

# EDGECOMBE COUNTY

## NORTH CAROLINA



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**



Edgecombe County, North Carolina

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## **Introductory Section**

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Phone: (252) 641-7834  
Fax: (252) 641-0456



Office of the  
County Manager

November 19, 2010

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, 2010. 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, 2010, 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, 2010 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 basis 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 51,327.

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 high-speed Internet access throughout the county.

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, 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 Edgecombe-Nash Mental Health, 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 2010 fluctuated between 14% and 16% for the 2010 calendar year and has remained higher than the state average & consistently been in the top five highest in the state.

There have been some successes with job creation. Sara Lee invested \$11 million to expand its operations and created 45 new jobs. Jade Apparel, a maker of military apparel, announced a \$2 million investment that will create 250 new jobs. The County continues to explore growth potential in its tourism industry. Without any concerted effort, Edgecombe County already realizes over \$40 million annually in tourism related revenue. To further develop this sector, the Board of Commissioners created a Tourism Development Advisory Council to explore opportunities for growth in tourism and to make recommendations to the Board of Commissioners.

More information on Edgecombe County can be found at [www.edgecombecountync.gov](http://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 challenge due to the weather and resulting quality that may alter grower's interest in planting future crops. Our farmers can produce good peanut yields but contracts have varied widely due to the needs of the buying companies and acreage rebounded somewhat in 2010. 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 30% of the farm income. Edgecombe County currently ranks 14th in North Carolina in agricultural income

#### MAJOR INITIATIVES:

- Through a \$100,000 grant from the Golden LEAF Foundation, we completed a broadband feasibility study. From that, we applied to the US Department of Agriculture for ARRA funds to expand broadband networks in the County. Though that application was unsuccessful, it did spark a renewed interest from our incumbent providers, and we have since seen them start offer services in previously unserved areas of the county.
- The County acquired two buildings 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. This will allow us to remedy space and repair needs for both the Department of Social Services and Health Department. It will also be an economic stimulus to downtown Tarboro that has seen little growth in the last few years.
- The County continues to expand the countywide water system by implementing two phases in District 4 and completion of water improvements in District 5.
- The County has started works on a sewer system in District 5 that will serve the Leggett/Hwy 97 and Dunbar corridor. This project is expected to open this part of the County for additional residential and commercial development.

#### THE FUTURE:

The directive from the Board of Commissioners for the 2010-2011 budget was no tax increase. Although the adopted budget increased expenditures 5% from the prior year the tax rate remained flat at 86 cent.

The major highlights of the 2010-11 budget are as follows:

- Aggressive risk management kept Workman's Compensation cost at the same level as prior year.
- Health insurance costs projected an increase of only 3%
- Continued enforcement of foreclosures for delinquent taxes to increase collections.
- State Retirement increase of 1.5 % for all employees.
- 49 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.

- There were no salary increases for employees with intents of implementing a recent countywide classification and compensation study in January 2011.
- 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. The intents are to renovate and relocate the Department of Social Services and Health Department into this building. The County is in the process of design, bidding & securing financing for this project. This will give additional space and have the majority of the human services for the citizens of this county located under one roof and also bring citizens to the downtown area which could stimulate growth in that area as well.
- Solid Waste fees increased \$1 per ton to \$46.50 to cover additional operation costs.
- 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,



JoAnne Harrell  
Finance Director



Lorenzo Carmon  
County Manager

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EDGECOMBE COUNTY  
NORTH CAROLINA

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2010

BOARD OF COUNTY COMMISSIONERS

LEONARD WIGGINS  
Chairman

CHARLIE R. HARRELL  
Vice-Chairman

JONATHAN K. FELTON

EVELYN POWELL

VIOLA S. HARRIS

THOMAS C. CHERRY

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 N. Main Street – Tarboro, North Carolina 27886

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

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

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Eric B. Harrell, 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, 2010, which collectively comprise the 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Edgecombe County, North Carolina as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund 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 19, 2010, 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 thereon.

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, and 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.

*Flowers & Stanley, LLP*

Tarboro, North Carolina  
November 19, 2010

## **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, 2010. 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.

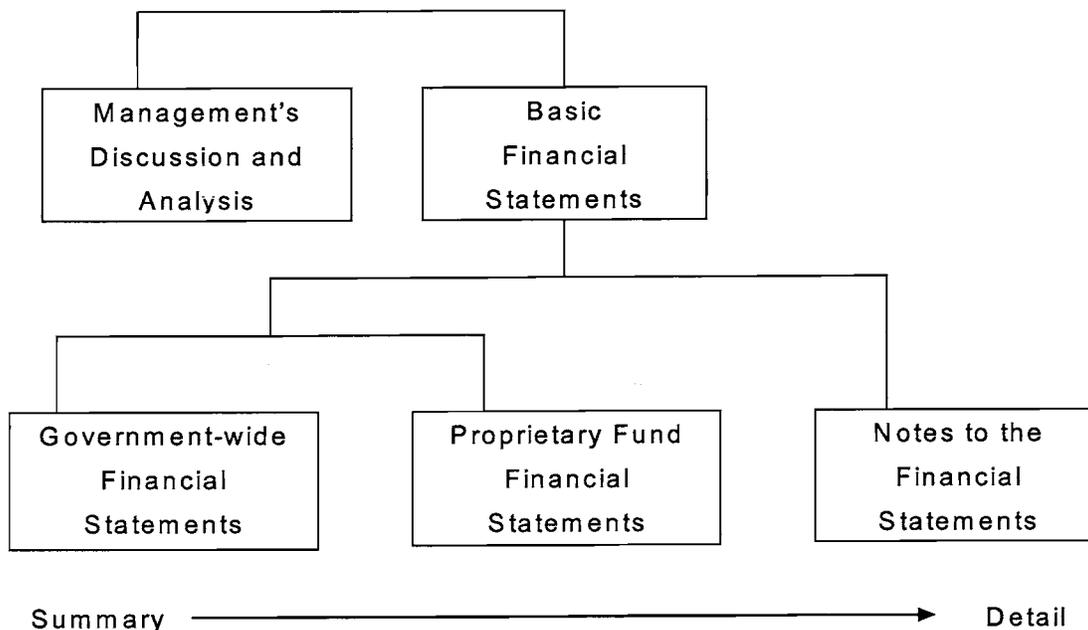
### Financial Highlights

- The assets of Edgecombe County exceeded its liabilities at the close of the fiscal year by \$63,661,860 (*net assets*).
- The government's total net assets increased by \$4,170,558. In the Business activities \$2.7 million of the increase is due to grants & contributions to construct water lines in various water districts across the county. The remaining \$1.4 million increase is in the governmental activities.
- As of the close of the current fiscal year, Edgecombe County's governmental funds reported combined ending fund balances of \$20,225,992 an increase of \$4,330,120 in comparison with the prior year. Approximately 54 percent of this total amount or \$10,826,187 is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$10,444,336 or 19.7 percent of total general fund expenditures for the fiscal year
- Edgecombe County's total long-term obligations increased by \$2,471,952 (6.9%) during the past fiscal year due to the issuance of \$3,430,000 in School General Obligation Bonds.
- 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	
	2010	2009	2010	2009	2010	2009
<b>Assets</b>						
Current and other assets	\$ 30,398,936	\$ 25,726,692	\$ 6,360,888	\$ 6,282,562	\$ 36,759,824	\$ 32,009,254
Capital assets	33,102,447	33,556,977	36,959,854	34,280,230	70,062,301	67,837,207
<b>Total Assets</b>	<b>\$ 63,501,383</b>	<b>\$ 59,283,669</b>	<b>\$ 43,320,742</b>	<b>\$ 40,562,792</b>	<b>\$ 106,822,125</b>	<b>\$ 99,846,461</b>
<b>Liabilities</b>						
Long-term liabilities outstanding	\$ 21,312,128	\$ 18,470,518	\$ 17,017,437	\$ 17,387,095	\$ 38,329,565	\$ 35,857,613
Other liabilities	3,618,407	3,692,584	1,212,293	804,963	4,830,700	4,497,547
<b>Total Liabilities</b>	<b>\$ 24,930,535</b>	<b>\$ 22,163,102</b>	<b>\$ 18,229,730</b>	<b>\$ 18,192,058</b>	<b>\$ 43,160,265</b>	<b>\$ 40,355,160</b>
<b>Net Assets</b>						
Invested in capital assets, net of related debt	\$ 17,793,681	\$ 16,886,989	\$ 21,967,465	\$ 20,709,078	\$ 39,761,146	\$ 37,596,067
Restricted	2,229,046	2,715,347	-	-	2,229,046	2,715,347
Unrestricted	18,548,121	17,518,231	3,123,547	1,661,656	21,671,668	19,179,887
<b>Total Net Assets</b>	<b>\$ 38,570,848</b>	<b>\$ 37,120,567</b>	<b>\$ 25,091,012</b>	<b>\$ 22,370,734</b>	<b>\$ 63,661,860</b>	<b>\$ 59,491,301</b>

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 \$63,661,860 as of June 30, 2010. The County's net assets increased by \$4,170,558 for the fiscal year ended June 30, 2010. One of the largest portions (62.5 %) 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 (3.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$21,671,668 is unrestricted.

**Edgecombe County's Changes in Net Assets  
 Figure 3**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 8,270,953	\$ 8,708,520	\$ 4,502,760	\$ 4,500,100	\$ 12,773,713	\$ 13,208,620
Grants & Contributions:						
Operating	14,035,462	12,590,662	-	-	14,035,462	12,590,662
Capital	259,530	3,233,509	3,032,716	2,365,823	3,292,246	5,599,332
General Revenues:						
Property taxes	28,227,578	24,212,177	-	-	28,227,578	24,212,177
Other taxes	4,613,237	6,978,417	-	-	4,613,237	6,978,417
Grants & contributions not restricted to specific programs						
	371,344	204,877	-	-	371,344	204,877
Other	585,986	593,665	4,383	42,908	590,369	636,573
Special Item	-	2,074,640	-	-	-	2,074,640
Transfers	-	-	-	-	-	-
Total Revenues	<u>\$ 56,364,090</u>	<u>\$ 58,596,467</u>	<u>\$ 7,539,859</u>	<u>\$ 6,908,831</u>	<u>\$ 63,903,949</u>	<u>\$ 65,505,298</u>
<b>Expenses:</b>						
General Government	\$ 6,221,650	\$ 6,014,390	\$ -	\$ -	\$ 6,221,650	\$ 6,014,390
Public Safety	11,420,814	11,805,147	-	-	11,420,814	11,805,147
Transportation	60,564	60,974	-	-	60,564	60,974
Economic & Physical						
Development	1,486,151	2,164,472	-	-	1,486,151	2,164,472
Human Services	21,192,219	23,855,432	-	-	21,192,219	23,855,432
Culture & Recreation	713,703	717,540	-	-	713,703	717,540
Education	13,147,339	12,226,548	-	-	13,147,339	12,226,548
Interest on						
long-term debt	671,369	679,758	-	-	671,369	679,758
Landfill	-	-	2,009,749	2,741,864	2,009,749	2,741,864
Water & Sewer	-	-	2,809,833	2,514,392	2,809,833	2,514,392
Total Expenses	<u>\$ 54,913,809</u>	<u>\$ 57,524,261</u>	<u>\$ 4,819,582</u>	<u>\$ 5,256,256</u>	<u>\$ 59,733,391</u>	<u>\$ 62,780,517</u>
Increase (Decrease) in Net Assets	\$ 1,450,281	\$ 1,072,206	\$ 2,720,277	\$ 1,652,575	\$ 4,170,558	\$ 2,724,781
Net Assets, July 1	37,120,567	36,048,361	22,370,735	20,718,160	59,491,302	56,766,521
Net Assets, June 30	<u>\$ 38,570,848</u>	<u>\$ 37,120,567</u>	<u>\$ 25,091,012</u>	<u>\$ 22,370,735</u>	<u>\$ 63,661,860</u>	<u>\$ 59,491,302</u>

**Governmental Activities.** Governmental activities increased the County's net assets by \$1,450,281 thereby accounting for a 34.77% increase in the total net assets of Edgecombe County

**Business-type Activities:** Business-type activities increased Edgecombe County's net assets by \$2,720,277 accounting for 65.23% increase in the government's net assets. 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, unreserved fund balance 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, unreserved fund balance of the General Fund was \$10,444,336 while total fund balance was \$16,535,892. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 19.7% of total General Fund expenditures, while total fund balance represents 31.2% of that same amount.

