid Waste Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2011

Exhibit D-3

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues:			
Charges for Services:			
Solid Waste charges	\$ 1,950,000	\$ 1,933,063	\$ (16,937)
Recycling	25,000	40,457	15,457
Total Operating Revenues	<u>\$ 1,975,000</u>	<u>\$ 1,973,520</u>	<u>\$ (1,480)</u>
Non-operating Revenues:			
Investment earnings	\$ -	\$ 3,082	\$ 3,082
Scrap tire	55,000	91,014	36,014
White goods	25,000	15,248	(9,752)
Other Grants	30,000	32,021	2,021
Other income	861	27,357	26,496
Total Non-operating Revenues	<u>\$ 110,861</u>	<u>\$ 168,722</u>	<u>\$ 57,861</u>
Total Revenues	<u>\$ 2,085,861</u>	<u>\$ 2,142,242</u>	<u>\$ 56,381</u>
Expenditures:			
Operating Expenditures:			
Salaries and employee benefits	\$ 694,377	\$ 668,930	\$ 25,447
Other operating expenditures	1,521,711	1,430,672	91,039
Post-closure expenditures	-	-	-
Total Operating Expenditures	<u>\$ 2,216,088</u>	<u>\$ 2,099,602</u>	<u>\$ 116,486</u>
Capital outlays	49,000	45,321	3,679
Total Expenditures	<u>\$ 2,265,088</u>	<u>\$ 2,144,923</u>	<u>\$ 120,165</u>

(continued)

Edgecombe County, North Carolina
Solid Waste Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2011

Exhibit D-3

	2011		
	Budget	Actual	Variance Positive (Negative)
(continued)			
Revenues Over (Under) Expenditures	\$ (179,227)	\$ (2,681)	\$ 176,546
Other Financing Sources (Uses):			
Fund balance appropriated	179,227	-	(179,227)
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ -	\$ (2,681)	\$ (2,681)

Reconciliation from budgetary basis (modified accrual) to full accrual:

Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ (2,681)
Reconciling Items:	
Capital outlays	\$ 45,321
Depreciation	(111,969)
Provision for bad debt	19,186
(Increase) decrease in accrued landfill closure and postclosure care costs	(118,416) (6,376)
(Increase) decrease in accrued vacation pay & OPEB	
Total Reconciling Items	\$ (172,254)
Change in Net Assets	\$ (174,935)

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Other Schedules

Edgecombe County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2011

Exhibit E-1

Fiscal Year	Uncollected Balance June 30, 2009	Additions	Collections And Credits	Uncollected Balance June 30, 2010
2010-2011	\$ -	\$ 27,028,369	\$ 24,454,262	\$ 2,574,107
2009-2010	2,017,360	-	928,272	1,089,088
2008-2009	784,172	-	211,782	572,390
2007-2008	520,753	-	103,320	417,433
2006-2007	412,417	-	66,524	345,893
2005-2006	324,862	-	41,440	283,422
2004-2005	270,657	-	30,540	240,117
2003-2004	276,914	-	22,891	254,023
2002-2003	262,261	-	18,513	243,748
2001-2002	231,497	-	10,867	220,630
2000-2001	151,234	-	151,234	-
	\$ 5,252,127	\$ 27,028,369	\$ 26,039,645	\$ 6,240,851
				276,193
				\$ 5,964,658
 Reconciliation with Revenues:				
				\$ 26,335,080
	Reconciling Items:			
				\$ (402,625)
				107,190
				\$ (295,435)
				\$ 26,039,645

**Edgecombe County, North Carolina
Analysis of Current Tax Levy
County-Wide Levy
For the Fiscal Year Ended June 30, 2011**

Exhibit E-2

	<u>County - Wide</u>			<u>Total Levy</u>	
	<u>Property Valuation</u>	<u>Rate</u>	<u>Amount of Levy</u>	<u>Property excluding Registered Motor Vehicles</u>	<u>Registered Motor Vehicles</u>
Original Levy:					
Property taxed at:					
current year's rate	\$ 3,048,372,326	0.86	\$ 26,216,002	\$ 23,855,133	\$ 2,360,869
Penalties			158,892	158,892	-
Total	<u>\$ 3,048,372,326</u>		<u>\$ 26,374,894</u>	<u>\$ 24,014,025</u>	<u>\$ 2,360,869</u>
Discoveries at:					
current year's rate	90,833,488	0.86	781,168	727,625	53,543
Abatements at					
current year's rate	<u>(14,848,023)</u>	0.86	<u>(127,693)</u>	<u>(98,931)</u>	<u>(28,762)</u>
Total Property Valuation	<u><u>\$ 3,124,357,791</u></u>				
Net Levy			\$ 27,028,369	\$ 24,642,719	\$ 2,385,650
Uncollected taxes at June 30, 2011			2,574,107	2,077,693	496,414
Current Year's Taxes Collected			<u><u>\$ 24,454,262</u></u>	<u><u>\$ 22,565,026</u></u>	<u><u>\$ 1,889,236</u></u>
Current Levy Collection Percentage			<u><u>90.48%</u></u>	<u><u>91.57%</u></u>	<u><u>79.19%</u></u>

Edgecombe County, North Carolina
Analysis of Current Tax Levy - Fire Districts
For the Fiscal Year Ended June 30, 2011

Exhibit E-3

	Original Levy	Accounts Receivable
Harrison	\$ 54,672	\$ 1,470
Tri-County	35,286	1,974
Davenport	30,989	2,473
Heartsease	111,943	4,914
Princeville	91,989	10,272
Speed	69,607	4,702
South Edgecombe	41,849	3,393
Macclesfield	50,605	3,053
Leggett	46,668	4,826
West Edgecombe	97,637	5,310
Lewis	43,354	2,332
Conetoe	69,935	5,284
Sharp Point	4,881	205
Pintain	4,371	413
Total Original Levy	\$ 753,786	\$ 50,621
Less uncollected at June 30, 2011	50,621	
Current Year's Taxes Collected	\$ 703,165	
Percent Current Year Collected	93.28%	

Edgecombe County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For The Fiscal Year Ended June 30, 2011

Exhibit E-4

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Fines and Forfeitures:				
Assets:				
Cash and cash equivalents	\$ 47,779	\$ 481,090	\$ 454,620	\$ 74,249
Liabilities:				
Intergovernmental Payable:				
Schools	\$ 41,138	\$ 435,957	\$ 406,820	\$ 70,275
State of North Carolina-DMV	6,641	45,133	47,800	3,974
Total Liabilities	\$ 47,779	\$ 481,090	\$ 454,620	\$ 74,249
Motor Vehicle Tax:				
Assets:				
Cash and cash equivalents	\$ 113,766	\$ 1,102,662	\$ 1,137,061	\$ 79,367
Liabilities:				
Miscellaneous liabilities	\$ 113,766	\$ 1,102,662	\$ 1,137,061	\$ 79,367
Deed of Trust Fee:				
Assets:				
Cash and cash equivalents	\$ 360	\$ 4,060	\$ 4,070	\$ 350
Liabilities:				
Miscellaneous liabilities	\$ 360	\$ 4,060	\$ 4,070	\$ 350
Totals - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 161,905	\$ 1,587,812	\$ 1,595,751	\$ 153,966
Liabilities:				
Miscellaneous liabilities	\$ 114,126	\$ 1,106,722	\$ 1,141,131	\$ 79,717
Intergovernmental Payable:				
Schools	41,138	435,957	406,820	70,275
State of North Carolina-DMV	6,641	45,133	47,800	3,974
Total Liabilities	\$ 161,905	\$ 1,587,812	\$ 1,595,751	\$ 153,966

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Water Districts – Consolidating Information

USDA has requested that the County break out each water district separately. The County only has one water district operating fund. See Note 24 for additional information concerning the following schedules.

Edgecombe County, North Carolina
Statement of Fund Net Assets - By District
Proprietary Funds
June 30, 2011

	Water & Sewer District #1	Water & Sewer District #2	Water & Sewer District #3
Assets			
Current Assets:			
Cash and cash equivalents	\$ 444,829	\$ 381,282	\$ 165,222
Accounts receivable, net	73,900	63,451	29,620
Total Current Assets	<u>\$ 518,729</u>	<u>\$ 444,733</u>	<u>\$ 194,842</u>
Noncurrent Assets:			
Restricted Assets:			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable, net	21,300	-	-
Total Restricted Assets	<u>\$ 21,300</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Assets:			
Land, improvements, & construction in progress	\$ 28,292	\$ -	\$ -
Capital assets, net	8,564,464	7,085,452	8,008,991
Total Capital Assets	<u>\$ 8,592,756</u>	<u>\$ 7,085,452</u>	<u>\$ 8,008,991</u>
Total Noncurrent Assets	<u>\$ 8,614,056</u>	<u>\$ 7,085,452</u>	<u>\$ 8,008,991</u>
Total Assets	<u>\$ 9,132,785</u>	<u>\$ 7,530,185</u>	<u>\$ 8,203,833</u>
Liabilities			
Current Liabilities:			
Liabilities to be paid from Restricted Assets:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Accounts payable	31,298	26,827	11,625
Customer deposits	26,650	18,400	8,800
Accrued vacation	5,519	4,730	2,050
Accrued interest	14,832	14,101	13,324
Bond Anticipation Notes payable	-	-	-
Revenue bonds payable	24,500	-	-
General obligation bonds payable	52,500	58,500	145,593
Total Current Liabilities	<u>\$ 155,299</u>	<u>\$ 122,558</u>	<u>\$ 181,392</u>
Noncurrent Liabilities:			
Accrued OPEB	\$ 3,378	\$ 2,895	\$ 1,255
Accrued vacation	5,069	4,345	1,883
Revenue bonds payable	1,164,000	-	-
General obligation bonds payable	2,506,000	3,600,000	2,116,704
Total Noncurrent Liabilities	<u>\$ 3,678,447</u>	<u>\$ 3,607,240</u>	<u>\$ 2,119,842</u>
Total Liabilities	<u>\$ 3,833,746</u>	<u>\$ 3,729,798</u>	<u>\$ 2,301,234</u>
Net Assets			
Invested in capital assets, net of related debt	\$ 4,830,924	\$ 3,412,851	\$ 5,733,370
Unrestricted	468,115	387,535	169,230
Total Net Assets	<u>\$ 5,299,039</u>	<u>\$ 3,800,386</u>	<u>\$ 5,902,600</u>