At June 30, 2010, the governmental funds of Edgecombe County reported a combined fund balance of \$20,225,992, a 27.24% increase from last year. The sale of \$3.43 million in School General Obligation Bonds in the School Bond Capital Project Fund represents 56% of this increase.

**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 \$3,436,833.

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 \$362,237, and those for the Water and Sewer Districts equaled \$2,761,310. The total growth (decline) in net assets for both funds was \$173,291 and \$2,546,986 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, 2010, totals \$70,062,301 (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:

- Land Purchase for Landfill
- County Building Purchase
- Sheriff Vehicles
- Additions to water and sewer distribution system

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land	\$ 1,300,723	\$ 1,200,723	\$ 921,907	\$ 505,181	\$ 2,222,630	\$ 1,705,904
Buildings & improvements	29,102,531	30,282,469	1,927,741	1,984,035	31,030,272	32,266,504
Machinery & equipment	1,334,822	1,396,969	211,998	198,090	1,546,820	1,595,059
Plant & distribution system	-	-	32,743,133	25,093,521	32,743,133	25,093,521
Vehicles & motorized equipment	406,900	662,717	279,940	363,330	686,840	1,026,047
Construction in progress	957,471	14,099	875,135	6,136,073	1,832,606	6,150,172
<b>Total Net Assets</b>	<b>\$ 33,102,447</b>	<b>\$ 33,556,977</b>	<b>\$ 36,959,854</b>	<b>\$ 34,280,230</b>	<b>\$ 70,062,301</b>	<b>\$ 67,837,207</b>

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, 2010, Edgecombe County had total bonded debt outstanding of \$21,784,500 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	
	2010	2009	2010	2009	2010	2009
General obligation bonds	\$ 11,250,000	\$ 8,220,000	\$ 10,534,500	\$ 10,639,500	\$ 21,784,500	\$ 18,859,500

Edgecombe County's total debt increased by \$2,471,952 (6.9%) 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 \$228,425,275. The County has \$6,572,000 in bonds authorized but un-issued at June 30, 2010.

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, 2011**

**Governmental Activities:** In the 2010-2011 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 5% for a total General Fund budget of \$58,396,773 and a fund balance appropriation of \$4,428,475 of which \$937,255 is from restricted fund balance for school debt service leaving a \$3,491,220 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 increase \$1 to \$46.50/ton. The County is exploring possibilities with landfill gas projects including ways to utilize the gas for energy and even selling carbon credits. 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, 2010**

Exhibit 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Edgecombe County ABC Board
<b>Assets</b>				
Current Assets:				
Cash and cash equivalents	\$ 17,308,661	\$ 4,096,762	\$ 21,405,423	\$ 545,225
Receivables (net)	7,102,360	927,534	8,029,894	-
Due from other governments	2,838,706	-	2,838,706	-
Due from component unit	2,330	-	2,330	-
Internal balances	240,997	(240,997)	-	-
Inventories	-	-	-	339,542
Prepaid items	54,177	-	54,177	11,801
 Total Current Assets	 \$ 27,547,231	 \$ 4,783,299	 \$ 32,330,530	 \$ 896,568
Restricted Assets:				
Cash and cash equivalents	\$ 2,851,705	\$ 21,793	\$ 2,873,498	\$ -
Accounts receivable	-	1,555,796	1,555,796	-
 Total Restricted Assets	 \$ 2,851,705	 \$ 1,577,589	 \$ 4,429,294	 \$ -
Capital Assets:				
Land, improvements, and construction in progress	\$ 2,258,194	\$ 1,797,042	\$ 4,055,236	\$ 148,525
Other capital assets, net of depreciation	30,844,253	35,162,812	66,007,065	598,074
 Total Capital Assets	 \$ 33,102,447	 \$ 36,959,854	 \$ 70,062,301	 \$ 746,599
 Total Assets	 \$ 63,501,383	 \$ 43,320,742	 \$ 106,822,125	 \$ 1,643,167

(continued)

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

**Edgecombe County, North Carolina**  
**Statement of Net Assets**  
**June 30, 2010**

**Exhibit 1**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Edgecombe County ABC Board
(continued)				
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable and accrued expenses	\$ 3,290,916	\$ 219,383	\$ 3,510,299	\$ 149,355
Unearned revenue	144,422	-	144,422	-
Accrued interest payable	183,069	58,994	242,063	-
Customer deposits	-	111,907	111,907	-
Due to primary government	-	-	-	2,330
Due to other governments	-	-	-	196
Liabilities to be Paid from Restricted Assets:				
Accounts payable	-	822,009	822,009	-
<b>Total Current Liabilities</b>	<b>\$ 3,618,407</b>	<b>\$ 1,212,293</b>	<b>\$ 4,830,700</b>	<b>\$ 151,881</b>
Long-term Liabilities:				
Due within one year	\$ 2,056,210	\$ 348,676	\$ 2,404,886	\$ -
Due in more than one year	19,255,918	16,668,761	35,924,679	43,633
<b>Total Long-term Liabilities</b>	<b>\$ 21,312,128</b>	<b>\$ 17,017,437</b>	<b>\$ 38,329,565</b>	<b>\$ 43,633</b>
<b>Total Liabilities</b>	<b>\$ 24,930,535</b>	<b>\$ 18,229,730</b>	<b>\$ 43,160,265</b>	<b>\$ 195,514</b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	\$ 17,793,681	\$ 21,967,465	\$ 39,761,146	\$ 746,599
Restricted for:				
Education	1,715,593	-	1,715,593	-
Public Safety	456,544	-	456,544	-
Other purposes	56,909	-	56,909	701,054
Unrestricted (deficit)	18,548,121	3,123,547	21,671,668	-
<b>Total Net Assets</b>	<b>\$ 38,570,848</b>	<b>\$ 25,091,012</b>	<b>\$ 63,661,860</b>	<b>\$ 1,447,653</b>

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, 2010**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental Activities:				
General Government	\$ 6,221,650	\$ 487,234	\$ -	\$ 7,500
Public Safety	11,420,814	3,417,685	579,906	41,564
Transportation	60,564	-	-	-
Economic and Physical Development	1,486,151	-	103,240	210,466
Human Services	21,192,219	4,366,034	12,952,606	-
Cultural and Recreation	713,703	-	-	-
Education	13,147,339	-	399,710	-
Interest on long-term debt	671,369	-	-	-
Total Governmental Activities	<u>\$ 54,913,809</u>	<u>\$ 8,270,953</u>	<u>\$ 14,035,462</u>	<u>\$ 259,530</u>
Business-type Activities:				
Landfill	\$ 2,009,749	\$ 2,050,804	\$ -	\$ 128,053
Water and Sewer	2,809,833	2,451,956	-	2,904,663
Total Business-type Activities	<u>\$ 4,819,582</u>	<u>\$ 4,502,760</u>	<u>\$ -</u>	<u>\$ 3,032,716</u>
Total Primary Government	<u>\$ 59,733,391</u>	<u>\$ 12,773,713</u>	<u>\$ 14,035,462</u>	<u>\$ 3,292,246</u>
Component Unit: ABC Board	<u>\$ 2,898,061</u>	<u>\$ 2,942,692</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

<b>Net (Expense) Revenue and Changes in Net Assets</b>			
<b>Primary Government</b>			<b>Component Unit</b>
<b>Governmental</b>	<b>Business-type</b>		<b>Edgecombe</b>
<b>Activities</b>	<b>Activities</b>	<b>Total</b>	<b>County</b>
			<b>ABC Board</b>
\$ (5,726,916)	\$ -	\$ (5,726,916)	
(7,381,659)	-	(7,381,659)	
(60,564)	-	(60,564)	
(1,172,445)	-	(1,172,445)	
(3,873,579)	-	(3,873,579)	
(713,703)	-	(713,703)	
(12,747,629)	-	(12,747,629)	
(671,369)	-	(671,369)	
<u>\$ (32,347,864)</u>	<u>\$ -</u>	<u>\$ (32,347,864)</u>	
\$ -	\$ 169,108	\$ 169,108	
-	2,546,786	2,546,786	
<u>\$ -</u>	<u>\$ 2,715,894</u>	<u>\$ 2,715,894</u>	
<u>\$ (32,347,864)</u>	<u>\$ 2,715,894</u>	<u>\$ (29,631,970)</u>	
			<u>\$ 44,631</u>
\$ 28,227,578	\$ -	\$ 28,227,578	\$ -
4,290,784	-	4,290,784	-
322,453	-	322,453	-
371,344	-	371,344	-
55,266	4,383	59,649	369
530,720	-	530,720	-
<u>\$ 33,798,145</u>	<u>\$ 4,383</u>	<u>\$ 33,802,528</u>	<u>\$ 369</u>
\$ 1,450,281	\$ 2,720,277	\$ 4,170,558	\$ 45,000
37,120,567	22,370,735	59,491,302	1,402,653
<u>\$ 38,570,848</u>	<u>\$ 25,091,012</u>	<u>\$ 63,661,860</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**

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**Edgecombe County, North Carolina**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2010**

Exhibit 3

	<b>Major Funds</b>			<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>School Bond Fund</b>	<b>Nonmajor Governmental Funds</b>	
<b>Assets</b>				
Cash and cash equivalents	\$ 16,421,506	\$ -	\$ 887,155	\$ 17,308,661
Receivables, net	3,386,586	-	269,189	3,655,775
Taxes receivable	4,817,571	-	167,254	4,984,825
Due from other funds	355,605	-	-	355,605
Prepaid items	54,177	-	-	54,177
Restricted assets - cash	-	2,851,705	-	2,851,705
<b>Total Assets</b>	<b><u>\$ 25,035,445</u></b>	<b><u>\$ 2,851,705</u></b>	<b><u>\$ 1,323,598</u></b>	<b><u>\$ 29,210,748</u></b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable & accrued liabilities	\$ 3,080,178	\$ -	\$ 210,738	\$ 3,290,916
Unearned revenue	144,422	-	-	144,422
Deferred revenue	5,274,953	-	159,857	5,434,810
Due to other funds	-	-	114,608	114,608
<b>Total Liabilities</b>	<b><u>\$ 8,499,553</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 485,203</u></b>	<b><u>\$ 8,984,756</u></b>
<b>Fund Balances:</b>				
<b>Reserved for:</b>				
Education	\$ 1,715,593	\$ -	\$ -	\$ 1,715,593
Public Safety	-	-	456,544	456,544
Public Health	980,067	-	-	980,067
Register of Deeds				
Automation Enhancement	56,909	-	-	56,909
State Statute	3,338,987	-	-	3,338,987
Capital projects funds	-	2,851,705	-	2,851,705
<b>Unreserved:</b>				
Undesignated	6,953,116	-	-	6,953,116
Designated for subsequent year's expenditures	3,491,220	-	-	3,491,220
<b>Unreserved, Reported in Nonmajor:</b>				
Special revenue funds	-	-	381,851	381,851
<b>Total Fund Balances</b>	<b><u>\$ 16,535,892</u></b>	<b><u>\$ 2,851,705</u></b>	<b><u>\$ 838,395</u></b>	<b><u>\$ 20,225,992</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 25,035,445</u></b>	<b><u>\$ 2,851,705</u></b>	<b><u>\$ 1,323,598</u></b>	<b><u>\$ 29,210,748</u></b>

(continued)

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, 2010**

**Exhibit 3**

(continued)

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

Total fund balance	\$ 20,225,992
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.	33,102,447
Other long-term assets are not available to pay current-period expenditures and therefore are deferred in the funds.	1,302,796
Liabilities for earned but deferred revenues in fund statements.	5,434,810
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.	(21,495,197)
Net Assets of Governmental Activities	\$ 38,570,848

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, 2010**

Exhibit 4

	<u>Major Funds</u>			<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>School Bond Fund</u>	<u>Nonmajor Governmental Funds</u>	
<b>Revenues</b>				
Ad valorem taxes	\$ 26,835,971	\$ -	\$ 824,389	\$ 27,660,360
Local option sales tax	3,541,373	-	749,411	4,290,784
Other taxes and licenses	100,225	-	242,881	343,106
Unrestricted intergovernmental	489,115	-	-	489,115
Restricted intergovernmental	14,313,939	-	252,030	14,565,969
Permits and fees	682,159	-	-	682,159
Sales and services	7,322,618	-	-	7,322,618
Investment earnings	53,332	1,324	610	55,266
Miscellaneous	539,271	-	-	539,271
	<u>\$ 53,878,003</u>	<u>\$ 1,324</u>	<u>\$ 2,069,321</u>	<u>\$ 55,948,648</u>
Total Revenues				
<b>Expenditures</b>				
Current:				
General Government	\$ 5,990,257	\$ -	\$ 14,934	\$ 6,005,191
Public Safety	9,825,342	-	1,057,271	10,882,613
Transportation	60,564	-	-	60,564
Economic and Physical Development	1,235,120	-	236,753	1,471,873
Human Services	21,989,055	-	-	21,989,055
Cultural and Recreational	692,750	-	-	692,750
Intergovernmental:				
Education	10,735,683	-	749,411	11,485,094
Capital outlay	-	998,302	-	998,302
Debt service:				
Principal	1,799,478	-	-	1,799,478
Interest and other charges	663,608	-	-	663,608
	<u>\$ 52,991,857</u>	<u>\$ 998,302</u>	<u>\$ 2,058,369</u>	<u>\$ 56,048,528</u>
Total Expenditures				

(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, 2010**

Exhibit 4

	<u>Major Funds</u>		<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>School Bond Fund</u>		
(continued)				
Excess of Revenues Over (Under) Expenditures	\$ 886,146	\$ (996,978)	\$ 10,952	\$ (99,880)
<b>Other Financing Sources (Uses)</b>				
Transfers from (to) other funds	\$ (150,000)	\$ -	\$ 150,000	\$ -
Bond proceeds	-	3,430,000	-	3,430,000
Installment loan proceeds	1,000,000	-	-	1,000,000
Total Other Financing Sources and Uses	<u>\$ 850,000</u>	<u>\$ 3,430,000</u>	<u>\$ 150,000</u>	<u>\$ 4,430,000</u>
Net Change in Fund Balance	\$ 1,736,146	\$ 2,433,022	\$ 160,952	\$ 4,330,120
<b>Fund Balance:</b>				
Beginning	14,799,746	418,683	677,443	15,895,872
Ending	<u>\$ 16,535,892</u>	<u>\$ 2,851,705</u>	<u>\$ 838,395</u>	<u>\$ 20,225,992</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, 2010**

**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	\$ 4,330,120
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.	(445,979)
Cost of capital assets disposed of during the year, not recognized on modified accrual basis.	(8,551)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	423,993
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.	(2,630,591)
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	(64,919)
Net pension obligations	(5,908)
Accrued interest	(7,692)
Other postemployment benefits	(140,192)
Total Changes in Net Assets of Governmental Activities	\$ 1,450,281

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, 2010**

Exhibit 5

General Fund				Variance
	Original Budget	Final Budget	Actual	With Final Budget Positive (Negative)
<b>Revenues:</b>				
Ad valorem taxes	\$ 26,049,034	\$ 26,014,534	\$ 26,835,971	\$ 821,437
Local option sales tax	3,678,000	3,678,000	3,541,373	(136,627)
Other taxes and licenses	62,000	77,000	100,225	23,225
Unrestricted intergovernmental	337,405	277,405	489,115	211,710
Restricted intergovernmental	14,567,759	17,790,439	14,313,939	(3,476,500)
Permits and fees	708,300	617,848	682,159	64,311
Sales and services	7,188,675	7,535,115	7,322,618	(212,497)
Investment earnings	100,000	100,000	53,332	(46,668)
Miscellaneous	98,500	136,165	539,271	403,106
Total Revenues	\$ 52,789,673	\$ 56,226,506	\$ 53,878,003	\$ (2,348,503)
<b>Expenditures</b>				
Current:				
General Government	\$ 5,603,916	\$ 7,403,093	\$ 5,990,257	\$ 1,412,836
Public Safety	9,973,135	10,619,283	9,825,342	793,941
Transportation	60,730	60,730	60,564	166
Economic and				
Physical Development	1,185,085	1,643,935	1,235,120	408,815
Human Services	23,049,007	25,902,777	21,989,055	3,913,722
Cultural and Recreational	692,789	692,789	692,750	39
Intergovernmental:				
Education	12,135,973	12,135,973	10,735,683	1,400,290
Debt Service:				
Principal retirement	1,799,409	1,799,483	1,799,478	5
Interest and other charges	638,961	668,887	663,608	5,279
Contingency	75,000	-	-	-
Total Expenditures	\$ 55,214,005	\$ 60,926,950	\$ 52,991,857	\$ 7,935,093

(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 -**  
**Budget and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2010**

Exhibit 5

	<b>General Fund</b>			<b>Variance</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>With Final</b>
	<b>Budget</b>	<b>Budget</b>		<b>Budget</b>
	<b>(Negative)</b>			<b>Positive</b>
	<b>(Negative)</b>			<b>(Negative)</b>
(continued)				
Revenues Over				
(Under) Expenditures	\$ (2,424,332)	\$ (4,700,444)	\$ 886,146	\$ 5,586,590
Other Financing Sources (Uses):				
Transfers from (to) other funds	\$ (150,000)	\$ (150,000)	\$ (150,000)	\$ -
Installment loan proceeds	-	1,000,000	1,000,000	-
Appropriated fund balance	<u>2,574,332</u>	<u>3,850,444</u>	<u>-</u>	<u>(3,850,444)</u>
Total Other Financing Sources (Uses)	<u>\$ 2,424,332</u>	<u>\$ 4,700,444</u>	<u>\$ 850,000</u>	<u>\$ (3,850,444)</u>
Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	\$ 1,736,146	<u>\$ 1,736,146</u>
<b>Fund Balance:</b>				
Beginning of year, July 1			14,799,746	
End of year, June 30			<u>\$ 16,535,892</u>	

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, 2010**

	<u>Water &amp; Sewer Operations</u>	<u>Water &amp; Sewer District #1</u>	<u>Water &amp; Sewer District #2</u>
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 1,169,491	\$ -	\$ -
Receivables, net	261,204	-	-
Investment in direct financing leases	(13,929,383)	3,835,623	3,728,314
Total Current Assets	<u>\$ (12,498,688)</u>	<u>\$ 3,835,623</u>	<u>\$ 3,728,314</u>
<b>Noncurrent Assets:</b>			
<b>Restricted Assets:</b>			
Cash and cash equivalents	\$ 21,793	\$ -	\$ -
Accounts receivable	1,555,796	-	-
Total Restricted Assets	<u>\$ 1,577,589</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Capital Assets:</b>			
Land, improvements, & construction in progress	\$ 903,427	\$ -	\$ -
Capital assets (net)	33,753,697	-	-
Total Capital Assets	<u>\$ 34,657,124</u>	<u>\$ -</u>	<u>\$ -</u>
Total Noncurrent Assets	<u>\$ 36,234,713</u>	<u>\$ -</u>	<u>\$ -</u>
Total Assets	<u>\$ 23,736,025</u>	<u>\$ 3,835,623</u>	<u>\$ 3,728,314</u>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
<b>Liabilities to be Paid from Restricted Assets:</b>			
Accounts payable	\$ 822,009	\$ -	\$ -
Due to other funds	240,997	-	-
Accounts payable	100,587	-	-
Customer deposits	111,907	-	-
Accrued vacation	14,370	-	-
Accrued interest	-	15,123	14,314
Revenue bonds payable	-	23,500	55,500
General obligation bonds payable	-	50,000	-
Total Current Liabilities	<u>\$ 1,289,870</u>	<u>\$ 88,623</u>	<u>\$ 69,814</u>
<b>Noncurrent Liabilities:</b>			
Accrued landfill closure & postclosure care costs	\$ -	\$ -	\$ -
Accrued OPEB	3,939	-	-
Accrued vacation	16,171	-	-
Revenue bonds payable	-	1,188,500	-
General obligation bonds payable	-	2,558,500	3,658,500
Total Noncurrent Liabilities	<u>\$ 20,110</u>	<u>\$ 3,747,000</u>	<u>\$ 3,658,500</u>
Total Liabilities	<u>\$ 1,309,980</u>	<u>\$ 3,835,623</u>	<u>\$ 3,728,314</u>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	\$ 19,664,735	\$ -	\$ -
Unrestricted	2,761,310	-	-
Total Net Assets	<u>\$ 22,426,045</u>	<u>\$ -</u>	<u>\$ -</u>

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

Exhibit 6

<u>Water &amp; Sewer District #3</u>	<u>Water &amp; Sewer District #5</u>	<u>Total Water &amp; Sewer</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 1,169,491	\$ 2,927,271	\$ 4,096,762
-	-	261,204	666,330	927,534
<u>2,423,125</u>	<u>3,942,321</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,423,125</u>	<u>\$ 3,942,321</u>	<u>\$ 1,430,695</u>	<u>\$ 3,593,601</u>	<u>\$ 5,024,296</u>
\$ -	\$ -	\$ 21,793	\$ -	\$ 21,793
-	-	1,555,796	-	1,555,796
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,577,589</u>	<u>\$ -</u>	<u>\$ 1,577,589</u>
\$ -	\$ -	\$ 903,427	\$ 893,615	\$ 1,797,042
-	-	33,753,697	1,409,115	35,162,812
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,657,124</u>	<u>\$ 2,302,730</u>	<u>\$ 36,959,854</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,234,713</u>	<u>\$ 2,302,730</u>	<u>\$ 38,537,443</u>
<u>\$ 2,423,125</u>	<u>\$ 3,942,321</u>	<u>\$ 37,665,408</u>	<u>\$ 5,896,331</u>	<u>\$ 43,561,739</u>
\$ -	\$ -	\$ 822,009	\$ -	\$ 822,009
-	-	240,997	-	240,997
-	-	100,587	118,796	219,383
-	-	111,907	-	111,907
-	-	14,370	15,713	30,083
15,236	14,321	58,994	-	58,994
-	-	79,000	-	79,000
<u>145,593</u>	<u>44,000</u>	<u>239,593</u>	<u>-</u>	<u>239,593</u>
<u>\$ 160,829</u>	<u>\$ 58,321</u>	<u>\$ 1,667,457</u>	<u>\$ 134,509</u>	<u>\$ 1,801,966</u>
\$ -	\$ -	\$ -	\$ 3,090,848	\$ 3,090,848
-	-	3,939	3,501	7,440
-	-	16,171	2,506	18,677
-	-	1,188,500	-	1,188,500
<u>2,262,296</u>	<u>3,884,000</u>	<u>12,363,296</u>	<u>-</u>	<u>12,363,296</u>
<u>\$ 2,262,296</u>	<u>\$ 3,884,000</u>	<u>\$ 13,571,906</u>	<u>\$ 3,096,855</u>	<u>\$ 16,668,761</u>
<u>\$ 2,423,125</u>	<u>\$ 3,942,321</u>	<u>\$ 15,239,363</u>	<u>\$ 3,231,364</u>	<u>\$ 18,470,727</u>
\$ -	\$ -	\$ 19,664,735	\$ 2,302,730	\$ 21,967,465
-	-	2,761,310	362,237	3,123,547
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,426,045</u>	<u>\$ 2,664,967</u>	<u>\$ 25,091,012</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, 2010**

	<u>Water &amp; Sewer Operations</u>	<u>Water &amp; Sewer District #1</u>	<u>Water &amp; Sewer District #2</u>
<b>Operating Revenues</b>			
Charges for services and other	\$ 2,451,956	\$ -	\$ -
<b>Operating Expenses</b>			
Salaries and Employee Benefits	\$ 386,348	\$ -	\$ -
Water purchases	775,824	-	-
Landfill operations	-	-	-
Water operations	307,825	-	-
Depreciation	680,911	-	-
Total Operating Expenses	<u>\$ 2,150,908</u>	<u>\$ -</u>	<u>\$ -</u>
Operating Income (Loss)	<u>\$ 301,048</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest and investment revenue	\$ 200	\$ -	\$ -
Bad debt expense	(29,648)	-	-
Interest expense	-	(184,543)	(174,019)
Total Nonoperating Revenue (Expenses)	<u>\$ (29,448)</u>	<u>\$ (184,543)</u>	<u>\$ (174,019)</u>
Income (Loss) before Contributions and Transfers	<u>\$ 271,600</u>	<u>\$ (184,543)</u>	<u>\$ (174,019)</u>
Capital contributions	\$ 2,904,663	\$ -	\$ -
Transfers in (out)	(629,277)	184,543	174,019
Total Contributions and Transfers	<u>\$ 2,275,386</u>	<u>\$ 184,543</u>	<u>\$ 174,019</u>
Change in Net Assets	\$ 2,546,986	\$ -	\$ -
Total Net Assets - beginning	19,879,059	-	-
Total Net Assets - ending	<u><u>\$ 22,426,045</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