Exhibit F-1

Water & Sewer District #4	Water & Sewer District #5	Total Water & Sewer
\$ 25,419	\$ 254,188	\$ 1,270,940
5,699	63,266	235,936
<u>\$ 31,118</u>	<u>\$ 317,454</u>	<u>\$ 1,506,876</u>
\$ -	\$ 660,482	\$ 660,482
304,111	2,075,779	2,401,190
<u>\$ 304,111</u>	<u>\$ 2,736,261</u>	<u>\$ 3,061,672</u>
\$ 79,230	\$ 2,304,870	\$ 2,412,392
2,264,879	8,804,676	34,728,462
<u>\$ 2,344,109</u>	<u>\$ 11,109,546</u>	<u>\$ 37,140,854</u>
<u>\$ 2,648,220</u>	<u>\$ 13,845,807</u>	<u>\$ 40,202,526</u>
<u>\$ 2,679,338</u>	<u>\$ 14,163,261</u>	<u>\$ 41,709,402</u>
\$ 8,503	\$ 385,612	\$ 394,115
97,258	2,084,214	2,181,472
1,788	17,885	89,423
47,910	16,280	118,040
315	3,154	15,768
-	23,161	65,418
-	638,000	638,000
-	-	24,500
-	46,000	302,593
<u>\$ 155,774</u>	<u>\$ 3,214,306</u>	<u>\$ 3,829,329</u>
\$ 193	\$ 1,930	\$ 9,651
290	2,897	14,484
-	-	1,164,000
-	3,838,000	12,060,704
<u>\$ 483</u>	<u>\$ 3,842,827</u>	<u>\$ 13,248,839</u>
<u>\$ 156,257</u>	<u>\$ 7,057,133</u>	<u>\$ 17,078,168</u>
\$ 2,344,109	\$ 6,564,385	\$ 22,885,639
178,971	541,744	1,745,595
<u>\$ 2,523,080</u>	<u>\$ 7,106,129</u>	<u>\$ 24,631,234</u>

Edgecombe County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Assets - by District
Proprietary Funds
For the Year Ended June 30, 2011

	<u>Water & Sewer District #1</u>	<u>Water & Sewer District #2</u>
Operating Revenues		
Charges for services and other	\$ 887,827	\$ 760,995
Operating Expenses		
Salaries and employee benefits	\$ 140,032	\$ 120,027
Water purchases	286,797	245,826
Water operations	96,966	83,114
Depreciation	216,763	168,324
Total Operating Expenses	<u>\$ 740,558</u>	<u>\$ 617,291</u>
Operating Income (Loss)	<u>\$ 147,269</u>	<u>\$ 143,704</u>
Nonoperating Revenues (Expenses)		
Interest and investment revenue	\$ 104	\$ -
Bad debt expense	(8,159)	(6,993)
Interest expense	(181,183)	(171,559)
Total Nonoperating Revenues (Expenses)	<u>\$ (189,238)</u>	<u>\$ (178,552)</u>
Income (Loss) before Contributions and Transfers	\$ (41,969)	\$ (34,848)
Capital contributions	56,300	-
Transfers in (out)	-	-
Change in Net Assets	<u>\$ 14,331</u>	<u>\$ (34,848)</u>
Net Assets:		
Beginning of year, July 1	5,284,707	3,835,234
End of year, June 30	<u><u>\$ 5,299,038</u></u>	<u><u>\$ 3,800,386</u></u>

Exhibit F-2

Water & Sewer District #3	Water & Sewer District #4	Water & Sewer District #5	Total Water & Sewer
\$ 329,764	\$ 50,733	\$ 507,330	\$ 2,536,649
\$ 52,012	\$ 8,002	\$ 80,018	\$ 400,091
106,525	16,388	163,884	819,420
36,016	5,541	55,409	277,046
210,667	48,584	191,804	836,142
<u>\$ 405,220</u>	<u>\$ 78,515</u>	<u>\$ 491,115</u>	<u>\$ 2,332,699</u>
\$ (75,456)	\$ (27,782)	\$ 16,215	\$ 203,950
\$ -	\$ -	\$ 663	\$ 767
(3,030)	(466)	(4,662)	(23,310)
(95,539)	-	(180,690)	(628,971)
<u>\$ (98,569)</u>	<u>\$ (466)</u>	<u>\$ (184,689)</u>	<u>\$ (651,514)</u>
\$ (174,025)	\$ (28,248)	\$ (168,474)	\$ (447,564)
-	507,991	2,088,461	2,652,752
-	-	-	-
<u>\$ (174,025)</u>	<u>\$ 479,743</u>	<u>\$ 1,919,987</u>	<u>\$ 2,205,188</u>
6,076,625	2,043,337	5,186,143	22,426,046
<u>\$ 5,902,600</u>	<u>\$ 2,523,080</u>	<u>\$ 7,106,130</u>	<u>\$ 24,631,234</u>

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Statistical Section

This part of Edgecombe County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health.

	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	138 - 147
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	148 - 158
Debt Capacity	
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	159 - 161
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	162 - 167
Operating Information	
These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the city provides and the activities it performs.	168 - 172

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

Edgecombe County, North Carolina
Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Governmental Activities:			
Invested in capital assets, net of related debt	\$ 5,878,139	\$ 6,421,042	\$ 6,828,247
Restricted	3,167,385	1,876,405	2,017,147
Unrestricted	10,135,575	14,886,632	18,640,998
	<u>\$ 19,181,099</u>	<u>\$ 23,184,079</u>	<u>\$ 27,486,392</u>
Business-type Activities:			
Invested in capital assets, net of related debt	\$ 9,677,241	\$ 11,499,447	\$ 14,823,757
Restricted for other purposes	469,927	-	-
Unrestricted	3,134,880	2,728,005	2,953,861
	<u>\$ 13,282,048</u>	<u>\$ 14,227,452</u>	<u>\$ 17,777,618</u>
Primary Government:			
Invested in capital assets, net of related debt	\$ 15,555,380	\$ 17,920,489	\$ 21,652,004
Restricted for other purposes	3,637,312	1,876,405	2,017,147
Unrestricted	13,270,455	17,614,637	21,594,859
	<u>\$ 32,463,147</u>	<u>\$ 37,411,531</u>	<u>\$ 45,264,010</u>

Note:

The County began to report accrual information when it implemented GASB Statement 34 in the fiscal year 2003.

Schedule 1

2006	Fiscal Year 2007	2008	2009	2010	2011
\$ 6,490,271	\$ 16,171,252	\$ 14,173,172	\$ 16,886,989	\$ 17,793,681	\$ 17,887,299
2,402,398	2,572,793	2,702,845	2,715,347	2,229,046	12,534,794
28,313,181	16,792,486	19,172,344	17,518,231	18,548,121	7,995,791
<u>\$ 37,205,850</u>	<u>\$ 35,536,531</u>	<u>\$ 36,048,361</u>	<u>\$ 37,120,567</u>	<u>\$ 38,570,848</u>	<u>\$ 38,417,884</u>
\$ 16,130,877	\$ 17,512,165	\$ 18,778,684	\$ 20,709,078	\$ 21,967,465	\$ 25,825,139
-	-	-	-	-	-
3,424,277	4,131,617	1,939,476	1,661,656	3,123,547	1,296,127
<u>\$ 19,555,154</u>	<u>\$ 21,643,782</u>	<u>\$ 20,718,160</u>	<u>\$ 22,370,734</u>	<u>\$ 25,091,012</u>	<u>\$ 27,121,266</u>
\$ 22,621,148	\$ 33,683,417	\$ 32,951,856	\$ 37,596,067	\$ 39,761,146	\$ 43,712,438
2,402,398	2,572,793	2,702,845	2,715,347	2,229,046	12,534,794
31,737,458	20,924,103	21,111,820	19,179,887	21,671,668	9,291,918
<u>\$ 56,761,004</u>	<u>\$ 57,180,313</u>	<u>\$ 56,766,521</u>	<u>\$ 59,491,301</u>	<u>\$ 63,661,860</u>	<u>\$ 65,539,150</u>

Edgecombe County, North Carolina
Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Expenses:			
Governmental Activities:			
General Government	\$ 4,530,069	\$ 3,750,662	\$ 3,917,021
Public Safety	15,507,091	8,682,140	9,248,881
Transportation	40,350	44,641	44,699
Economic and physical development	2,057,241	1,345,582	1,717,941
Human Services	24,423,956	23,501,280	25,504,524
Cultural and recreation	648,861	640,331	652,125
Education	9,581,139	10,475,008	11,133,616
Interest on long-term debt	698,836	542,825	499,600
Total Governmental Activities	<u>\$ 57,487,543</u>	<u>\$ 48,982,469</u>	<u>\$ 52,718,407</u>
Business-type Activities:			
Landfill	\$ 2,124,599	\$ 2,612,624	\$ 2,049,532
Water and Sewer	1,356,846	1,734,542	1,936,697
Total Business-type Activities	<u>\$ 3,481,445</u>	<u>\$ 4,347,166</u>	<u>\$ 3,986,229</u>
Total Primary Government Expenses	<u>\$ 60,968,988</u>	<u>\$ 53,329,635</u>	<u>\$ 56,704,636</u>
Program Revenues:			
Governmental Activities:			
Charges for Services:			
General Government	\$ 445,514	\$ 1,413,144	\$ 769,267
Public Safety	1,054,503	1,289,123	1,961,950
Economic and Physical Development	125,178	-	352,066
Human Services	4,925,316	5,410,325	5,911,403
Operating grants and contributions	20,670,186	11,817,315	14,379,467
Capital grants and contributions	310,582	1,082,374	190,617
Total Governmental Activities	<u>\$ 27,531,279</u>	<u>\$ 21,012,281</u>	<u>\$ 23,564,770</u>
Business-type Activities:			
Charges for Services:			
Water and Sewer	\$ 1,159,096	\$ 1,404,068	\$ 1,692,537
Landfill	2,819,233	2,499,147	2,104,326
Capital and Operating grants and contributions	2,749,959	1,798,679	3,661,623
Total Business-type Activities	<u>\$ 6,728,288</u>	<u>\$ 5,701,894</u>	<u>\$ 7,458,486</u>
Total Primary Government Program Revenues	<u>\$ 34,259,567</u>	<u>\$ 26,714,175</u>	<u>\$ 31,023,256</u>

Schedule 2

2006	2007	2008	2009	2010	2011
\$ 4,453,545	\$ 4,490,345	\$ 5,008,019	\$ 6,014,390	\$ 6,221,650	\$ 5,273,132
9,517,145	10,715,161	10,905,575	11,805,147	11,420,814	12,129,628
57,335	56,308	56,308	60,974	60,564	62,716
1,060,364	1,929,463	1,339,101	2,164,472	1,486,151	2,426,412
26,639,846	26,632,334	26,223,748	23,855,432	21,192,219	22,053,725
662,671	691,766	712,402	717,540	713,703	633,162
12,769,896	11,941,455	12,814,315	12,226,548	13,147,339	14,843,100
605,335	757,723	714,309	679,758	671,369	803,918
<u>\$ 55,766,137</u>	<u>\$ 57,214,555</u>	<u>\$ 57,773,777</u>	<u>\$ 57,524,261</u>	<u>\$ 54,913,809</u>	<u>\$ 58,225,793</u>
\$ 1,902,529	\$ 2,169,389	\$ 2,404,801	\$ 2,741,864	\$ 2,009,749	\$ 2,317,177
2,078,309	2,206,944	2,329,249	2,514,392	2,809,833	2,984,980
<u>\$ 3,980,838</u>	<u>\$ 4,376,333</u>	<u>\$ 4,734,050</u>	<u>\$ 5,256,256</u>	<u>\$ 4,819,582</u>	<u>\$ 5,302,157</u>
<u>\$ 59,746,975</u>	<u>\$ 61,590,888</u>	<u>\$ 62,507,827</u>	<u>\$ 62,780,517</u>	<u>\$ 59,733,391</u>	<u>\$ 63,527,950</u>
\$ 1,140,117	\$ 811,435	\$ 397,591	\$ 695,534	\$ 487,234	\$ 859,991
2,296,095	2,229,040	2,459,512	3,122,470	3,417,685	2,954,906
6,097	-	-	-	-	-
4,586,933	4,384,471	4,660,471	4,890,516	4,366,034	3,996,136
14,253,265	13,201,642	12,929,028	12,590,662	14,035,462	15,749,622
151,525	709,489	948,780	3,233,509	259,530	858,767
<u>\$ 22,434,032</u>	<u>\$ 21,336,077</u>	<u>\$ 21,395,382</u>	<u>\$ 24,532,691</u>	<u>\$ 22,565,945</u>	<u>\$ 24,419,422</u>
\$ 1,794,211	\$ 2,060,054	\$ 1,995,233	\$ 2,368,964	\$ 2,451,956	\$ 2,536,649
2,034,916	2,071,620	2,163,628	2,131,136	2,050,804	2,122,429
1,767,148	2,110,152	1,186,271	2,365,823	3,032,716	2,669,483
<u>\$ 5,596,275</u>	<u>\$ 6,241,826</u>	<u>\$ 5,345,132</u>	<u>\$ 6,865,923</u>	<u>\$ 7,535,476</u>	<u>\$ 7,328,561</u>
<u>\$ 28,030,307</u>	<u>\$ 27,577,903</u>	<u>\$ 26,740,514</u>	<u>\$ 31,398,614</u>	<u>\$ 30,101,421</u>	<u>\$ 31,747,983</u>