**Exhibit 7**

<u>Water &amp; Sewer District #3</u>	<u>Water &amp; Sewer District #5</u>	<u>Total Water &amp; Sewer</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 2,451,956	\$ 2,050,804	\$ 4,502,760
\$ -	\$ -	\$ 386,348	\$ 642,338	\$ 1,028,686
-	-	775,824	-	775,824
-	-	-	1,255,089	1,255,089
-	-	307,825	-	307,825
-	-	680,911	107,471	788,382
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,150,908</u>	<u>\$ 2,004,898</u>	<u>\$ 4,155,806</u>
\$ -	\$ -	\$ 301,048	\$ 45,906	\$ 346,954
\$ -	\$ -	\$ 200	\$ 4,183	\$ 4,383
-	-	(29,648)	(4,851)	(34,499)
(102,350)	(168,365)	(629,277)	-	(629,277)
<u>\$ (102,350)</u>	<u>\$ (168,365)</u>	<u>\$ (658,725)</u>	<u>\$ (668)</u>	<u>\$ (659,393)</u>
\$ (102,350)	\$ (168,365)	\$ (357,677)	\$ 45,238	\$ (312,439)
\$ -	\$ -	\$ 2,904,663	\$ 128,053	\$ 3,032,716
102,350	168,365	-	-	-
<u>\$ 102,350</u>	<u>\$ 168,365</u>	<u>\$ 2,904,663</u>	<u>\$ 128,053</u>	<u>\$ 3,032,716</u>
\$ -	\$ -	\$ 2,546,986	\$ 173,291	\$ 2,720,277
-	-	19,879,059	2,491,676	22,370,735
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,426,045</u>	<u>\$ 2,664,967</u>	<u>\$ 25,091,012</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, 2010**

	<b>Water &amp; Sewer Operations</b>	<b>Water &amp; Sewer District #1</b>	<b>Water &amp; Sewer District #2</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 2,364,535	\$ -	\$ -
Cash paid for goods and services	(1,081,158)	-	-
Cash paid to employees for services	(392,182)	-	-
Customer deposits (returned)	17,040	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 908,235</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash Flows from Non-capital Activities:</b>			
Transfers in (out)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from investment in direct financing leases	\$ (903,302)	\$ 255,323	\$ 227,224
Acquisition and construction of capital assets	(2,335,864)	-	-
Principal paid on bond maturities and equipment contracts	-	(70,500)	(53,000)
Interest paid on bond maturities and equipment contracts	-	(184,823)	(174,224)
Capital contributions - grants	<u>1,734,379</u>	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ (1,504,787)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash Flows from Investing Activities:</b>			
Interest on investments	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ -</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (596,352)	\$ -	\$ -
<b>Cash and Cash Equivalents:</b>			
Beginning of year, July 1	1,787,636	-	-
End of year, June 30	<u><u>\$ 1,191,284</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

Exhibit 8

<u>Water &amp; Sewer District #3</u>	<u>Water &amp; Sewer District #5</u>	<u>Total Water &amp; Sewer</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 2,364,535	\$ 2,031,465	\$ 4,396,000
-	-	(1,081,158)	(1,364,585)	(2,445,743)
-	-	(392,182)	(646,784)	(1,038,966)
-	-	17,040	-	17,040
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 908,235</u>	<u>\$ 20,096</u>	<u>\$ 928,331</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 248,905	\$ 171,850	\$ -	\$ -	\$ -
-	-	(2,335,864)	(479,204)	(2,815,068)
(145,593)	-	(269,093)	-	(269,093)
(103,312)	(171,850)	(634,209)	-	(634,209)
-	-	1,734,379	128,053	1,862,432
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,504,787)</u>	<u>\$ (351,151)</u>	<u>\$ (1,855,938)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200</u>	<u>\$ 4,183</u>	<u>\$ 4,383</u>
\$ -	\$ -	\$ (596,352)	\$ (326,872)	\$ (923,224)
-	-	1,787,636	3,254,143	5,041,779
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,191,284</u>	<u>\$ 2,927,271</u>	<u>\$ 4,118,555</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, 2010**

	<u>Water &amp; Sewer Operations</u>	<u>Water &amp; Sewer District #1</u>	<u>Water &amp; Sewer District #2</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income	<u>\$ 301,048</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	\$ 680,911	\$ -	\$ -
Changes in Assets and Liabilities:			
Decrease (increase) in accounts receivable	(57,774)	-	-
Increase (decrease) in accounts payable and accrued liabilities	(3,343)	-	-
Increase (decrease) in allowance for bad debts	(29,647)	-	-
Increase (decrease) in customer deposits	17,040	-	-
Total Adjustments	<u>\$ 607,187</u>	<u>\$ -</u>	<u>\$ -</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 908,235</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

**Exhibit 8**

<u>Water &amp; Sewer District #3</u>	<u>Water &amp; Sewer District #5</u>	<u>Total Water &amp; Sewer</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 301,048	\$ 45,906	\$ 346,954
\$ -	\$ -	\$ 680,911	\$ 107,471	\$ 788,382
-	-	(57,774)	(14,489)	(72,263)
-	-	(3,343)	(113,941)	(117,284)
-	-	(29,647)	(4,851)	(34,498)
-	-	17,040	-	17,040
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 607,187</u>	<u>\$ (25,810)</u>	<u>\$ 581,377</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 908,235</u>	<u>\$ 20,096</u>	<u>\$ 928,331</u>

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, 2010**

**Exhibit 9**

	<u><b>Agency Fund</b></u>
<b>Assets</b>	
Cash and cash equivalents	\$ 161,905
<b>Liabilities and Net Assets</b>	
Liabilities:	
Miscellaneous liabilities	\$ 114,126
Intergovernmental payable - Schools	41,138
Intergovernmental payable - State of North Carolina	6,641
Total Liabilities	<u>\$ 161,905</u>
Net Assets:	
Assets held in trust	<u>\$ -</u>

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, 2010**

**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 reported as enterprise funds 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, as they have no operations, only certain outstanding debt that is paid on their behalf by the County.

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, 2010**

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. 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, 2010**

**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.

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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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.

**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.

The County reports the following major enterprise funds:

**Water and Sewer Operations and Districts 1, 2, 3, & 5** - These funds are used to account for the operations of Edgecombe Water and Sewer and the four Water and Sewer districts 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.

The County reports the following fund type:

**Agency Fund** - 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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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.

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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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 2009 through February 2010 apply to the fiscal year ended June 30, 2010. Uncollected taxes, which were billed during this period, are shown as a receivable on these financial statements.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. 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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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 object 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, 2010**

**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, 2010**

**3. Restricted Assets**

The unexpended bond proceeds of the School Bonds 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 was originally issued.

**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, 2009.

**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.

**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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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

**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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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.

**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, reservations or restrictions of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

State law [G.S. 159-13(b)(16)] restricts the appropriation of fund balance to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

The governmental fund types classify fund balances as follows:

**RESERVED**

**Reserved by State Statute** - portion of fund balance not available for appropriation under State law [G.S. 159-8(a)]. This amount is usually comprised of accounts receivable and interfund receivables that are not offset by deferred revenues.

**Reserved for Education** - portion of fund balance available for appropriation, which has been designated for school debt retirement.

**Reserved for Public Safety** - portion of fund balance restricted by General Statute and/or funding agencies for public safety expenditures.

**Reserved for Public Health** - portion of fund balance available for appropriation, which has been designated for specific health programs.

**Reserved for Register of Deeds** - portion of fund balance available for appropriation, restricted by state statute for automation enhancement.

**Reserved for Capital Projects** - portion of fund balance designated by funding agencies for specific capital projects.

**UNRESERVED**

**Designated for subsequent year's expenditures** - portion of total fund balance available for appropriation, which has been designated for the adopted 2010 - 2011 budget ordinance.

**Undesignated** - portion of total fund balance available for appropriation that is uncommitted at year-end.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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 \$18,344,856 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).	\$ 68,077,514
Less accumulated depreciation	(34,975,067)
Net Capital Assets	\$ 33,102,447
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.	1,302,796
Liabilities for revenue deferred but earned and therefore recorded in the fund statements but not in the government-wide.	5,434,810
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	(19,300,577)
Compensated absences	(1,439,502)
Accrued interest payable	(183,069)
Net pension obligation	(259,320)
Other postemployment benefits	(312,729)
Total Adjustment	\$ 18,344,856

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, 2010**

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 \$2,879,839 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities.	\$ (1,353,145)
Cost of disposed capital assets not recorded in fund statements	8,551
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.	1,799,124
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.	4,430,000
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.	(1,799,409)
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).	7,692
accrued in the government-wide statements but not in the fund statements because they do not use current resources.	64,919
Other postemployment benefits and pension costs.	146,100
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.	(423,993)
Total Adjustment	<u>\$ 2,879,839</u>

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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, 2010, the County's deposits had a carrying amount of \$2,063,154 and a bank balance of \$2,530,535. Of the bank balance, \$250,000 was covered by federal depository insurance, \$26,450 in non-interest bearing deposits and \$2,504,085 in interest-bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2010, Edgecombe County had \$2,765 cash on hand.

At June 30, 2010, the carrying amount of deposits for Edgecombe County ABC Board was \$542,500 and the bank balance was \$535,469. Of the bank balance, \$299,797 was covered by federal depository insurance and \$235,672 in interest-bearing deposits was insured under the Pooling Method. At June 30, 2010, 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	<u>\$ 22,381,547</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

*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.

**Edgecombe County, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2010**

*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, 2010.

At June 30, 2010, 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.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest *</u>	<u>Total</u>
2009	\$ 1,678,912	\$ -	\$ 1,678,912
2008	1,835,090	105,518	1,940,608
2007	1,835,090	270,676	2,105,766
2006	1,835,090	435,834	2,270,924
Total	<u>\$ 7,184,182</u>	<u>\$ 812,028</u>	<u>\$ 7,996,210</u>

\* (Interest figured through fiscal year-end 6/30/10)

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**4. Receivables**

Receivables at the government-wide level at June 30, 2010, were as follows:

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Due from other Governments</u>	<u>Other</u>	<u>Total</u>
<b>Governmental</b>					
<b>Activities:</b>					
General	\$ 930,988	\$ 6,554,923	\$ 2,569,517	\$ 2,330	\$ 10,057,758
Other governmental	-	167,254	269,189	-	436,443
Total Receivables	<u>\$ 930,988</u>	<u>\$ 6,722,177</u>	<u>\$ 2,838,706</u>	<u>\$ 2,330</u>	<u>\$ 10,494,201</u>
Allowance for Doubtful Accounts	<u>(116,249)</u>	<u>(434,556)</u>	<u>-</u>	<u>-</u>	<u>(550,805)</u>
Total Governmental Activities	<u>\$ 814,739</u>	<u>\$ 6,287,621</u>	<u>\$ 2,838,706</u>	<u>\$ 2,330</u>	<u>\$ 9,943,396</u>
<b>Business-type</b>					
<b>Activities:</b>					
Landfill	\$ 272,454	\$ 564,109	\$ 23,436	\$ -	\$ 859,999
Water & Sewer	549,538	-	1,555,796	4,985	2,110,319
Total Receivables	<u>\$ 821,992</u>	<u>\$ 564,109</u>	<u>\$ 1,579,232</u>	<u>\$ 4,985</u>	<u>\$ 2,970,318</u>
Allowance for Doubtful Accounts	<u>(486,988)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(486,988)</u>
Total Business-type Activities	<u>\$ 335,004</u>	<u>\$ 564,109</u>	<u>\$ 1,579,232</u>	<u>\$ 4,985</u>	<u>\$ 2,483,330</u>

The due from other governments that is owed to the County governmental activities consist of the following:

	<u>Governmental Activities</u>
Sales & Use Tax	\$ 535,974
Jail reimbursement	371,514
Other miscellaneous	431,655
Medicaid/Medicare	462,036
Admin. Reimbursement	653,899
Child Day Care	207,099
911 fees	20,240
Other grants - Public Safety	10,222
Other grants - Economic Development	146,067
Total	<u>\$ 2,838,706</u>

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

5. Capital Assets

**Primary Government**

Capital asset activity for the year ended June 30, 2010, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental Activities:</b>				
Capital Assets not Being Depreciated:				
Land	\$ 1,200,723	\$ 100,000	\$ -	\$ 1,300,723
Construction in progress	14,099	957,471	14,099	957,471
Total	<u>\$ 1,214,822</u>	<u>\$ 1,057,471</u>	<u>\$ 14,099</u>	<u>\$ 2,258,194</u>
Capital Assets Being Depreciated:				
Buildings & improvements	\$ 21,368,199	\$ 32,694	\$ -	\$ 21,400,893
Special Item - Schools	37,111,569	14,099	-	37,125,668
Equipment	4,176,537	395,674	169,377	4,402,834
Vehicles & motor equipment	3,063,679	36,681	210,435	2,889,925
Total	<u>\$ 65,719,984</u>	<u>\$ 479,148</u>	<u>\$ 379,812</u>	<u>\$ 65,819,320</u>
Less Accumulated Depreciation for:				
Buildings	\$ 8,535,671	\$ 550,581	\$ -	\$ 9,086,252
Buildings & improvements	257,119	12,208	-	269,327
Special Item - Schools	19,404,509	663,942	-	20,068,451
Equipment	2,779,568	288,444	-	3,068,012
Vehicles & motor equipment	2,400,962	283,947	201,884	2,483,025
Total	<u>\$ 33,377,829</u>	<u>\$ 1,799,122</u>	<u>\$ 201,884</u>	<u>\$ 34,975,067</u>
Total Capital Assets Being Depreciated, Net				
	<u>\$ 32,342,155</u>			<u>\$ 30,844,253</u>
<b>Governmental Activities:</b>				
<b>Capital Assets, Net</b>	<u>\$ 33,556,977</u>			<u>\$ 33,102,447</u>

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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

General Government	\$ 244,360
Public Safety	716,720
Economic and Physical Development	5,564
Human Services	168,536
Education	663,942
Total Depreciation Expense	<u><u>\$ 1,799,122</u></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, 2010**

	<u>Beginning</u> <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balances</u>
<b>Business-type Activities:</b>				
<b>Landfill</b>				
Capital Assets not				
Being Depreciated:				
Land	\$ 476,889	\$ 416,726	\$ -	\$ 893,615
Capital Assets				
Being Depreciated:				
Buildings & improvements	\$ 1,707,298	\$ -	\$ -	\$ 1,707,298
Furniture & maintenance equipment	263,222	62,478	-	325,700
Vehicles	1,203,376	-	-	1,203,376
Total	<u>\$ 3,173,896</u>	<u>\$ 62,478</u>	<u>\$ -</u>	<u>\$ 3,236,374</u>
Less Accumulated				
Depreciation for:				
Buildings & improvements	\$ 569,600	\$ 38,844	\$ -	\$ 608,444
Furniture & maintenance equipment	189,071	13,063	-	202,134
Vehicles	961,117	55,564	-	1,016,681
Total	<u>\$ 1,719,788</u>	<u>\$ 107,471</u>	<u>\$ -</u>	<u>\$ 1,827,259</u>
Total Capital Assets				
Being Depreciated, Net	<u>\$ 1,454,108</u>			<u>\$ 1,409,115</u>
<b>Landfill Capital Assets, Net</b>	<u>\$ 1,930,997</u>			<u>\$ 2,302,730</u>

(continued)

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Business-type Activities: (continued)</b>				
<b>Edgecombe County Water Districts:</b>				
Capital Assets not Being Depreciated:				
Land	\$ 28,292	\$ -	\$ -	\$ 28,292
Construction in progress	6,136,073	818,982	6,079,920	875,135
Total	<u>\$ 6,164,365</u>	<u>\$ 818,982</u>	<u>\$ 6,079,920</u>	<u>\$ 903,427</u>
Capital Assets Being Depreciated:				
Plant & distribution systems	\$ 28,587,634	\$ 8,249,740	\$ -	\$ 36,837,374
Buildings & improvements	872,512	-	-	872,512
Furniture & maintenance equipment	197,824	-	-	197,824
Vehicles	216,488	-	-	216,488
Total	<u>\$ 29,874,458</u>	<u>\$ 8,249,740</u>	<u>\$ -</u>	<u>\$ 38,124,198</u>
Less Accumulated Depreciation for:				
Plant & distribution systems	\$ 3,494,113	\$ 600,128	\$ -	\$ 4,094,241
Buildings & improvements	26,175	17,450	-	43,625
Furniture & maintenance equipment	73,885	35,507	-	109,392
Vehicles	95,417	27,826	-	123,243
Total	<u>\$ 3,689,590</u>	<u>\$ 680,911</u>	<u>\$ -</u>	<u>\$ 4,370,501</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 26,184,868</u>			<u>\$ 33,753,697</u>
<b>Edgecombe County Water Districts Capital Assets, Net</b>	<u>\$ 32,349,233</u>			<u>\$ 34,657,124</u>
<b>Business-Type Activities: Capital Assets, Net</b>	<u>\$ 34,280,230</u>			<u>\$ 36,959,854</u>

**Edgecombe County, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2010**

**Construction Commitments**

The government has active construction projects as of June 30, 2010 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	<u>\$ 1,148,405</u>	<u>\$ 271,890</u>

**Discretely Presented Component Units**

Activity for the ABC Board for the year ended June 30, 2010, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets not Being Depreciated:				
Land	\$ 62,298	\$ 86,227	\$ -	\$ 148,525
Capital Assets Being Depreciated:				
Buildings	\$ 1,066,022	\$ 1,009	\$ -	\$ 1,067,031
Furniture & equipment	265,752	18,280	8,116	275,916
Total	<u>\$ 1,331,774</u>	<u>\$ 19,289</u>	<u>\$ 8,116</u>	<u>\$ 1,342,947</u>
Less Accumulated Depreciation for:				
Buildings	\$ 522,914	\$ 23,250	\$ -	\$ 546,164
Furniture & equipment	192,979	13,551	7,821	198,709
Total	<u>\$ 715,893</u>	<u>\$ 36,801</u>	<u>\$ 7,821</u>	<u>\$ 744,873</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 615,881</u>			<u>\$ 598,074</u>
<b>Total Capital Assets, Net</b>	<u>\$ 678,179</u>			<u>\$ 746,599</u>

**Edgecombe County, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2010**

**B. Liabilities**

**1. Payables**

Payables at the government-wide level at June 30, 2010 were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Accrued Interest</u>	<u>Other</u>	<u>Total</u>
<b>Governmental Activities:</b>					
General	\$ 1,677,885	\$ 1,402,293	\$ 183,069	\$ -	\$ 3,263,247
Other governmental	208,523	2,215	-	-	210,738
<b>Total Governmental Activities</b>	<b><u>\$ 1,886,408</u></b>	<b><u>\$ 1,404,508</u></b>	<b><u>\$ 183,069</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,473,985</u></b>
<b>Business-type Activities:</b>					
Solid Waste	\$ 110,982	\$ 7,814	\$ -	\$ -	\$ 118,796
Water and Sewer District	915,035	7,561	58,994	111,907	1,093,497
<b>Total Business-type Activities</b>	<b><u>\$ 1,026,017</u></b>	<b><u>\$ 15,375</u></b>	<b><u>\$ 58,994</u></b>	<b><u>\$ 111,907</u></b>	<b><u>\$ 1,212,293</u></b>

**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, 2010**

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 4.91% and 4.86%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 4.98% 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, 2010, 2009, and 2008 were \$723,705, \$728,273, and \$633,146, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2010, 2009, and 2008 were \$13,003, \$13,349, and \$13,575, 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. The Separation Allowance is reported in the County's report as a pension trust fund.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2009, the Separation Allowance's membership consisted of:

Retirees receiving benefits	10
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>54</u>
Total	<u>64</u> =====

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, 2010**

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, 2009 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 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at December 31, 2009 was 21 years.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

Annual Pension Cost and Net Pension Obligation

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

Annual required contribution	\$	91,535
Interest on net pension obligation		18,372
Adjustment to annual required contribution		(15,963)
		\$ 93,944
Annual pension cost		93,944
Contributions made		88,036
		\$ 5,908
Increase (decrease) in net pension obligation		5,908
Net Pension Obligation -		
Beginning of year		253,412
End of year		\$ 259,320

<u>3 Year Trend Information</u>			
For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2008	\$ 81,461	98.52%	\$ 245,991
2009	93,512	92.06%	253,412
2010	93,944	93.71%	259,320

Funded Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$1,142,606. The covered payroll (annual payroll of active employees covered by the plan) was \$2,049,359, and the ratio of the UAAL to the covered payroll was 55.75 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, 2010**

**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, 2010 were \$102,755, which consisted of \$102,755 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, 2010**

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, 2010, the County's required and actual contributions were \$2,841.

**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 at 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, 2009, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	29	8
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	398	52
Total	427	60

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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.

The current ARC rate is 3.11% of annual covered payroll. For the current year, the County contributed \$238,816 or 1.67% 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	\$ 378,961
Interest on net OPEB obligation	7,162
Adjustment to annual required contribution	(6,179)
Annual OPEB cost (expense)	<u>\$ 379,944</u>
Contributions made	<u>(238,816)</u>
Increase (decrease) in net OPEB obligation	\$ 141,128
Net OPEB obligation, beginning of year	<u>179,041</u>
Net OPEB obligation, end of year	<u><u>\$ 320,169</u></u>

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

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

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
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, 2010**

In the December 31, 2009, 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 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, 2009, 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, 2010, the County made contributions to the State for death benefits of \$16,850. 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, 2010**

**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, 2010 is \$3,090,848.

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, 2010, those funds are held in investments with a cost and market value of \$2,563,322. 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:

	Deferred Revenue	Unearned Revenue
Prepaid taxes not year earned (General)	\$ -	\$ 144,422
Taxes receivable (net) (General)	4,817,571	-
Taxes receivable (net) (Special Revenue)	167,254	-
Other deferred revenue (General)	449,985	-
<b>Total</b>	<b>\$ 5,434,810</b>	<b>\$ 144,422</b>

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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, 2010**

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 \$3,076,580 in claims were incurred for benefits during the year ended June 30, 2010. Changes in the fund's claims liability amount was as follows:

	Year Ended June 30,	
	2010	2009
Unpaid claims, beginning of year	\$ 216,215	\$ 729,388
Incurred claims (including IBNRs)	3,076,580	2,796,946
Claim payments	3,133,583	3,310,119
Unpaid claims, end of year	\$ 159,212	\$ 216,215
	=====	=====

**6. Contingent Liabilities**

At June 30, 2010, 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, 2010**

The County's general obligation bonds payable at June 30, 2010 is comprised of the following individual issues:

	<u>Balance 6-30-10</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	\$ 7,820,000
\$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	3,430,000
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.	2,344,500
Series B - \$304,000 Water Bond due in annual installments of \$3,500 to \$14,000 plus interest @ 4.75% through June of 2038.	264,000
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	2,513,000
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	1,201,000
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	284,000
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	3,928,000
Total General Obligation Bonds	<u>\$ 21,784,500</u> =====

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

The County's financing debt at June 30, 2010 is comprised of the following:

	Balance 6-30-10
<b>Notes Payable:</b>	
\$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	\$ 561,814
<b>Installment Purchases:</b>	
\$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	425,000
\$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	359,124
\$4,000,000 Installment Agreement - January 15, 1996; due in semi-annual principal and interest payments of \$179,815 through January 2011; interest @ 3.9%; payable on July 15 and January 15	349,378
\$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	455,000
\$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	4,617,774
\$1,800,000 Installment Agreement - March 21, 2001; due in quarterly principal and interest payments of \$54,580 through March 2011; interest @ 3.72%; payable on September 21, December 21, March 21, and June 21	160,740
\$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	121,750
\$1,000,000 Installment Agreement; due in monthly interest payments of \$3,333.33 through September, 2011 and a single principal payment due on September 10, 2011, interest @ 4.00%; payable on the 10th of each month	1,000,000
<b>Total</b>	\$ 8,050,580

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

The County's Water and Sewer District financing debt at June 30, 2010 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.