(continued)

Edgecombe County, North Carolina

Changes in Net Assets

Last Nine Fiscal Years

(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>
(continued)			
Net (Expense)/Revenue			
Governmental activities	\$ (29,956,264)	\$ (27,970,188)	\$ (29,153,637)
Business-type activities	3,246,843	1,354,728	3,472,257
	<u>\$ (26,709,421)</u>	<u>\$ (26,615,460)</u>	<u>\$ (25,681,380)</u>
General Revenues and Other Changes in Net Assets			
Governmental Activities:			
Taxes	\$ 29,190,106	\$ 31,196,000	\$ 32,241,560
Grants and contributions not restricted	216,944	98,568	358,295
Investment earnings, unrestricted	498,490	59,192	428,914
Miscellaneous, unrestricted	303,370	106,721	416,805
Sale of capital assets		92,187	10,432
Transfers/Distributions	525,000	420,500	(56)
Total Governmental Activities	<u>\$ 30,733,910</u>	<u>\$ 31,973,168</u>	<u>\$ 33,455,950</u>
Business-type Activities:			
Investment earnings	\$ 7,366	\$ 11,176	\$ 77,853
Transfers	(525,000)	(420,500)	56
Total Business-type Activities	<u>\$ (517,634)</u>	<u>\$ (409,324)</u>	<u>\$ 77,909</u>
	<u>\$ 30,216,276</u>	<u>\$ 31,563,844</u>	<u>\$ 33,533,859</u>
Change in Net Assets			
Governmental activities	\$ 777,646	\$ 4,002,980	\$ 4,302,313
Business-type activities	2,729,209	945,404	3,550,166
	<u>\$ 3,506,855</u>	<u>\$ 4,948,384</u>	<u>\$ 7,852,479</u>

Note:

The County began to report accrual information when it implemented GASB Statement 34 in the fiscal year 2003.

Schedule 2

2006	2007	2008	2009	2010	2011
\$ (33,332,105)	\$ (35,878,478)	\$ (36,378,395)	\$ (32,991,570)	\$ (32,347,864)	\$ (33,806,371)
1,615,437	1,865,493	611,082	1,609,667	2,715,894	2,026,404
<u>\$ (31,716,668)</u>	<u>\$ (34,012,985)</u>	<u>\$ (35,767,313)</u>	<u>\$ (31,381,903)</u>	<u>\$ (29,631,970)</u>	<u>\$ (31,779,967)</u>
\$ 32,292,877	\$ 32,723,256	\$ 33,230,085	\$ 31,190,594	\$ 32,840,815	\$ 32,536,863
344,780	233,730	507,661	204,877	371,344	788,712
1,099,236	1,378,251	935,330	408,688	55,266	29,634
198,252	310,384	532,800	138,023	530,720	298,198
38,542	-	20,667	46,954	-	-
8,241,408	-	1,663,682	2,074,640	-	-
<u>\$ 42,215,095</u>	<u>\$ 34,645,621</u>	<u>\$ 36,890,225</u>	<u>\$ 34,063,776</u>	<u>\$ 33,798,145</u>	<u>\$ 33,653,407</u>
\$ 162,099	\$ 223,135	\$ 126,979	\$ 42,907	\$ 4,383	\$ 3,849
-	-	(1,663,682)	-	-	-
<u>\$ 162,099</u>	<u>\$ 223,135</u>	<u>\$ (1,536,703)</u>	<u>\$ 42,907</u>	<u>\$ 4,383</u>	<u>\$ 3,849</u>
<u>\$ 42,377,194</u>	<u>\$ 34,868,756</u>	<u>\$ 35,353,522</u>	<u>\$ 34,106,683</u>	<u>\$ 33,802,528</u>	<u>\$ 33,657,256</u>
\$ 8,882,990	\$ (1,232,857)	\$ 511,830	\$ 1,072,206	\$ 1,450,281	\$ (152,964)
1,777,536	2,088,628	(925,621)	1,652,574	2,720,277	2,030,253
<u>\$ 10,660,526</u>	<u>\$ 855,771</u>	<u>\$ (413,791)</u>	<u>\$ 2,724,780</u>	<u>\$ 4,170,558</u>	<u>\$ 1,877,289</u>

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General Fund:				
Reserved	\$ 8,668,385	\$ 8,635,153	\$ 7,453,863	\$ 8,159,272
Unreserved:				
Undesignated	3,670,964	3,617,053	6,401,260	6,814,311
Designated	2,459,995	1,297,990	2,177,343	3,793,919
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
 Total General Fund	 <u>\$ 14,799,344</u>	 <u>\$ 13,550,196</u>	 <u>\$ 16,032,466</u>	 <u>\$ 18,767,502</u>
 All Other Governmental Funds:				
Reserved	\$ 1,789,474	\$ 19,105	\$ 156,428	\$ 185,627
Unreserved, Reported in:				
Special Revenue funds	30,649	451,002	350,011	476,420
Capital Projects funds	(1,360,751)	(66,314)	46,067	3,771
Debt Service funds	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
 Total All Other Governmental Funds	 <u>\$ 459,372</u>	 <u>\$ 403,793</u>	 <u>\$ 552,506</u>	 <u>\$ 665,818</u>

Schedule 3

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 8,264,914	\$ 5,710,916	\$ 6,923,028	\$ 6,431,853	\$ 6,091,556	\$ -
6,041,658	5,820,833	4,573,835	6,133,293	6,953,116	-
4,742,865	4,544,165	4,239,769	2,234,600	3,491,220	-
-	-	-	-	-	6,145,463
-	-	-	-	-	393,912
-	-	-	-	-	4,887,551
-	-	-	-	-	5,707,355
<u>\$ 19,049,437</u>	<u>\$ 16,075,914</u>	<u>\$ 15,736,632</u>	<u>\$ 14,799,746</u>	<u>\$ 16,535,892</u>	<u>\$ 17,134,281</u>
\$ 9,054,199	\$ 2,542,720	\$ 1,522,519	\$ 823,664	\$ 3,308,249	\$ -
579,781	318,562	340,574	272,462	381,851	-
-	2,222,121	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,389,331
-	-	-	-	-	137,114
-	-	-	-	-	-
<u>\$ 9,633,980</u>	<u>\$ 5,083,403</u>	<u>\$ 1,863,093</u>	<u>\$ 1,096,126</u>	<u>\$ 3,690,100</u>	<u>\$ 6,526,445</u>

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Revenues:				
Ad valorem taxes	\$ 21,860,761	\$ 22,544,391	\$ 23,303,444	\$ 24,673,143
Local option sales tax	4,674,222	6,308,937	7,170,852	7,530,351
Other taxes and licenses	95,724	319,496	313,058	306,050
Unrestricted intergovernmental	1,552,646	118,936	510,363	391,087
Restricted intergovernmental	24,082,880	20,132,473	12,867,033	15,097,186
Permits and fees	558,348	533,419	628,442	526,208
Sales and services	8,592,902	6,963,395	6,522,210	7,514,326
Investment earnings	499,270	498,490	59,191	428,914
Miscellaneous	607,412	210,389	282,131	464,185
Total Revenues	<u>\$ 62,524,165</u>	<u>\$ 57,629,926</u>	<u>\$ 51,656,724</u>	<u>\$ 56,931,450</u>
Expenditures:				
General Government	\$ 3,673,805	\$ 4,126,233	\$ 3,314,180	\$ 3,751,125
Public safety	7,426,827	14,849,091	7,773,127	8,698,861
Transportation	76,115	40,350	44,641	44,699
Economic and physical development	2,164,879	2,022,829	1,526,936	1,713,868
Human services	25,949,464	24,428,679	23,353,120	25,382,074
Cultural and recreational	674,034	648,861	640,331	652,125
Intergovernmental:				
Education	10,551,154	10,620,867	10,476,092	11,133,616
Capital Outlay	-	-	-	-
Debt service:				
Principal	1,107,643	1,407,776	1,550,098	1,618,855
Interest and other charges	755,672	709,568	572,484	509,575
Capital Outlay	10,672,660	698,380	1,587,419	588,680
Total Expenditures	<u>\$ 63,052,253</u>	<u>\$ 59,552,634</u>	<u>\$ 50,838,428</u>	<u>\$ 54,093,478</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (528,088)</u>	<u>\$ (1,922,708)</u>	<u>\$ 818,296</u>	<u>\$ 2,837,972</u>
Other Financing Sources (Uses)				
Bonds Issued	\$ -	\$ -	\$ -	\$ -
Transfers from other funds	740,654	733,872	822,526	73,697
Transfers to other funds	(237,567)	(208,872)	(402,026)	(73,753)
Transfer from component unit	153,825	85,105	-	-
Loan proceeds	-	-	1,300,000	-
Sale of capital assets	10,492	7,876	92,187	10,432
Total Other Financing Sources (Uses)	<u>\$ 667,404</u>	<u>\$ 617,981</u>	<u>\$ 1,812,687</u>	<u>\$ 10,376</u>
Net Change in Fund Balances	<u>\$ 139,316</u>	<u>\$ (1,304,727)</u>	<u>\$ 2,630,983</u>	<u>\$ 2,848,348</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>3.56%</u>	<u>3.60%</u>	<u>4.31%</u>	<u>3.98%</u>