\$ 2,123,889  
 =====

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 Obligation Bonds	Notes Payable	Notes Payable	Installment Purchases	General Obligation Bonds
2010-2011	\$ 153,500	\$ 141,593	\$ 71,050	\$ 1,325,156	\$ 660,000
2011-2012	161,000	141,593	74,027	1,841,617	660,000
2012-2013	167,500	141,593	77,128	869,311	660,000
2013-2014	175,000	141,593	207,253	778,159	660,000
2014-2015	183,500	141,593	132,356	685,272	660,000
2016-2020	1,047,000	707,962	-	1,892,399	3,300,000
2021-2025	1,309,500	707,962	-	17,066	3,300,000
2026-2030	1,634,500	-	-	21,143	1,350,000
2031-2035	1,996,500	-	-	26,444	-
2036-2040	1,981,500	-	-	32,199	-
2041-2045	1,251,000	-	-	-	-
2046-2050	474,000	-	-	-	-
<b>Total</b>	<b>\$ 10,534,500</b>	<b>\$ 2,123,889</b>	<b>\$ 561,814</b>	<b>\$ 7,488,766</b>	<b>\$ 11,250,000</b>

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

Year	Total		Total	
	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010-2011	\$ 2,056,210	\$ 731,732	\$ 295,093	\$ 563,051
2011-2012	2,575,640	625,032	302,593	550,235
2012-2013	1,606,439	552,939	309,093	537,074
2013-2014	1,645,412	502,361	316,593	523,614
2014-2015	1,477,628	426,676	325,093	509,808
2016-2020	5,192,399	1,373,038	1,754,962	2,328,333
2021-2025	3,317,066	663,532	2,017,462	1,919,741
2026-2030	1,371,143	138,886	1,634,500	1,501,579
2031-2035	26,444	9,490	1,996,500	1,087,808
2036-2040	32,199	2,962	1,981,500	600,702
2041-2045	-	-	1,251,000	306,551
2046-2050	-	-	474,000	18,375
<b>Total</b>	<b>\$ 19,300,580</b>	<b>\$ 5,026,648</b>	<b>\$ 12,658,389</b>	<b>\$ 10,446,871</b>

At June 30, 2010, 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 \$228,425,275 at June 30, 2010.

**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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

Revenue bond debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest
2011	\$ 23,500	\$ 57,570
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	<u>\$ 1,212,000</u> =====	<u>\$ 971,378</u> =====

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, 2010, is as follows:

(Modified Accrual Basis)	
Operating revenues	\$ 2,445,962
Operating expenses	1,475,832
Operating Income	<u>\$ 970,130</u>
Non-operating revenues (expenses)	(865,627)
Income Available for Debt Service	<u>\$ 104,503</u> =====
Debt service, principal and interest paid (Revenue bond only)	<u>\$ 81,139</u> =====
Debt service coverage ratio	<u>128.8%</u> =====

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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, 2010:

	Balance July 1, 2009	Increases	Decreases	Balance June 30, 2010	Current Portion of Balance
<b>Governmental Activities:</b>					
General obligation debt	\$ 8,220,000	\$ 3,430,000	\$ 400,000	\$ 11,250,000	\$ 660,000
Notes payable	630,007	-	68,193	561,814	71,050
Installment purchase	7,819,981	1,000,000	1,331,215	7,488,766	1,325,160
Compensated absences	1,374,581	1,124,519	1,059,601	1,439,499	-
Unfunded Special Separation Allowance	253,412	5,908	-	259,320	-
OPEB	172,537	140,192	-	312,729	-
<b>Total Governmental Activities</b>	<b>\$ 18,470,518</b>	<b>\$ 5,700,619</b>	<b>\$ 2,859,009</b>	<b>\$ 21,312,128</b>	<b>\$ 2,056,210</b>

(continued)

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

	Balance July 1, 2009	Increases	Decreases	Balance June 30, 2010	Current Portion of Balance
<b>Business-type</b>					
<b>Activities:</b>					
General obligation debt	\$ 10,639,500	\$ -	\$ 105,000	\$ 10,534,500	\$ 153,500
Revenue bonds	1,234,500	-	22,500	1,212,000	23,500
Notes payable	2,265,481	-	141,592	2,123,889	141,593
Accrued landfill closure and postclosure care costs	3,181,133	-	90,285	3,090,848	-
Compensated absences	59,977	31,479	42,696	48,760	30,083
OPEB	6,504	936	-	7,440	-
<b>Total Business-type Activities</b>	<b>\$ 17,387,095</b>	<b>\$ 32,415</b>	<b>\$ 402,073</b>	<b>\$ 17,017,437</b>	<b>\$ 348,676</b>
<b>Discretely Presented</b>					
<b>Component Units:</b>					
Compensated absences	\$ 24,871	\$ 726	\$ -	\$ 25,597	\$ -
OPEB	9,018	9,018	-	18,036	-
<b>Total Discretely Presented Component Units</b>	<b>\$ 33,889</b>	<b>\$ 9,744</b>	<b>\$ -</b>	<b>\$ 43,633</b>	<b>\$ -</b>

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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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, 2010, 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, 2010.

**Interfund Balances and Activity**

Transfers to/from other funds at June 30, 2010, consist of the following:

From the General Fund to the Revaluation Fund (To accumulate resources for the octennial revaluation of real property)	\$ 150,000
Total	<u>\$ 150,000</u> =====

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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 \$5,260 for operations and \$8,334 for capital outlay to the Airport during the fiscal year ended June 30, 2010. 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, 2010. 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, 2010. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$544,518 to the Libraries to supplement its activities. In addition, the City of Rocky Mount borrowed funds to build the new Braswell Memorial Library facility, of which the County has an intergovernmental agreement with the City to appropriate funds for a portion of the annual debt service payments. The County appropriated \$69,011 for the debt service payments. 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, 2010**

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 \$1,208,710 for operations and \$25,000 for capital outlay to the community college during the fiscal year ended June 30, 2010. 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, 2010. 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, 2010. 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, 2010**

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, 2010. The County appropriated \$107,208 to the Area Authority for year ended June 30, 2010. 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, 2010. The County contributed \$35,431 to the Arts Council during the year ended June 30, 2010. 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, 2010 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, 2010, 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, 2010**

**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	\$ 1,521,795	\$ -
Medicaid	80,495,280	28,452,279
Food Stamp Program	22,329,472	-
Energy Assistance	467,804	-
Independent Living	13,732	-
Title IV-E, Adoption Subsidy	429,465	87,972
Title IV-E, Foster Care	115,198	22,037
State/County Special Assistance for Adults	-	723,564
F/C At Risk Maximization	-	14,059
Foster Care at Risk	-	6,748
CWS Adoption Subsidy	-	310,163
Special Children Adoption	45,000	-
State Foster Home	-	82,893
SFHF Maimization	-	97,707
Foster Care Special Provision	-	35,815
Special Supplemental Nutrition Program for WIC	1,526,372	-
Energy Neighbors	-	168
<b>Total</b>	<b><u>\$ 106,944,118</u></b>	<b><u>\$ 29,833,405</u></b>

**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.

**Edgecombe County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2010**

**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, 2010 totaled \$185,467. Under these leases, minimum lease payments for the fiscal year ending June 30, 2011 total \$185,467.

**VIII. Significant Effects of Subsequent Events**

In September 2009 Edgecombe County purchased the former Embarq office building with the intent to use it as the Edgecombe Human Services Building to house the Department of Social Services and Health Department. A two year installment financing contract for \$1 million was obtained for the purchase with the intent to fund renovations and pay off the two year contract with a permanent loan provided through USDA Rural Development, not to exceed amount of \$8 million. As of November 19, 2010, the USDA loan has not been approved and the Board of Commissioners are moving forward with obtaining funds through other means.

**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**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)</b>	<b>Unfunded AAL (UAAL) (b - a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b - a)/c)</b>
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%

**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		

**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	12-31-09
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	21 Years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases*	4.5% - 12.3%
*Includes inflation at	3.75%
Cost-of living adjustments	N/A

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

**Exhibit A-3**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
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**

<b>Year Ended June 30</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
2009	\$ 378,961	52.8%
2010	379,944	62.9%

**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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>			
<b>Ad Valorem Taxes:</b>			
Taxes	\$ 25,674,534	\$ 26,370,314	\$ 695,780
Penalties and interest	340,000	465,657	125,657
<b>Total Ad Valorem Taxes</b>	<u>\$ 26,014,534</u>	<u>\$ 26,835,971</u>	<u>\$ 821,437</u>
<b>Local Option Sales Taxes:</b>			
Article 39 one percent	\$ 1,388,000	\$ 1,227,895	\$ (160,105)
Article 40 one - half of one percent	1,700,000	1,721,143	21,143
Article 42 one - half of one percent	440,000	499,607	59,607
Article 44 sales tax	150,000	92,728	(57,272)
<b>Total Local Option Sales Taxes</b>	<u>\$ 3,678,000</u>	<u>\$ 3,541,373</u>	<u>\$ (136,627)</u>
<b>Other Taxes and Licenses:</b>			
Animal tax	\$ 15,000	\$ 12,161	\$ (2,839)
Franchise tax	50,000	78,711	28,711
Privilege licenses	5,000	5,988	988
Gross receipt tax	7,000	3,365	(3,635)
<b>Total Other Taxes and Licenses</b>	<u>\$ 77,000</u>	<u>\$ 100,225</u>	<u>\$ 23,225</u>
<b>Unrestricted Intergovernmental:</b>			
Hold Harmless Provision	\$ 152,405	\$ 388,748	\$ 236,343
NC Department of Motor Vehicles	91,000	73,111	(17,889)
Beer and wine tax	34,000	27,256	(6,744)
<b>Total Unrestricted Intergovernmental</b>	<u>\$ 277,405</u>	<u>\$ 489,115</u>	<u>\$ 211,710</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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues (continued):</b>			
Restricted Intergovernmental:			
General Fund	\$ 2,893,422	\$ 1,485,279	\$ (1,408,143)
Health Department	2,779,593	2,370,795	(408,798)
Department of Social Services	11,935,382	10,289,788	(1,645,594)
Court facility fees	123,142	97,041	(26,101)
Nash County - Veteran Services Officer	41,900	53,678	11,778
ABC bottle taxes	17,000	17,358	358
Total Restricted Intergovernmental	\$ 17,790,439	\$ 14,313,939	\$ (3,476,500)
Permits and Fees:			
Building and zoning permits	\$ 75,300	\$ 68,671	\$ (6,629)
Election fees	-	37,599	37,599
Register of Deeds	279,548	280,276	728
Sheriff, Jail, and other law fees	188,000	262,331	74,331
Legal fee reimbursement	75,000	33,282	(41,718)
Total Permits and Fees	\$ 617,848	\$ 682,159	\$ 64,311
Sales and Services:			
Rents, concessions, and fees	\$ 499,966	\$ 529,897	\$ 29,931
Inmate housing	2,000,000	2,263,024	263,024
Health fees	4,848,649	4,170,559	(678,090)
Social Services fees	167,000	338,700	171,700
Vehicle tax collection fees	19,500	20,438	938
Total Sales and Services	\$ 7,535,115	\$ 7,322,618	\$ (212,497)
Investment earnings	\$ 100,000	\$ 53,332	\$ (46,668)