Schedule 4

2006	2007	2008	2009	2010	2011
\$ 24,161,582	\$ 23,906,570	\$ 24,046,566	\$ 24,056,682	\$ 27,660,360	\$ 27,146,519
7,712,329	8,249,404	8,044,419	6,465,512	4,290,784	3,991,521
323,029	326,945	366,845	339,293	343,106	327,620
298,907	168,266	211,335	240,955	489,115	622,652
14,532,891	13,656,898	14,050,073	16,040,057	14,565,969	16,835,169
691,419	910,324	872,808	788,327	682,159	593,029
7,327,063	6,293,458	6,874,690	7,441,317	7,322,618	6,851,156
1,099,236	1,378,251	935,330	408,688	55,266	29,633
339,481	539,247	532,801	469,722	539,271	266,105
<u>\$ 56,485,937</u>	<u>\$ 55,429,363</u>	<u>\$ 55,934,867</u>	<u>\$ 56,250,553</u>	<u>\$ 55,948,648</u>	<u>\$ 56,663,404</u>
\$ 4,156,778	\$ 4,264,018	\$ 4,725,635	\$ 5,578,173	\$ 6,005,191	\$ 5,288,144
9,107,990	10,574,834	10,116,622	11,040,057	10,882,613	12,019,917
57,335	56,308	56,308	60,974	60,564	62,716
1,053,162	1,926,960	1,339,132	2,151,069	1,471,873	3,787,006
26,530,571	26,621,901	26,525,729	23,560,859	21,989,055	21,805,050
662,671	691,766	712,402	717,540	692,750	633,162
11,559,046	11,526,190	12,211,573	11,521,918	10,735,683	11,690,353
795,586	6,932,165	1,215,099	1,395,748	749,411	2,515,973
1,257,878	1,711,307	1,512,134	1,656,397	1,799,478	3,056,070
454,560	769,003	728,717	687,765	663,608	710,175
1,019,267	573,397	125,037	705,656	998,302	1,067,197
<u>\$ 56,654,844</u>	<u>\$ 65,647,849</u>	<u>\$ 59,268,388</u>	<u>\$ 59,076,156</u>	<u>\$ 56,048,528</u>	<u>\$ 62,635,763</u>
<u>\$ (168,907)</u>	<u>\$ (10,218,486)</u>	<u>\$ (3,333,521)</u>	<u>\$ (2,825,603)</u>	<u>\$ (99,880)</u>	<u>\$ (5,972,359)</u>
\$ 9,370,000	\$ -	\$ -	\$ -	\$ 3,430,000	
-	-	1,663,682	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	760,000	-	1,121,750	1,000,000	9,375,000
49,004	23,966	20,667	-	-	32,092
<u>\$ 9,419,004</u>	<u>\$ 783,966</u>	<u>\$ 1,684,349</u>	<u>\$ 1,121,750</u>	<u>\$ 4,430,000</u>	<u>\$ 9,407,092</u>
<u>\$ 9,250,097</u>	<u>\$ (9,434,520)</u>	<u>\$ (1,649,172)</u>	<u>\$ (1,703,853)</u>	<u>\$ 4,330,120</u>	<u>\$ 3,434,733</u>
<u>3.08%</u>	<u>3.81%</u>	<u>3.79%</u>	<u>4.02%</u>	<u>4.47%</u>	<u>6.12%</u>

Edgecombe County, North Carolina
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Real Property			Personal Property
	Residential Property	Commercial/ Manufacturing Property	Other	
2002	\$ 835,986	\$ 845,913	\$ 157,637	\$ 728,963
2003	896,924	766,259	140,769	789,924
2004	900,012	783,427	170,348	721,573
2005	940,838	788,969	129,133	743,151
2006	944,475	731,907	128,019	785,651
2007	1,047,114	673,500	118,501	732,253
2008	1,054,763	674,859	120,244	756,147
2009	1,093,226	668,578	116,819	751,626
2010	1,526,026	826,134	144,597	833,746
2011	1,492,536	1,032,374	145,070	697,389

Source: Edgecombe County Tax Assessor

Notes: The County assesses property every eight years. The last revaluation was in 2009.

Schedule 5

Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
\$ 97,523	\$ 2,470,976	0.87%	\$ 2,534,334
101,329	2,492,547	0.91%	2,771,184
101,786	2,473,574	0.91%	2,865,018
106,538	2,495,553	0.93%	2,873,826
105,448	2,484,604	0.93%	3,105,755
106,337	2,465,031	0.94%	3,201,339
106,130	2,499,883	0.94%	3,472,060
107,419	2,522,830	0.94%	3,503,931
233,930	3,096,573	0.86%	3,096,573
243,011	3,124,358	0.86%	3,192,670

Edgecombe County, North Carolina
Direct and Overlapping Property Tax Rates
Last Ten Years
(rate per \$100 of assessed value)

	2011	2010	2009	2008
County Direct Rate				
General - Edgecombe(1)	0.86	0.86	0.94	0.94
City Rates				
City of Rocky Mount	0.55	0.55	0.58	0.58
Town Rates				
Town of Conetoe	0.16	0.16	0.16	0.16
Town of Leggett	0.25	0.25	0.25	0.25
Town of Macclesfield	0.37	0.37	0.45	0.45
Town of Pinetops	0.33	0.31	0.36	0.36
Town of Princeville	0.62	0.62	0.78	0.78
Town of Sharpsburg	0.50	0.50	0.50	0.50
Town of Speed	0.30	0.30	0.30	0.30
Town of Tarboro	0.36	0.36	0.42	0.42
Town of Whitakers	0.69	0.69	0.69	0.69

Notes:

- (1) Property was revalued in 2009.
- (2) The property tax rates for each of the governments listed above are base unit-wide tax rates. For each government, certain motor vehicles were taxed at the preceding year's rate.

Source: Tax Assessor for the respective entities.

Schedule 6

Year Taxes Are Payable

2007	2006	2005	2004	2003	2002
0.94	0.93	0.93	0.91	0.91	0.87
0.55	0.50	0.50	0.50	0.48	0.44
0.17	0.17	0.18	0.20	0.20	0.20
0.25	0.25	0.25	0.25	0.25	0.25
0.45	0.45	0.45	0.45	0.45	0.45
0.36	0.36	0.36	0.36	0.36	0.34
0.78	0.78	0.78	0.78	0.78	0.78
0.45	0.45	0.45	0.45	0.45	0.45
0.30	0.25	0.25	0.25	0.25	0.25
0.42	0.42	0.42	0.42	0.42	0.42
0.69	0.69	0.69	0.69	0.67	0.67

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**Edgecombe County, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago**

Schedule 7

Taxpayer	2002		2003	
	Assessed Valuation	% of Total Assessed Valuation	Assessed Valuation	% of Total Assessed Valuation
QVC Rocky Mount, Inc.	\$ 61,614,080	2.74%	\$ 62,530,718	2.48%
Sprint	64,346,582	2.86%	63,507,922	2.52%
Keihin Carolina Systems Technology	33,587,691	1.49%	44,701,599	1.78%
Cogentrix	58,247,693	2.59%	57,065,659	2.27%
A T & T Communications	23,172,788	1.03%	-	-
Sara Lee Bakery	67,492,015	3.00%	64,062,187	2.54%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	19,655,110	0.87%	21,731,630	0.86%
Glenoit Mills	24,060,720	1.07%	20,699,894	0.82%
EMC	17,118,018	0.76%	17,939,452	0.71%
American Fibers & Yarns	19,213,796	0.85%	18,157,257	0.72%
CSX	-	-	-	-
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	-	-	15,267,046	0.61%
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	-	-	-	-
Total	<u>\$ 388,508,493</u>	<u>17.26%</u>	<u>\$ 385,663,364</u>	<u>15.31%</u>

Source: Tax Assessor for the entity.

**Edgecombe County, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago**

Schedule 7

<u>Taxpayer</u>	<u>2004</u>		<u>2005</u>	
	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
QVC Rocky Mount, Inc.	\$ 73,703,681	2.98%	\$ 81,043,588	3.22%
Sprint	62,454,297	2.52%	61,806,698	2.45%
Keihin Carolina Systems Technology	48,366,714	1.95%	56,190,873	2.23%
Cogentrix	47,912,247	1.94%	51,843,151	2.06%
A T & T Communications	-	-	13,031,564	0.52%
Sara Lee Bakery	71,971,615	2.91%	54,646,983	2.17%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	19,845,620	0.80%	17,630,200	0.70%
Glenoit Mills	-	-	-	-
EMC	18,224,126	0.74%	18,749,478	0.74%
American Fibers & Yarns	25,355,872	1.02%	24,514,529	0.97%
CSX	14,810,087	0.60%	-	-
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	12,735,074	0.51%	13,444,522	0.53%
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	-	-	-	-
Total	<u>\$ 395,379,333</u>	<u>15.97%</u>	<u>\$ 392,901,586</u>	<u>15.59%</u>

Source: Tax Assessor for the entity.

**Edgecombe County, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago**

Schedule 7

<u>Taxpayer</u>	<u>2006</u>		<u>2007</u>	
	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
QVC Rocky Mount, Inc.	\$ 71,915,287	2.83%	\$ 69,489,661	3.23%
Sprint	67,184,075	2.64%	58,849,236	2.74%
Keihin Carolina Systems Technology	59,623,706	2.34%	66,333,882	3.09%
Cogentrix	46,748,445	1.84%	45,583,521	2.12%
A T & T Communications	-	-	-	-
Sara Lee Bakery	63,461,613	2.50%	58,557,623	2.72%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	16,427,150	0.65%	17,329,980	0.81%
Glenoit Mills	-	-	-	-
EMC	20,043,954	0.79%	20,467,170	0.95%
American Fibers & Yarns	12,835,571	0.50%	-	-
CSX	13,957,580	0.55%	13,486,537	0.63%
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	15,715,109	0.62%	16,202,318	0.75%
Air Systems Components	-	-	9,498,365	0.44%
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	-	-	-	-
Total	<u>\$ 387,912,490</u>	<u>15.26%</u>	<u>\$ 375,798,293</u>	<u>17.48%</u>

Source: Tax Assessor for the entity.

**Edgecombe County, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago**

Schedule 7

<u>Taxpayer</u>	<u>2008</u>		<u>2009</u>	
	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
QVC Rocky Mount, Inc.	\$ 70,942,641	2.84%	\$ 65,878,958	2.61%
Sprint	58,475,763	2.34%	56,759,751	2.25%
Keihin Carolina Systems Technology	66,464,930	2.66%	63,944,268	2.53%
Cogentrix	44,470,824	1.78%	42,169,492	1.67%
A T & T Communications	-	-	-	-
Sara Lee Bakery	51,687,341	2.07%	48,662,817	1.93%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	16,839,258	0.67%	15,540,578	0.62%
Glenoit Mills	-	-	-	-
EMC	21,442,067	0.86%	20,661,809	0.82%
American Fibers & Yarns	-	-	-	-
CSX	14,956,853	0.60%	15,585,561	0.62%
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	16,956,148	0.68%	15,798,330	0.63%
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	16,584,924	0.66%	-	-
ABB Power	-	-	9,359,158	0.37%
Piedmont Natural Gas Co Inc	-	-	-	-
Total	<u>\$ 378,820,749</u>	<u>15.16%</u>	<u>\$ 354,360,722</u>	<u>14.05%</u>

Source: Tax Assessor for the entity.

**Edgecombe County, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago**

Schedule 7

<u>Taxpayer</u>	<u>2010</u>		<u>2011</u>	
	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
QVC Rocky Mount, Inc.	\$ 80,193,033	2.59%	\$ 78,568,009	2.51%
Sprint	67,452,488	2.18%	63,265,243	2.02%
Keihin Carolina Systems Technology	71,613,882	2.31%	69,273,908	2.22%
Cogentrix	-	-	-	-
A T & T Communications	-	-	-	-
Sara Lee Bakery	48,747,068	1.57%	100,617,423	3.22%
Edgecombe GENCO LLC	35,539,654	1.15%	32,808,030	1.05%
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	13,344,978	0.43%	15,587,709	0.50%
Glenoit Mills	-	-	-	-
EMC	25,814,885	0.83%	24,991,720	0.80%
American Fibers & Yarns	-	-	-	-
CSX	20,572,575	0.66%	22,563,921	0.72%
Berry Plastics Holding Corp	13,666,327	0.44%	15,848,717	0.51%
Carlisle Plastics LP	-	-	-	-
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	11,222,601	0.36%	12,815,778	0.41%
Total	<u>\$ 388,167,491</u>	<u>12.54%</u>	<u>\$ 436,340,458</u>	<u>13.97%</u>

Source: Tax Assessor for the entity.

**Edgecombe County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years**

Levy	Taxes Levied for the Fiscal Year (Original Levy)	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2002	\$ 21,601,406	\$ 19,968,594	92.44%
2003	22,779,178	20,680,173	90.79%
2004	22,560,839	20,754,985	92.00%
2005	23,253,954	21,797,535	93.74%
2006	23,151,447	21,645,355	93.49%
2007	23,244,190	21,634,223	93.07%
2008	23,629,262	21,737,165	91.99%
2009	23,320,868	21,481,564	92.11%
2010	26,808,512	24,791,152	92.47%
2011	27,028,369	24,454,262	90.48%

Source: Audited annual financial reports of this entity.

Notes: The information in this schedule relates to the County's own property tax levies,
and does not include those it collects on behalf of other governments.

Schedule 8

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 1,412,182	\$ 21,380,776	98.98%
1,855,257	22,535,430	98.93%
1,551,831	22,306,816	98.87%
1,216,302	23,013,837	98.97%
1,222,670	22,868,025	98.78%
1,264,074	22,898,297	98.51%
1,474,664	23,211,829	98.23%
1,266,914	22,748,478	97.55%
928,272	25,719,424	95.94%
-	24,454,262	90.48%

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Edgecombe County, North Carolina
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Schedule 9

Fiscal Year	Governmental Activities General Obligation Bonds	Percentage of Personal Income	Per Capita	General Bonded Debt As A % of Actual Value of Taxable Property
2011	\$ 10,590,000	n/a	187	0.34%
2010	11,250,000	n/a	219	0.36%
2009	8,220,000	0.55%	159	0.33%
2008	8,570,000	0.57%	165	0.34%
2007	8,820,000	0.63%	168	0.36%
2006	9,370,000	0.69%	173	0.38%
2005	-	0.00%	-	0.00%
2004	-	0.00%	-	0.00%
2003	-	0.00%	-	0.00%
2002	-	0.00%	-	0.00%

Notes:

Population and personal income can be found in Schedule 11.

See Schedule 5 for property value data.

Edgecombe County, North Carolina
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Assessed Value--January 1,	<u>\$ 2,470,975,862</u>	<u>\$ 2,492,546,665</u>	<u>\$ 2,473,573,956</u>	<u>\$ 2,495,552,804</u>
Debt limit - 8% of assessed value	<u>\$ 197,678,069</u>	<u>\$ 199,403,733</u>	<u>\$ 197,885,916</u>	<u>\$ 199,644,224</u>
Gross Debt:				
Total bonded debt	\$ 4,300,500	\$ 8,250,000	\$ 8,491,000	\$ 8,392,000
Revenue Bonds	-	-	-	-
Installment Purchase	13,995,627	12,595,757	12,836,116	11,434,509
Notes Payable	<u>1,124,405</u>	<u>829,150</u>	<u>602,869</u>	<u>2,870,729</u>
Gross Debt	<u>\$ 19,420,532</u>	<u>\$ 21,674,907</u>	<u>\$ 21,929,985</u>	<u>\$ 22,697,238</u>
Less Water Gross Debt	<u>4,587,849</u>	<u>8,526,051</u>	<u>8,755,175</u>	<u>11,141,283</u>
Net Bonded Debt				
Applicable to Debt Limit	<u>\$ 14,832,683</u>	<u>\$ 13,148,856</u>	<u>\$ 13,174,810</u>	<u>\$ 11,555,955</u>
Legal Debt Margin	<u>\$ 182,845,386</u>	<u>\$ 186,254,877</u>	<u>\$ 184,711,106</u>	<u>\$ 188,088,269</u>
 Total net debt applicable to the limit as a percentage of debt limit	 7.50%	 6.59%	 6.66%	 5.79%

Schedule 10

2006	2007	2008	2009	2010	2011
<u>\$ 2,484,604,466</u>	<u>\$ 2,465,031,350</u>	<u>\$ 2,499,883,345</u>	<u>\$ 2,522,830,107</u>	<u>\$ 3,096,573,186</u>	<u>\$ 3,124,357,791</u>
<u>\$ 198,768,357</u>	<u>\$ 197,202,508</u>	<u>\$ 199,990,668</u>	<u>\$ 201,826,409</u>	<u>\$ 247,725,855</u>	<u>\$ 249,948,623</u>
\$ 16,364,000	\$ 15,726,000	\$ 15,380,500	\$ 18,859,500	\$ 21,784,500	\$ 20,971,000
1,296,000	1,276,500	1,256,000	1,234,500	1,212,000	1,188,500
10,086,839	9,019,746	7,914,442	7,819,982	7,488,766	13,163,609
3,140,060	4,086,919	3,337,527	2,895,488	2,685,703	4,486,059
<u>\$ 30,886,899</u>	<u>\$ 30,109,165</u>	<u>\$ 27,888,469</u>	<u>\$ 30,809,470</u>	<u>\$ 33,170,969</u>	<u>\$ 39,809,168</u>
<u>11,218,823</u>	<u>10,955,933</u>	<u>10,683,834</u>	<u>14,139,481</u>	<u>13,870,389</u>	<u>14,189,796</u>
<u>\$ 19,668,076</u>	<u>\$ 19,153,232</u>	<u>\$ 17,204,635</u>	<u>\$ 16,669,989</u>	<u>\$ 19,300,580</u>	<u>\$ 25,619,372</u>
<u>\$ 179,100,281</u>	<u>\$ 178,049,276</u>	<u>\$ 182,786,033</u>	<u>\$ 185,156,420</u>	<u>\$ 228,425,275</u>	<u>\$ 224,329,251</u>
9.89%	9.71%	8.60%	8.26%	7.79%	10.25%

**Edgecombe County, North Carolina
Demographic and Economic Statistics
Last Ten Calendar Years**

Schedule 11

Calendar Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School ADM	Unemployment Rate
	(1)	(2)	(2)	(1)	(3)	(4)
2002	54,698	\$ 1,229,009	\$ 22,469	36.23	7,544	8.4%
2003	54,945	1,226,812	22,328	36.20	7,643	11.0%
2004	54,077	1,293,684	23,923	36.20	7,621	10.1%
2005	53,916	1,370,000	25,410	37.58	7,495	8.8%
2006	53,034	1,352,000	25,493	37.84	7,469	8.6%
2007	52,644	1,400,594	26,605	38.00	7,385	7.8%
2008	51,813	1,505,271	29,052	38.25	7,363	8.3%
2009	51,800	1,502,361	29,003	36.74	7,221	14.2%
2010	51,327	n/a	n/a	38.88	7,207	16.1%
2011	56,552	n/a	n/a	36.20	7,246	15.6%

*Information not yet available.

Source:

- (1) North Carolina Data Center
- (2) Bureau of Economic Analysis
- (3) North Carolina Department of Public Instruction
- (4) Employment Security Commission of North Carolina

**Edgecombe County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Schedule 12

Employer	2002		2003	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Edgecombe County Schools	1,100	4.98%	1,100	4.92%
Sara Lee Bakery	935	4.23%	935	4.18%
QVC, Inc.	400	1.81%	400	1.79%
Edgecombe County	680	3.08%	680	3.04%
MBM Corporation	700	3.17%	700	3.13%
Carolina Telephone/Sprint/Embarq	650	2.94%	650	2.91%
Tyco Plastics	-	-	-	-
Berry Plastics	-	-	-	-
Keihin Carolina System Technology	430	1.95%	430	1.92%
Air System Components	287	1.30%	287	1.28%
Barcalounger Company	430	1.95%	430	1.92%
Heritage Hospital Inc.	489	2.21%	489	2.19%
Superior Telecommunications	222	1.01%	222	0.99%
Barnhill Contracting Company	735	3.33%	735	3.29%
Long Agribusiness	-	-	-	-
General Foam Plastics	-	-	200	0.90%
Focal Point	-	-	-	-
Glenoit LLC	447	2.02%	447	2.00%
ABB Power T&D Company, Inc.	176	0.80%	176	0.79%
Glenoit Fabrics (GH) Corporation	-	0.00%	-	-
Mayo Knitting Mills	221	1.00%	221	0.99%
Tri-County Industries	175	0.79%	175	0.78%
HC Composites LLC	-	-	-	-
Stretchlon, Inc.	100	0.45%	100	0.45%
Royster Clark, Inc.	100	0.45%	100	0.45%
Inco, Inc.	320	1.45%	320	1.43%
Carlisle Plastics, Inc.	270	1.22%	270	1.21%
Long Manufacturing Co., Inc.	181	0.82%	181	0.81%
SE&M	117	0.53%	117	0.52%
Pillotex Corporation	250	1.13%	-	-
Empire Industries, Inc.	200	0.91%	-	-
American Fabrics & Fibers	-	-	-	-
Ansell Edmont Industrial	-	-	-	-
Heilig-Meyers Distribution	-	-	-	-
Engine Systems	-	-	-	-
Trinity Industries	-	-	-	-
Covalence Plastica	-	-	-	-
Farm Trac	-	-	-	-
Town of Tarboro	-	-	-	-
Greenleaf Nursery	-	-	-	-
Nomaco, Inc.	-	-	-	-
Spongex, LLC	-	-	-	-
Total	9,615	43.54%	9,365	41.91%

Source:

Carolina Gateway Partnership
Employment Security Commission of
North Carolina

**Edgecombe County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Schedule 12

Employer	2004		2005	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Edgecombe County Schools	1,100	4.94%	1,100	4.95%
Sara Lee Bakery	850	3.81%	850	3.82%
QVC, Inc.	850	3.81%	850	3.82%
Edgecombe County	650	2.92%	650	2.92%
MBM Corporation	400	1.79%	600	2.70%
Carolina Telephone/Sprint/Embarq	600	2.69%	600	2.70%
Tyco Plastics	550	2.47%	550	2.47%
Berry Plastics	550	2.47%	550	2.47%
Keihin Carolina System Technology	500	2.24%	500	2.25%
Air System Components	325	1.46%	425	1.91%
Barcalounger Company	400	1.79%	400	1.80%
Heritage Hospital Inc.	485	2.18%	380	1.71%
Superior Telecommunications	400	1.79%	340	1.53%
Barnhill Contracting Company	250	1.12%	250	1.12%
Long Agribusiness	225	1.01%	200	0.90%
General Foam Plastics	200	0.90%	200	0.90%
Focal Point	200	0.90%	200	0.90%
Glenoit LLC	200	0.90%	200	0.90%
ABB Power T&D Company, Inc.	180	0.81%	180	0.81%
Glenoit Fabrics (GH) Corporation	200	0.90%	160	0.72%
Mayo Knitting Mills	200	0.90%	150	0.67%
Tri-County Industries	125	0.56%	130	0.58%
HC Composites LLC	150	0.67%	125	0.56%
Stretchlon, Inc.	100	0.45%	100	0.45%
Royster Clark, Inc.	-	-	-	-
Inco, Inc.	375	1.68%	-	-
Carlisle Plastics, Inc.	-	-	-	-
Long Manufacturing Co., Inc.	-	-	-	-
SE&M	140	0.63%	-	-
Pillotex Corporation	-	-	-	-
Empire Industries, Inc.	-	-	-	-
American Fabrics & Fibers	-	-	-	-
Ansell Edmont Industrial	-	-	-	-
Heilig-Meyers Distribution	-	-	-	-
Engine Systems	-	-	-	-
Trinity Industries	-	-	-	-
Covalence Plastica	-	-	-	-
Farm Trac	-	-	-	-
Town of Tarboro	-	-	-	-
Greenleaf Nursery	-	-	-	-
Nomaco, Inc.	-	-	-	-
Spongex, LLC	-	-	-	-
Total	10,205	45.79%	9,690	43.58%

Source:

Carolina Gateway Partnership
Employment Security Commission of
North Carolina

**Edgecombe County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Schedule 12

Employer	2006		2007	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Edgecombe County Schools	1,100	4.92%	1,100	4.92%
Sara Lee Bakery	850	3.80%	800	3.58%
QVC, Inc.	850	3.80%	850	3.80%
Edgecombe County	550	2.46%	550	2.46%
MBM Corporation	600	2.68%	600	2.68%
Carolina Telephone/Sprint/Embarq	600	2.68%	600	2.68%
Tyco Plastics	550	2.46%	-	-
Berry Plastics	550	2.46%	-	-
Keihin Carolina System Technology	500	2.24%	500	2.24%
Air System Components	450	2.01%	450	2.01%
Barcalounger Company	400	1.79%	200	0.89%
Heritage Hospital Inc.	380	1.70%	380	1.70%
Superior Telecommunications	340	1.52%	300	1.34%
Barnhill Contracting Company	250	1.12%	275	1.23%
Long Agribusiness	200	0.89%	-	-
General Foam Plastics	200	0.89%	200	0.89%
Focal Point	200	0.89%	100	0.45%
Glenoit LLC	200	0.89%	-	-
ABB Power T&D Company, Inc.	180	0.80%	220	0.98%
Glenoit Fabrics (GH) Corporation	160	0.72%	-	-
Mayo Knitting Mills	150	0.67%	140	0.63%
Tri-County Industries	125	0.56%	100	0.45%
HC Composites LLC	150	0.67%	100	0.45%
Stretchlon, Inc.	100	0.45%	100	0.45%
Royster Clark, Inc.	-	-	-	-
Inco, Inc.	-	-	-	-
Carlisle Plastics, Inc.	-	-	-	-
Long Manufacturing Co., Inc.	-	-	-	-
SE&M	-	-	-	-
Pillotex Corporation	-	-	-	-
Empire Industries, Inc.	-	-	-	-
American Fabrics & Fibers	-	-	-	-
Ansell Edmont Industrial	-	-	-	-
Heilig-Meyers Distribution	-	-	-	-
Engine Systems	-	-	-	-
Trinity Industries	-	-	-	-
Covalence Plastica	-	-	600	2.68%
Farm Trac	-	-	175	0.78%
Town of Tarboro	-	-	170	0.76%
Greenleaf Nursery	-	-	-	-
Nomaco, Inc.	-	-	-	-
Spongex, LLC	-	-	-	-
Total	9,635	43.08%	8,510	38.05%

Source:

Carolina Gateway Partnership
Employment Security Commission of
North Carolina

**Edgecombe County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Schedule 12

Employer	2008		2009	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Edgecombe County Schools	1,100	4.92%	1,100	4.92%
Sara Lee Bakery	800	3.58%	800	3.58%
QVC, Inc.	950	4.25%	1,025	4.58%
Edgecombe County	467	2.09%	461	2.06%
MBM Corporation	600	2.68%	600	2.68%
Carolina Telephone/Sprint/Embarq	600	2.68%	1,000	4.47%
Tyco Plastics	-	-	-	-
Berry Plastics	-	-	-	-
Keihin Carolina System Technology	500	2.24%	400	1.79%
Air System Components	550	2.46%	822	3.68%
Barcalounger Company	200	0.89%	-	-
Heritage Hospital Inc.	380	1.70%	470	2.10%
Superior Telecommunications	300	1.34%	260	1.16%
Barnhill Contracting Company	275	1.23%	275	1.23%
Long Agribusiness	-	-	-	-
General Foam Plastics	200	0.89%	250	1.12%
Focal Point	100	0.45%	-	-
Glenoit LLC	-	-	-	-
ABB Power T&D Company, Inc.	220	0.98%	270	1.21%
Glenoit Fabrics (GH) Corporation	-	-	-	-
Mayo Knitting Mills	130	0.58%	130	0.58%
Tri-County Industries	100	0.45%	100	0.45%
HC Composites LLC	100	0.45%	100	0.45%
Stretchlon, Inc.	100	0.45%	-	-
Royster Clark, Inc.	-	-	-	-
Inco, Inc.	-	-	-	-
Carlisle Plastics, Inc.	-	-	-	-
Long Manufacturing Co., Inc.	-	-	-	-
SE&M	-	-	-	-
Pillotex Corporation	-	-	-	-
Empire Industries, Inc.	-	-	-	-
American Fabrics & Fibers	-	-	-	-
Ansell Edmont Industrial	-	-	-	-
Heilig-Meyers Distribution	-	-	-	-
Engine Systems	-	-	-	-
Trinity Industries	-	-	-	-
Covalence Plastica	-	0.00%	-	-
Farm Trac	-	0.00%	-	-
Town of Tarboro	170	0.76%	170	0.76%
Greenleaf Nursery	-	-	160	0.72%
Nomaco, Inc.	150	0.67%	100	0.45%
Spongex, LLC	100	0.45%	120	0.54%
Total	8,092	36.18%	8,613	38.51%

Source:

Carolina Gateway Partnership
Employment Security Commission of
North Carolina

**Edgecombe County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Schedule 12

Employer	2010		2011	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Edgecombe County Schools	1,100	4.92%	1,100	5.44%
Sara Lee Bakery	800	3.58%	800	3.96%
QVC, Inc.	1,025	4.58%	1,025	5.07%
Edgecombe County	464	2.07%	471	2.33%
MBM Corporation	600	2.68%	600	2.97%
Carolina Telephone/Sprint/Embarq	-	-	-	-
Tyco Plastics	-	-	-	-
Berry Plastics	350	1.56%	350	1.73%
Keihin Carolina System Technology	400	1.79%	400	1.98%
Air System Components	500	2.24%	500	2.47%
Barcalounger Company	-	-	-	-
Heritage Hospital Inc.	470	2.10%	470	2.33%
Superior Telecommunications	260	1.16%	260	1.29%
Barnhill Contracting Company	275	1.23%	275	1.36%
Long Agribusiness	-	-	-	-
General Foam Plastics	250	1.12%	250	1.24%
Focal Point	-	-	-	-
Glenoit LLC	-	-	-	-
ABB Power T&D Company, Inc.	270	1.21%	270	1.34%
Glenoit Fabrics (GH) Corporation	-	-	-	-
Mayo Knitting Mills	130	0.58%	130	0.64%
Tri-County Industries	100	0.45%	100	0.49%
HC Composites LLC	100	0.45%	100	0.49%
Stretchlon, Inc.	-	-	-	-
Royster Clark, Inc.	-	-	-	-
Inco, Inc.	-	-	-	-
Carlisle Plastics, Inc.	-	-	-	-
Long Manufacturing Co., Inc.	-	-	-	-
SE&M	-	-	-	-
Pillotex Corporation	-	-	-	-
Empire Industries, Inc.	-	-	-	-
American Fabrics & Fibers	-	-	-	-
Ansell Edmont Industrial	-	-	-	-
Heilig-Meyers Distribution	-	-	-	-
Engine Systems	-	-	-	-
Trinity Industries	-	-	-	-
Covalence Plastica	-	-	-	-
Farm Trac	-	-	-	-
Town of Tarboro	170	0.76%	170	0.84%
Greenleaf Nursery	160	0.72%	160	0.79%
Nomaco, Inc.	100	0.45%	100	0.49%
Spongex, LLC	120	0.54%	120	0.59%
Total	7,644	34.18%	7,651	37.85%

Source:

Carolina Gateway Partnership
Employment Security Commission of
North Carolina

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Edgecombe County, North Carolina
Full Time Equivalent Employees by Function/Program
Last Ten Fiscal Years

Schedule 13

Full-time Equivalent Employees as of December 31,

<u>Function/Program</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government										
County Manager	3	3	3	3	3	4	4	4	4	4
Finance	6	6	6	6	6	6	6	6	6	6
Tax Assessor	8	8	8	8	8	8	8	8	8	8
Tax Collector	6	6	6	6	6	6	6	6	6	6
Board of Elections	4	4	4	4	4	4	4	4	4	4
Register of Deeds	5	5	5	5	5	5	5	5	5	5
Data Processing	3	3	4	4	4	4	4	4	4	4
Public Buildings	10	10	10	10	10	10	10	10	10	10
Public Safety										
Sheriff	54	55	56	56	58	55	59	61	61	61
Dispatchers	10	10	10	10	11	11	11	11	11	11
Jail	50	50	50	61	61	58	62	58	60	63
Emergency Services	2	2	2	2	3	3	3	3	3	3
Building Inspections	3	3	3	3	3	3	2	2	2	2
Economic Development										
Planning	5	5	5	5	5	5	5	5	5	5
Housing Recovery	1	1	1	1	1	0	0	0	0	0
CoOp. Extension	10	10	10	10	10	10	7	7	7	7
Soil Conservation	4	4	4	4	3	3	3	3	3	3
Human Services										
Health Department	80	81	81	81	81	70	72	81	81	79
HomeHealth	34	34	34	34	34	31	26	23	23	23
Social Services	161	161	166	166	166	153	151	141	142	148
Veterans	2	2	2	2	2	2	2	2	2	2
Landfill	8	8	8	8	8	8	8	8	8	8
Water and Sewer	4	4	9	9	9	9	9	9	9	9
Total	<u>473</u>	<u>475</u>	<u>487</u>	<u>498</u>	<u>501</u>	<u>468</u>	<u>467</u>	<u>461</u>	<u>464</u>	<u>471</u>

Source: Human Resource Manager of the entity

Notes: A full-time employee is scheduled to work 2,088 hours per year (including vacation and sick leave).

Full-time equivalent employment is calculated by dividing total labor hours by 2,088.