(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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues (continued):</b>			
Miscellaneous:			
Other	\$ 120,734	\$ 48,571	\$ (72,163)
Donations	15,431	15,298	(133)
Insurance claims	-	33,214	33,214
Medicaid reimbursement - ambulance	-	442,188	442,188
Total Miscellaneous	<u>\$ 136,165</u>	<u>\$ 539,271</u>	<u>\$ 403,106</u>
Total Revenues	<u>\$ 56,226,506</u>	<u>\$ 53,878,003</u>	<u>\$ (2,348,503)</u>
<b>Expenditures:</b>			
General Government:			
Governing Body:			
Salaries and employee benefits	\$ 95,100	\$ 94,969	\$ 131
Other operating expenditures	191,095	184,664	6,431
Dues and meetings	45,000	40,891	4,109
Total Governing Body	<u>\$ 331,195</u>	<u>\$ 320,524</u>	<u>\$ 10,671</u>
Administration:			
Salaries and employee benefits	\$ 321,760	\$ 316,902	\$ 4,858
Other operating expenditures	90,915	84,724	6,191
Capital outlay	-	-	-
Total Administration	<u>\$ 412,675</u>	<u>\$ 401,626</u>	<u>\$ 11,049</u>
Elections:			
Salaries and employee benefits	\$ 241,940	\$ 202,832	\$ 39,108
Other operating expenditures	100,205	61,344	38,861
Capital outlay	-	-	-
Total Elections	<u>\$ 342,145</u>	<u>\$ 264,176</u>	<u>\$ 77,969</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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures (continued):</b>			
General Government (continued):			
Finance:			
Salaries and employee benefits	\$ 303,920	\$ 302,236	\$ 1,684
Audit	49,500	49,500	-
Other operating expenditures	118,230	104,168	14,062
Total Finance	<u>\$ 471,650</u>	<u>\$ 455,904</u>	<u>\$ 15,746</u>
Tax Collector:			
Salaries and employee benefits	\$ 239,162	\$ 234,197	\$ 4,965
Other operating expenditures	218,498	180,992	37,506
Total Tax Collector	<u>\$ 457,660</u>	<u>\$ 415,189</u>	<u>\$ 42,471</u>
Department of Motor Vehicles			
Salaries and employee benefits	\$ 121,987	\$ 110,744	\$ 11,243
Other operating expenditures	8,685	8,641	44
Total Department of Motor Vehicles	<u>\$ 130,672</u>	<u>\$ 119,385</u>	<u>\$ 11,287</u>
Tax Assessor:			
Salaries and employee benefits	\$ 365,850	\$ 350,192	\$ 15,658
Other operating expenditures	277,735	107,255	170,480
Total Tax Assessor	<u>\$ 643,585</u>	<u>\$ 457,447</u>	<u>\$ 186,138</u>
Legal:			
Contracted services	<u>\$ 85,000</u>	<u>\$ 79,981</u>	<u>\$ 5,019</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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
General Government (continued):			
Data Processing:			
Salaries and employee benefits	\$ 215,540	\$ 214,860	\$ 680
Other operating expenditures	128,800	100,832	27,968
Capital outlay	26,498	26,474	24
Total Data Processing	\$ 370,838	\$ 342,166	\$ 28,672
Register of Deeds:			
Salaries and employee benefits	\$ 197,770	\$ 197,400	\$ 370
Other operating expenditures	195,899	132,648	63,251
Capital outlay	27,610	27,610	-
Children's trust fund	1,800	1,465	335
Domestic violence fund	8,500	8,200	300
Total Register of Deeds	\$ 431,579	\$ 367,323	\$ 64,256
Public Buildings:			
Salaries and employee benefits	\$ 382,544	\$ 358,041	\$ 24,503
Other operating expenditures	60,500	49,485	11,015
Utilities	760,600	615,335	145,265
Maintenance	471,500	387,905	83,595
Capital outlay	1,491,622	957,471	534,151
Total Public Buildings	\$ 3,166,766	\$ 2,368,237	\$ 798,529
Court Facilities:			
Rent - Courts of Justice	\$ 16,800	\$ 16,800	\$ -
Law library	18,815	17,580	1,235
Juvenile detention	50,000	43,250	6,750
Total Court Facilities	\$ 85,615	\$ 77,630	\$ 7,985

(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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures (continued):</b>			
General Government (continued):			
Central Services:			
Insurance and other	\$ 453,713	\$ 306,551	\$ 147,162
Copy machine rental	20,000	14,118	5,882
Total Central Services	<u>\$ 473,713</u>	<u>\$ 320,669</u>	<u>\$ 153,044</u>
Total General Government	<u>\$ 7,403,093</u>	<u>\$ 5,990,257</u>	<u>\$ 1,412,836</u>
Public Safety:			
Sheriff:			
Salaries and employee benefits	\$ 3,237,319	\$ 3,238,787	\$ (1,468)
Other operating expenditures	749,030	634,400	114,630
Narcotics control	15,245	14,855	390
Capital outlay	103,915	103,254	661
Total Sheriff	<u>\$ 4,105,509</u>	<u>\$ 3,991,296</u>	<u>\$ 114,213</u>
Jail:			
Salaries and employee benefits	\$ 2,205,250	\$ 2,233,643	\$ (28,393)
Other operating expenditures	1,754,953	1,308,709	446,244
Capital outlay	-	-	-
Total Jail	<u>\$ 3,960,203</u>	<u>\$ 3,542,352</u>	<u>\$ 417,851</u>
Fire:			
Forest fire contracts	\$ 81,113	\$ 73,729	\$ 7,384
Workman's compensation	15,000	13,736	1,264
Assistance to local fire departments	87,615	85,836	1,779
Total Fire	<u>\$ 183,728</u>	<u>\$ 173,301</u>	<u>\$ 10,427</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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Public Safety (continued):			
Emergency Management Coordinator:			
Salaries and employee benefits	\$ 210,025	\$ 205,570	\$ 4,455
Other operating expenditures	70,650	49,941	20,709
Capital outlay	50,000	-	50,000
Total Emergency Mgmt Coordinator	\$ 330,675	\$ 255,511	\$ 75,164
Criminal Justice Partnership:			
Salaries and employee benefits	\$ 39,848	\$ -	\$ 39,848
Other operating expenditures	87,661	68,393	19,268
Capital outlay	-	-	-
Total Criminal Justice Partnership	\$ 127,509	\$ 68,393	\$ 59,116
COPS Technology Program:			
Other operating expenditures	\$ 4,361	\$ 4,361	\$ -
Capital outlay	141,150	141,150	-
Total COPS Technology Program	\$ 145,511	\$ 145,511	\$ -
Public Safety Grants:			
Project Re-Entry - Gov. Crime Prev.	\$ 138,885	\$ 138,885	\$ -
Gang Violence Prevention - JCPC	50,000	29,510	20,490
Homeland Security - Training	2,970	271	2,699
Total Gang Violence Prevention Grant	\$ 191,855	\$ 168,666	\$ 23,189

(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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Public Safety (continued):			
Communications:			
Salaries and employee benefits	\$ 422,575	\$ 413,375	\$ 9,200
Other operating expenditures	149,220	133,575	15,645
Capital outlay	10,000	2,449	7,551
Total Communications	\$ 581,795	\$ 549,399	\$ 32,396
Rescue Squads:			
Contracted services	\$ 714,231	\$ 714,231	\$ -
Medical Examiner:			
Fees	\$ 7,000	\$ 5,100	\$ 1,900
Autopsies	35,000	9,000	26,000
Total Medical Examiner	\$ 42,000	\$ 14,100	\$ 27,900
Animal Control:			
Salaries and employee benefits	\$ 92,903	\$ 88,993	\$ 3,910
Other operating expenditures	35,614	30,432	5,182
Total Animal Control	\$ 128,517	\$ 119,425	\$ 9,092
Inspections:			
Salaries and employee benefits	\$ 84,450	\$ 72,690	\$ 11,760
Other operating expenditures	23,300	10,467	12,833
Total Inspections	\$ 107,750	\$ 83,157	\$ 24,593
Total Public Safety	\$ 10,619,283	\$ 9,825,342	\$ 793,941

(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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Transportation:			
Contribution to regional airport	\$ 60,730	\$ 60,564	\$ 166
Economic and Physical Development:			
Water and Sewer Projects:			
Other operating expenditures	\$ 273,191	\$ 112,039	\$ 161,152
Agricultural Extension:			
Salaries and employee benefits	\$ 305,112	\$ 228,180	\$ 76,932
Other operating expenditures	73,214	58,818	14,396
Total Agricultural Extension	\$ 378,326	\$ 286,998	\$ 91,328
Soil and Water Conservation:			
Salaries and employee benefits	\$ 135,805	\$ 135,697	\$ 108
Other operating expenditures	46,700	37,942	8,758
Total Soil & Water Conservation	\$ 182,505	\$ 173,639	\$ 8,866
Economic Development:			
Industrial Incentive	\$ 55,655	\$ 31,081	\$ 24,574
Carolina Gateway Partnership	143,438	143,438	-
Rocky Mount/Edgecombe County			
Community Development Corporation	22,530	22,530	-
Land/right of way	197,600	197,583	17
Down East Home Consortium	25,000	-	25,000
Total Economic Development	\$ 444,223	\$ 394,632	\$ 49,591

(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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures (continued):</b>			
Economic and Physical Development: (continued)			
Planning:			
Salaries and employee benefits	\$ 172,520	\$ 163,253	\$ 9,267
Other operating expenditures	193,170	104,559	88,611
Capital outlay	-	-	-
Total Planning	<u>\$ 365,690</u>	<u>\$ 267,812</u>	<u>\$ 97,878</u>
Total Economic and Physical Development	<u>\$ 1,643,935</u>	<u>\$ 1,235,120</u>	<u>\$ 408,815</u>
Human Services:			
Veterans Service Officer:			
Salaries and employee benefits	\$ 80,340	\$ 80,831	\$ (491)
Other operating expenditures	3,700	3,100	600
Total Veterans Service Officer	<u>\$ 84,040</u>	<u>\$ 83,931</u>	<u>\$ 109</u>
Other:			
Youth services	\$ 300,637	\$ 254,712	\$ 45,925
Misc. Human Services	48,987	47,717	1,270
Total Other	<u>\$ 349,624</u>	<u>\$ 302,429</u>	<u>\$ 47,195</u>
Health Department:			
Administration:			
Salaries and employee benefits	\$ 153,561	\$ 155,177	\$ (1,616)
Other operating expenditures	76,011	75,610	401
Capital outlay	4,000	-	4,000
Total Administration	<u>\$ 233,572</u>	<u>\$ 230,787</u>	<u>\$ 2,785</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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures (continued):</b>			
Human Services: (continued)			
Health Department: (continued)			
Maternal and Child Health:			
Salaries and employee benefits	\$ 579,817	\$ 595,584	\$ (15,767)
Other operating expenditures	<u>203,043</u>	<u>142,823</u>	<u>60,220</u>
Total Maternal and Child Health	<u>\$ 782,860</u>	<u>\$ 738,407</u>	<u>\$ 44,453</u>
Family Planning:			
Salaries and employee benefits	\$ 462,400	\$ 426,724	\$ 35,676
Other operating expenditures	<u>167,963</u>	<u>146,257</u>	<u>21,706</u>
Total Family Planning	<u>\$ 630,363</u>	<u>\$ 572,981</u>	<u>\$ 57,382</u>
First Time Motherhood:			
Other operating expenditures	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ -</u>
Child Service Coordination:			
Salaries and employee benefits	\$ 109,815	\$ 114,484	\$ (4,669)
Other operating expenditures	<u>10,640</u>	<u>7,642</u>	<u>2,998</u>
Total Child Service Coordination	<u>\$ 120,455</u>	<u>\$ 122,126</u>	<u>\$ (1,671)</u>
School Nurse Initiative Program:			
Salaries and employee benefits	\$ 162,840	\$ 143,122	\$ 19,718
Other operating expenditures	<u>10,065</u>	<u>5,326</u>	<u>4,739</u>
Total School Nurse Initiative Program	<u>\$ 172,905</u>	<u>\$ 148,448</u>	<u>\$ 24,457</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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Human Services: (continued)			
Health Department (continued):			
School Health:			
Salaries and employee benefits	\$ 166,247	\$ 164,599	\$ 1,648
Other operating expenditures	4,000	1,243	2,757
Total Healthy Start	\$ 170,247	\$ 165,842	\$ 4,405
Healthy Start:			
Salaries and employee benefits	\$ 118,883	\$ 119,590	\$ (707)
Other operating expenditures	18,262	12,641	5,621
Total Healthy Start	\$ 137,145	\$ 132,231	\$ 4,914
Environmental Health:			
Salaries and employee benefits	\$ 287,229	\$ 283,342	\$ 3,887
Other operating expenditures	30,550	20,659	9,891
Total Environmental Health	\$ 317,779	\$ 304,001	\$ 13,778
Tuberculosis:			
Salaries and employee benefits	\$ 86,232	\$ 68,785	\$ 17,447
Other operating expenditures	15,149	14,029	1,120
Total Tuberculosis	\$ 101,381	\$ 82,814	\$ 18,567
Adult Health Services:			
Salaries and employee benefits	\$ 134,301	\$ 122,335	\$ 11,966
Other operating expenditures	45,600	37,947	7,653
Total Adult Health Services	\$ 179,901	\$ 160,282	\$ 19,619