Edgecombe County, North Carolina
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006
Board of Elections					
Number of registered voters	35,475	35,752	36,344	34,908	35,450
Planning/Inspections					
Building permits issued	87	83	47	25	38
Emergency Services					
Fire-Number of calls answered	1,369	1,284	1,388	1,585	1,571
Fire-Number of inspections conducted	250	156	217	143	116
Veterans					
Number of clients served	2,119	7,105	3,942	5,814	3,141
Water					
Number of water customers	2,148	2,390	3,014	3,199	3,724

Source: County departments

*Information not available

Schedule 14

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
34,861	38,189	37,040	37,582	37,496
35	29	21	24	29
1,641	1,992	1,867	1,955	2,091
185	169	146	188	210
2,561	2,868	2,861	5,684	5,940
3,845	3,932	4,035	4,200	4,200

Edgecombe County, North Carolina
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006
Fire Protection					
Number of Fire personnel and officers	450	500	238	231	233
Number of stations	15	15	9	9	9
Law Enforcement					
Number of stations	3	3	3	3	3
Patrol units	68	68	68	68	68
Public Works					
Paved/unpaved highways (miles)	700	700	700	700	730
Number of traffic lights	69	69	69	69	77
Cultural and Recreation					
Community Centers	4	4	4	4	4
Parks	5	5	5	5	5
Golf Courses	3	2	2	2	3
Swimming pools	4	4	4	4	4
Tennis Courts	6	6	6	6	6
Museums and Art Centers	4	4	4	4	4
Water					
Water mains(miles)	210	210	210	210	560
Fire hydrants	211	211	211	211	426
Storage capacity (millions of gallons)	1.5	1.5	1.5	1.5	2.1
Facilities and Services not included in Reporting Entity:					
Education;					
Number of school systems	1	1	1	1	1
Number of Secondary Schools	4	4	4	4	4
Number of Elementary Schools	11	11	11	11	11
Number of Community Colleges	1	1	1	1	1
Hospitals:					
Number of hospitals	1	1	1	1	1
Number of patient beds	127	127	127	127	127

Sources:

- County departments
- North Carolina Department of Transportation
- North Carolina Department of Public Instruction

Schedule 15

2007	2008	2009	2010	2011
233	227	243	233	250
9	9	9	9	9
4	4	4	4	4
91	95	95	95	95
730	754	754	742	742
85	86	86	86	86
4	4	4	4	4
5	5	5	5	5
3	3	3	3	3
4	4	4	4	4
6	6	6	6	6
4	4	4	4	4
560	560	560	560	560
426	426	600	600	750
2.1	2.1	2.1	2.1	2.1
1	1	1	1	1
4	4	4	4	4
11	11	11	11	11
1	1	1	1	1
1	1	1	1	1
127	127	127	127	127

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Compliance Section

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Flowers & Stanley, L.L.P.

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Report On Internal Control Over Financial Reporting And On Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

To the Board of County Commissioners
Edgecombe County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregated remaining fund information of Edgecombe County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprises Edgecombe County's basic financial statements, and have issued our report thereon dated November 30, 2011. 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. The financial statements of the Edgecombe County ABC Board were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of Edgecombe County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Edgecombe County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Edgecombe County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Edgecombe County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the entity, members of the Board of Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Flowers & Stanley, LLP

Tarboro, North Carolina
November 30, 2011

Flowers & Stanley, L.L.P.

Certified Public Accountants

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Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act

To the Board of County Commissioners
Edgecombe County, North Carolina

Compliance

We have audited the Edgecombe County, North Carolina, compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Edgecombe County's major federal programs for the year ended June 30, 2011. Edgecombe County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Edgecombe County's management. Our responsibility is to express an opinion on Edgecombe County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Edgecombe County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Edgecombe County's compliance with those requirements.

In our opinion, Edgecombe County complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, and which is described in the accompanying Schedule of findings and Questioned costs as item 11-1.

Internal Control over Compliance

Management of Edgecombe County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Edgecombe County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item 11-1. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged in governance.

Edgecombe County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of management, others within the entity, members of the Board of Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Flowers & Stanley, LLP

Tarboro, North Carolina
November 30, 2011

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Report On Compliance with Requirements Applicable To Each Major State Program And Internal Control Over Compliance In Accordance With Applicable Sections of OMB Circular A-133 and the State Single Audit Implementation Act

To the Board of County Commissioners
Edgecombe County, North Carolina

Compliance

We have audited Edgecombe County, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that are applicable to each of its major State programs for the year ended June 30, 2011. Edgecombe County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Edgecombe County's management. Our responsibility is to express an opinion on Edgecombe County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Edgecombe County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Edgecombe County's compliance with those requirements.

In our opinion, Edgecombe County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, and which are described in the accompanying Schedule of findings and Questioned costs as items 11-2.

Internal Control over Compliance

Management of Edgecombe County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Edgecombe County's internal control over compliance with requirements that could have a direct and material effect on a major State program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item 11-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Edgecombe County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of management, others within the entity, members of the Board of Commissioners, and federal and State awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Flowers & Stanley, LLP

Tarboro, North Carolina
November 30, 2011

**Edgecombe County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency (ies) identified that are not considered to be material weaknesses yes none reported

Noncompliance material to financial statements noted yes no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes no
- Significant deficiency (ies) identified that are not considered to be material weaknesses yes none reported

Type of auditor's report issued on compliance for major federal programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 yes no

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
93.778	Medical Assistance Program
93.558	Temporary Assistance for Needy Families
93.714	ARRA-Temporary Assistance for Needy Families

Dollar threshold used to distinguish between Type A and Type B Programs \$2,565,050

Auditee qualified as low-risk auditee yes no

**Edgecombe County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

Section I - Summary of Auditor's Results

State Awards

Internal control over major State programs:

- Material weakness(es) identified? yes X no

- Significant deficiency (ies) identified that are not considered to be material weaknesses X yes none reported

Type of auditor's report issued on compliance for major State programs:
Unqualified.

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act X yes no

Identification of major State programs:

<u>Program Name</u>	<u>CFDA #</u>
State/County Special Assistance for Adults	N/A
Rural Center Grant Programs	N/A

Section II - Financial Statement Findings

NONE

**Edgecombe County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

Section III - Federal Award Findings and Questioned Costs

**U.S. Department of Health and Human Services
Passed through N.C. Department of Health and Human Services
Division of Child Development
Program Name: Temporary Assistance for Needy Families, ARRA - Temporary Assistance
for Needy Families
CFDA # 93.558 and 93.714**

**Significant Deficiency - Eligibility
Finding 11-1**

Criteria or Specific Requirement: A completed application, including an accurate benefit calculation, is required for all cases, per Work First Manual Sections 201 and 114.

Condition: One (1) instance was noted in which the application contained in the case file was incomplete, and one (1) instance was noted in which the application contained an incomplete benefit calculation.

Questioned Costs: None. The missing information did not result in an improper eligibility determination.

Context: Of the forty (40) case files examined, one (1) file contained an application that was blank except for the caseworker signature, and one (1) omitted unearned income in the benefit calculation.

Effect: The questions on the Application and the corresponding benefit calculations directly address the various requirements in order to qualify for services and the level of benefits for which the client qualifies. When questions are left unanswered or calculations omit required information, it is not clear if the particular requirements have been met. Therefore, clients who do not qualify could have their applications approved and receive benefits in excess of that for which they are qualified.

Cause: Inconsistent and incomplete implementation of the procedures for completing the Application and corresponding benefit calculation.

Recommendation: Additional training should take place to stress the importance of the implementation of proper procedures.

Views of Responsible Officials: (1) We are unable to locate the incomplete application referenced above for the audit period of 4/1/2011. (2) Client applied on 12/9/2010 for TANF. At the time of application the client was not receiving child support, therefore child support was not counted. Client began receiving child support in 02/2011 but the client failed to report it to the worker. The client stopped receiving benefits 4/2011.

**Edgecombe County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

Section IV- State Award Findings and Questioned Costs

**N.C. Department of Health and Human Services
Division of Aging and Adult Services
Program Name: State/County Special Assistance for Adults**

**Significant Deficiency - Eligibility
Finding 11-2**

Criteria or Specific Requirement: North Carolina Special Assistance Manual, Section SA-3320, Redetermination of Eligibility, outlines the various requirements for the annual review of each case.

Condition: One (1) case file contained an improper FL-2; two (2) case files did not properly document the client's current residency in a licensed facility; and two (2) case files did not document the on-line verification of benefits.

Questioned Costs: None. The missing information did not result in an improper eligibility determination.

Context: Of the forty (40) case files examined, five (5) case files contained errors during the redetermination of eligibility.

Effect: Client could have received services for which they were not qualified.

Cause: Inconsistent implementation of procedures.

Recommendation: Further training and more detailed review procedures

Views of Responsible Officials: Managers will continue to remind staff to obtain FL2's, print the client's resident facility screen as well as the OLV screen and place a copy in the client record.

**Edgecombe County, North Carolina
Corrective Action Plan
For the Year Ended June 30, 2011**

Section II - Financial Statement Findings

NONE

Section III - Federal Award Findings and Questioned Costs

Finding 11-1

Name of Contact Person: Marva G. Scott, Director

Corrective Action: We are unable to locate the incomplete application referenced above for the audit period of 4/1/2011.

Client applied on 12/9/2010 for TANF. At the time of application the client was not receiving child support, therefore child support was not counted. Client began receiving child support in 02/2011 but the client failed to report it to the worker. The client stopped receiving benefits 4/2011.

Proposed Completion Date: Immediately

Section IV- State Award Findings and Questioned Costs

Finding: 11-2

Name of Contact Person: Marva G. Scott, Director

Corrective Action: Managers will continue to remind staff to obtain FL2's, print the client's resident facility screen as well as the OLV screen and place a copy in the client record.

Proposed Completion Date: Immediately

Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
FEDERAL GRANTS:	
U.S. Department of Health and Human Services:	
Passed-through N.C. Department of Health and Human Services:	
Division of Social Services:	
Administration:	
Temporary Assistance for Needy Families	93.558
ARRA - Temporary Assistance for Needy Families	93.714
Low Income Home Energy Assistance	93.568
Crisis Intervention	93.568
Family Preservation	93.556
Social Services Block Grant	93.667
Child Support Enforcement	93.563
Family Violence Prevention	93.671
Links	93.674
Permanency Planning	93.645
NC Health Choice	93.767
Direct Benefit Payments:	
Temporary Assistance for Needy Families	93.558
Low Income Home Energy Assistance	93.568
Independent Living	93.674
Total Division of Social Services	
Foster Care and Adoption Cluster: (Note 2)	
Adoption/Foster Care	93.659
Title IV-E CPS	93.658
Title IV-E Adoption	93.659
Title IV-E Adoption Subsidy	93.659
Title IV-E Foster Care	93.658
Title IV-E Foster Care Subsidy	93.658
Total Foster Care and Adoption Cluster	

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 1,292,650	\$ -	\$ 969,440
417,645	-	-
53,657	-	-
538,737	-	-
6,447	-	-
351,219	57,592	123,883
981,562	318	505,817
3,512	-	-
17,999	4,500	-
13,542	(105)	4,646
23,692	3,691	4,067
764,243	(811)	1,507
589,753	-	-
13,630	-	-
<u>\$ 5,068,288</u>	<u>\$ 65,185</u>	<u>\$ 1,609,360</u>
\$ 275,317	\$ -	\$ -
271,171	63,221	207,950
19,384	-	18,988
457,666	104,685	104,685
233,158	145	231,634
71,825	16,410	17,742
<u>\$ 1,328,521</u>	<u>\$ 184,461</u>	<u>\$ 580,999</u>

(continued)

**Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
FEDERAL GRANTS: (continued)	
U.S. Department of Health and Human Services: (continued)	
Passed-through N.C. Department of Health and Human Services: (continued)	
Division of Medical Assistance:	
Administration:	
Title XIX - Medicaid	93.778
Adult Care Home Case Mgmt	93.778
MA Expansion	93.778
Medical Transportation	93.778
Direct Benefit Payments:	
Title XIX - Medicaid	93.778
Total Division of Medical Assistance	
Subsidized Child Care (Note 2):	
Child Care Development Fund Cluster:	
Division of Social Services:	
Child Care Development Fund - Administration	93.596
Division of Child Development:	
Child Care and Development Fund - Discretionary	93.575
Child Care and Development Fund - Mandatory	93.596
Child Care and Development Fund - Match	93.596
Total Child Care Development Fund Cluster	
Social Services Block Grant	93.667
Temporary Assistance for Needy Families	93.558
ARRA - Emergency Contingency Fund for TANF State Programs	93.714
State Appropriations	N/A
TANF-MOE	N/A
Total Subsidized Child Care Cluster	

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 831,604	\$ -	\$ 831,604
20,342	8,359	11,982
34,359	34,359	-
24,757	-	24,757
70,475,859	29,600,887	10,379
<u>\$ 71,386,921</u>	<u>\$ 29,643,605</u>	<u>\$ 878,722</u>
\$ 156,575	\$ -	\$ -
1,104,907	-	-
494,572	-	-
68,096	36,527	-
<u>\$ 1,824,150</u>	<u>\$ 36,527</u>	<u>\$ -</u>
2,345	-	-
354,430	-	-
199,202	-	-
-	167,214	-
-	69,003	-
<u>\$ 2,380,127</u>	<u>\$ 272,744</u>	<u>\$ -</u>

(continued)

Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
FEDERAL GRANTS: (continued)	
U.S. Department of Health and Human Services: (continued)	
Passed-through N.C. Department of Health and Human Services: (continued)	
N.C. Department of Health and Human Services:	
Prevention Investigations and Technical Assistance	93.283
Maternal and Child Health Services Block Grant	93.994
Tuberculosis Control Programs	93.116
Statewide Health Promotion Program	93.991
Childhood Immunization Grant	93.268
Social Service Block Grant	93.667
Healthy Start Communities	93.926
Temporary Assistance for Needy Families	93.558
Family Planning Services	93.217
Medical Assistance Program	93.778
Public Health Emergency Preparedness	93.069
First Time Motherhood	93.110
Total N.C. Department of Health and Human Services	
Total U.S. Department of Health and Human Services	
U.S. Department of Agriculture:	
Passed-through N.C. Department of Health and Human Services:	
Division of Social Services:	
Food Stamp Cluster:	
Food Stamp Program	10.561
Division of Public Health:	
Administration:	
Special Supplemental Nutrition Program for WIC	10.557
Direct Benefit Payments:	
Special Supplemental Nutrition Program for WIC	10.557
Total Division of Public Health	
Passed-through N.C. Rural Economic Development Center:	
Water and Waste Disposal Systems for Rural Communities	10.760

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 124,463	\$ -	-
342,267	117,444	-
32,747	-	-
9,932	-	-
25,375	-	-
9,916	-	-
116,418	-	-
15,830	-	-
120,396	-	-
77,036	29,722	-
16,625	-	-
-	-	-
<u>\$ 891,005</u>	<u>\$ 147,166</u>	<u>\$ -</u>
<u>\$ 81,054,862</u>	<u>\$ 30,313,161</u>	<u>\$ 3,069,081</u>
<u>\$ 683,208</u>	<u>\$ 89</u>	<u>\$ 585,800</u>
\$ 399,435	\$ -	\$ -
1,439,205	-	-
<u>\$ 1,838,640</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 422,186</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
FEDERAL GRANTS: (continued)	
U.S. Department of Agriculture: (continued)	
Passed-through N.C. Division on Aging USDA NSIP Supplement	10.570
Total U.S. Department of Agriculture	
U.S. Department of Housing and Urban Development:	
Passed-through N.C. Department of Commerce: Community Development Block Grant/State's Program	14.228
Home Investment Partnership Program	14.239
Total U.S. Department of Housing and Urban Development	
U.S. Department of Justice:	
Passed-through N.C. Department of Correction: Criminal Justice	16.541
Bulletproof Vest Partnership Program	16.607
Passed-through N.C. Department of Juvenile Justice: Juvenile Justice and Delinquency Prevention Programs	16.540
Passed-through N.C. Department of Crime Control and Public Safety: Edward Byrne Memorial Justice Assistance Grant	16.738
Passed-through N.C. Department of Justice: ARRA - Edward Byrne Memorial Justice Assistance Grant	16.804
Total U.S. Department of Justice	
U.S. Election Assistance Commission:	
Passed-through N.C. Department of Elections: HAVA Title II Accessibility Grant	90.401

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 19,626	\$ -	\$ -
<u>\$ 2,963,660</u>	<u>\$ 89</u>	<u>\$ 585,800</u>
\$ 515,616	\$ -	\$ -
349,111	-	-
<u>\$ 864,727</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 69,755	\$ -	\$ -
13,792	-	13,792
72,989	-	-
131,001	-	-
15,179	-	-
<u>\$ 302,716</u>	<u>\$ -</u>	<u>\$ 13,792</u>
<u>\$ 10,730</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
FEDERAL GRANTS: (continued)	
U.S. Department of Aging:	
Passed-through N.C. Division of Aging:	
Aging Cluster:	
Title III-B/Access	93.044
Title III-B/In-Home Services	93.044
Title III-C1/Congregate Nutrition	93.045
ARRA - Congregate Nutrition	93.707
Title III-C2/Home Delivered Meals	93.045
ARRA - Home Delivered Meals	93.705
Social Services Block Grant	93.667
NSIP - Nutrition	93.053
Family Caregiver Title III-E	93.052

Total U.S. Department of Aging

STATE GRANTS:

N.C. Department of Human and Health Services:

Division of Social Services:

Administration:

 State Aid to Counties N/A

 State/County Special Assistance for Adults N/A

Direct Benefit Payments:

 State/County Special Assistance for Adults N/A

 F/C At Risk Maximization N/A

 Foster Care Special Provision N/A

Energy Assistance N/A

State Adult Protection Services N/A

TANF Program Integrity N/A

CWS Adoption Subsidy N/A

State Foster Home N/A

SFHF Maximization N/A

Total Division of Social Services

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 18,746	\$ 1,103	\$ -
113,198	6,659	-
59,906	3,524	-
5,230	308	-
30,602	1,800	-
-	-	-
63,473	1,813	-
-	-	-
13,816	921	-
\$ 304,971	\$ 16,128	\$ -
\$ -	\$ -	\$ 160,122
-	-	21,649
-	789,607	791,557
-	10,100	4,020
-	-	-
-	10,812	-
-	23,984	-
-	1,497	-
-	316,930	79,663
-	44,810	44,809
-	37,500	37,500
\$ -	\$ 1,235,240	\$ 1,139,320

(continued)

**Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
STATE GRANTS: (continued)	
N.C. Department of Human and Health Services: (continued)	
Division of Health Services:	
Preparedness and Response	N/A
AIDS - State	N/A
HIV Substance Abuse	N/A
Women's Preventative Health	N/A
General Health	N/A
Communicable Disease	N/A
Children's Special Health Services	N/A
Risk Reduction/Health Promotion	N/A
TB Medical Services	N/A
Tuberculosis	N/A
Breast and Cervical Cancer Control	N/A
Public Health Nurse Training	N/A
Smart Start	N/A
Teen Tobacco Use Prevention	N/A
Total Division of Health Services	
Division of Aging and Adult Services:	
Passed-through Upper Coastal Plains Council of Government:	
Access Services	N/A
Home Delivered Meals	N/A
Caregiver Match	N/A
In-Home Services	N/A
Fan/Heat Program	N/A
Total Division of Aging and Adult Services	
Total N.C. Department of Human and Health Services	

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ -	\$ -	\$ -
-	500	-
-	84,414	-
-	9,052	-
-	214,731	-
-	7,367	-
-	2,029	-
-	17,614	-
-	-	-
-	51,952	-
-	6,994	-
-	1,200	-
-	58,168	-
-	66,191	-
<u>\$ -</u>	<u>\$ 520,212</u>	<u>\$ -</u>
\$ -	\$ 25,799	\$ -
-	12,825	-
-	8,525	-
-	142,968	-
-	148	-
<u>\$ -</u>	<u>\$ 190,265</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 1,945,717</u>	<u>\$ 1,139,320</u>

(continued)

Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
STATE GRANTS: (continued)	
N.C. Department of Crime Control and Public Safety:	
Emergency Management Services Grant	N/A
Homeland Security Grant	N/A
Justice Assistance Grant	N/A
Governor's Crime Commission	N/A
Total N.C. Department of Crime Control and Public Safety	
N.C. Department of Transportation:	
Operating Assistance	N/A
N.C. Department of Environment and Natural Resources	
Rural Center Grants	N/A
White Goods Management Program	N/A
Scrap Tire Program	N/A
Recycling Grant	N/A
Soil Conservation	N/A
Total N.C. Department of Environment and Natural Resources	
N.C. Department of Juvenile Justice & Delinquency Prevention:	
CBA Youth Services	N/A
N.C. Department of Agriculture and Consumer Services:	
Tobacco Trust Commission - Farmer's Market	N/A
N.C. Department of Commerce:	
Rural Center - Clean Water Partners Grant Programs	N/A
N.C. Housing Finance Agency	
2010 Single Family Rehabilitation Program	N/A
Total Financial Assistance	

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ -	\$ 48,464	\$ 242,815
-	-	-
-	7,333	-
-	25,000	25,000
<u>\$ -</u>	<u>\$ 80,797</u>	<u>\$ 267,815</u>
<u>\$ -</u>	<u>\$ 226,120</u>	<u>\$ -</u>
\$ -	\$ 1,935,472	\$ -
-	-	-
-	30,282	-
-	16,731	-
-	43,271	110,462
<u>\$ -</u>	<u>\$ 2,025,756</u>	<u>\$ 110,462</u>
<u>\$ -</u>	<u>\$ 273,131</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 26,000</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 266,208</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 16,834</u>	<u>\$ -</u>
<u><u>\$ 85,501,666</u></u>	<u><u>\$ 35,189,941</u></u>	<u><u>\$ 5,186,270</u></u>

Edgecombe County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
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Note 1:

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Edgecombe County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, Audits of States, Local Government, and Non-Profit Organizations, and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

Note 2:

The following are clustered by the N.C. Department of Health and Human Services and are treated separately for State audit requirement purposes:

Subsidized Child Care and Foster Care and Adoption.