(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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures (continued):</b>			
Human Services: (continued)			
Health Department (continued):			
Health Works:			
Salaries and employee benefits	\$ 48,119	\$ 43,636	\$ 4,483
Other operating expenditures	23,992	16,414	7,578
Total Health Works	<u>\$ 72,111</u>	<u>\$ 60,050</u>	<u>\$ 12,061</u>
Home Health Services:			
Salaries and employee benefits	\$ 856,810	\$ 777,850	\$ 78,960
Other operating expenditures	834,258	588,408	245,850
Capital outlay	-	-	-
Total Home Health Services	<u>\$ 1,691,068</u>	<u>\$ 1,366,258</u>	<u>\$ 324,810</u>
Health Promotion:			
Salaries and employee benefits	\$ 24,940	\$ 24,218	\$ 722
Other operating expenditures	9,149	8,094	1,055
Total Health Promotion	<u>\$ 34,089</u>	<u>\$ 32,312</u>	<u>\$ 1,777</u>
Community Health Services:			
Salaries and employee benefits	\$ 50,448	\$ 5,723	\$ 44,725
Other operating expenditures	4,859	221	4,638
Total Community Health Services	<u>\$ 55,307</u>	<u>\$ 5,944</u>	<u>\$ 49,363</u>
Immunization Action Plan:			
Salaries and employee benefits	\$ 50,358	\$ 47,706	\$ 2,652
Other operating expenditures	250	200	50
Capital outlay	-	-	-
Total Immunization Action Plan	<u>\$ 50,608</u>	<u>\$ 47,906</u>	<u>\$ 2,702</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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Human Services: (continued)			
Health Department (continued):			
Communicable Disease:			
Salaries and employee benefits	\$ 228,658	\$ 204,829	\$ 23,829
Other operating expenditures	20,220	17,116	3,104
Total Communicable Disease	\$ 248,878	\$ 221,945	\$ 26,933
Comprehensive Breast:			
Salaries and employee benefits	\$ 36,403	\$ 35,774	\$ 629
Other operating expenditures	26,661	15,069	11,592
Total Comprehensive Breast	\$ 63,064	\$ 50,843	\$ 12,221
Breast Health Initiative:			
Salaries and employee benefits	\$ 19,466	\$ 17,793	\$ 1,673
Other operating expenditures	44,749	25,768	18,981
Total Breast Health Initiative	\$ 64,215	\$ 43,561	\$ 20,654
AIDS:			
Salaries and employee benefits	\$ 10,416	\$ 10,416	\$ -
HIV/STD Prevention Risk Reduction:			
Salaries and employee benefits	\$ 64,149	\$ 43,469	\$ 20,680
Other operating expenditures	15,851	8,478	7,373
Total HIV/STD Prevention Risk Reduction	\$ 80,000	\$ 51,947	\$ 28,053

(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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures (continued):</b>			
Human Services: (continued)			
Health Department (continued):			
Medicaid Outreach:			
Salaries and employee benefits	\$ 8,724	\$ 7,508	\$ 1,216
Other operating expenditures	5,276	1,019	4,257
Total Medicaid Outreach	<u>\$ 14,000</u>	<u>\$ 8,527</u>	<u>\$ 5,473</u>
Hospice:			
Salaries and employee benefits	\$ 351,336	\$ 340,106	\$ 11,230
Other operating expenditures	229,848	143,152	86,696
Capital outlay	-	-	-
Total Hospice	<u>\$ 581,184</u>	<u>\$ 483,258</u>	<u>\$ 97,926</u>
WIC:			
Salaries and employee benefits	\$ 334,444	\$ 292,236	\$ 42,208
Other operating expenditures	103,277	76,334	26,943
Total WIC	<u>\$ 437,721</u>	<u>\$ 368,570</u>	<u>\$ 69,151</u>
CDC/DENR Lead Grant:			
Salaries and employee benefits	\$ 47,363	\$ 4,071	\$ 43,292
Other operating expenditures	2,637	407	2,230
Total CDC/DENR Lead Grant	<u>\$ 50,000</u>	<u>\$ 4,478</u>	<u>\$ 45,522</u>
Special Programs:			
Salaries and employee benefits	\$ 252,426	\$ 252,473	\$ (47)
Other operating expenditures	123,348	112,537	10,811
Total Special Programs	<u>\$ 375,774</u>	<u>\$ 365,010</u>	<u>\$ 10,764</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, 2010**

**Exhibit B-1**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health Department (continued):			
Improving Immunization Capacity			
Other operating expenditures	\$ 7,000	\$ 6,075	\$ 925
EPSDT Outreach:			
Salaries and employee benefits	\$ 73,144	\$ 48,729	\$ 24,415
Other operating expenditures	3,325	2,246	1,079
Total EPSDT Outreach	<u>\$ 76,469</u>	<u>\$ 50,975</u>	<u>\$ 25,494</u>
Children's Special Orthopedic:			
Salaries and employee benefits	\$ 13,814	\$ 11,634	\$ 2,180
Other operating expenditures	875	904	(29)
Total Children's Special Orthopedic	<u>\$ 14,689</u>	<u>\$ 12,538</u>	<u>\$ 2,151</u>
Dental Program:			
Salaries and employee benefits	\$ 100,980	\$ 83,342	\$ 17,638
Other operating expenditures	506,110	452,300	53,810
Duke Endowment Grant-Supplies	137,940	110,098	27,842
Duke Endowment Grant-Capital Outlay	88,000	74,324	13,676
Total Dental Program	<u>\$ 833,030</u>	<u>\$ 720,064</u>	<u>\$ 112,966</u>
NC Teen Tobacco Use:			
Salaries and employee benefits	\$ 47,063	\$ 44,236	\$ 2,827
Other operating expenditures	26,673	23,177	3,496
Total NC Teen Tobacco Use	<u>\$ 73,736</u>	<u>\$ 67,413</u>	<u>\$ 6,323</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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health Department (continued):			
Diabetes:			
Salaries and employee benefits	\$ 62,355	\$ 59,979	\$ 2,376
Other operating expenditures	2,400	1,425	975
<b>Total Diabetes</b>	<b>\$ 64,755</b>	<b>\$ 61,404</b>	<b>\$ 3,351</b>
BT Preparedness:			
Salaries and employee benefits	\$ 30,051	\$ 30,591	\$ (540)
Other operating expenditures	21,298	21,151	147
<b>Total BT Preparedness</b>	<b>\$ 51,349</b>	<b>\$ 51,742</b>	<b>\$ (393)</b>
Community Child Health Network			
Other operating expenditures	\$ 10,000	\$ -	\$ 10,000
University Health System Grant:			
Salaries and employee benefits	\$ 40,371	\$ 28,858	\$ 11,513
Other operating expenditures	28,935	17,633	11,302
<b>Total University Health System Grant</b>	<b>\$ 69,306</b>	<b>\$ 46,491</b>	<b>\$ 22,815</b>
SG Komen Breast Cancer Project:			
Salaries and employee benefits	\$ 7,846	\$ 7,537	\$ 309
Other operating expenditures	9,724	2,461	7,263
<b>Total Breast Cancer Project</b>	<b>\$ 17,570</b>	<b>\$ 9,998</b>	<b>\$ 7,572</b>

(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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health Department (continued):			
Phase I H1N1 Planning:			
Salaries and employee benefits	\$ 43,043	\$ 29,414	\$ 13,629
Other operating expenditures	10,938	5,243	5,695
Total Phase I H1N1 Planning	\$ 53,981	\$ 34,657	\$ 19,324
H1N1 Enhanced Surveillance:			
Salaries and employee benefits	\$ 4,610	\$ 2,815	\$ 1,795
Other operating expenditures	1,020	-	1,020
Total H1N1 Enhanced Surveillance	\$ 5,630	\$ 2,815	\$ 2,815
Phase III H1N1-851			
Salaries and employee benefits	\$ 37,899	\$ 37,896	\$ 3
Other operating expenditures	40,949	40,533	416
Total Phase III H1N1-851	\$ 78,848	\$ 78,429	\$ 419
Lead Screening-City of Rocky Mount:			
Salaries and employee benefits	\$ 34,285	\$ 35,241	\$ (956)
Other operating expenditures	15,315	13,907	1,408
Total Lead Screening Rocky Mount	\$ 49,600	\$ 49,148	\$ 452
ECU Lay Health Advisors:			
Salaries and employee benefits	\$ 5,000	\$ -	\$ 5,000
Other operating expenditures	36,000	6,000	30,000
Total ECU Lay Health Advisors	\$ 41,000	\$ 6,000	\$ 35,000

(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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health Department (continued):			
NC Smoke Free Restaurants/Bars:			
Other operating expenditures	\$ 1,013	\$ 1,012	\$ 1
<b>Total Health Department</b>	<b>\$ 8,135,019</b>	<b>\$ 6,989,705</b>	<b>\$ 1,145,314</b>
Mental Health:			
Assist to the Beacon Center	\$ 232,416	\$ 124,566	\$ 107,850
Aging:			
Salaries and employee benefits	\$ 53,390	\$ 53,245	\$ 145
Other operating expenditures	21,416	6,235	15,181
<b>Total Aging</b>	<b>\$ 74,806</b>	<b>\$ 59,480</b>	<b>\$ 15,326</b>
Social Services:			
Administration:			
Salaries and employee benefits	\$ 7,077,316	\$ 6,393,208	\$ 684,108
Other operating expenditures	981,341	742,056	239,285
Capital outlay	16,100	13,154	2,946
<b>Total Administration</b>	<b>\$ 8,074,757</b>	<b>\$ 7,148,418</b>	<b>\$ 926,339</b>
Public Assistance:			
Assistance payments	\$ 8,952,115	\$ 7,280,526	\$ 1,671,589
<b>Total Social Services</b>	<b>\$ 17,026,872</b>	<b>\$ 14,428,944</b>	<b>\$ 2,597,928</b>
<b>Total Human Services</b>	<b>\$ 25,902,777</b>	<b>\$ 21,989,055</b>	<b>\$ 3,913,722</b>

(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, 2010**

**Exhibit B-1**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Expenditures (continued):</b>			
Cultural and Recreational:			
Contribution to local library	\$ 613,558	\$ 613,519	\$ 39
Cultural Arts Council	35,431	35,431	-
Community recreation	15,000	15,000	-
School recreation	28,800	28,800	-
Total Cultural and Recreational	\$ 692,789	\$ 692,750	\$ 39
Education:			
Public Schools:			
Current	\$ 9,102,263	\$ 9,102,263	\$ -
Building capital fund (PSBCF)	800,000	-	800,000
NC Lottery allocations	1,000,000	399,710	600,290
Community Colleges:			
Current	1,208,710	1,208,710	-
Capital Outlay	25,000	25,000	-
Total Education	\$ 12,135,973	\$ 10,735,683	\$ 1,400,290
Debt Service:			
Principal retirement	\$ 1,799,483	\$ 1,799,478	\$ 5
Interest and other charges	668,887	663,608	5,279
Total Debt Service	\$ 2,468,370	\$ 2,463,086	\$ 5,284
Total Expenditures	\$ 60,926,950	\$ 52,991,857	\$ 7,935,093
Revenues Over (Under) Expenditures	\$ (4,700,444)	\$ 886,146	\$ 5,586,590

(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, 2010**

**Exhibit B-1**

**Variance  
Positive  
(Negative)**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
(continued)			
<b>Other Financing Sources (Uses):</b>			
<b>Transfers To/From Other Funds:</b>			
Revaluation Fund	\$ (150,000)	\$ (150,000)	\$ -
Installment Contract Proceeds	1,000,000	1,000,000	-
Appropriated fund balance	3,850,444	-	(3,850,444)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 4,700,444</b>	<b>\$ 850,000</b>	<b>\$ (3,850,444)</b>
<b>Revenues and Other Financing Sources (Uses) Over (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ 1,736,146</b>	<b>\$ 1,736,146</b>
<b>Fund Balance:</b>			
Beginning of year, July 1		14,799,746	
End of year, June 30		<b>\$ 16,535,892</b>	

**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, 2010**

**Exhibit B-2**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Investment Income	\$ 583,780	\$ 661,281	\$ 1,324	\$ 662,605	\$ 78,825
<b>Expenditures:</b>					
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	\$ 1,378,900	\$ 84,275	\$ 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>\$ 1,409,847</u>	<u>\$ 84,275</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, 2010**

**Exhibit B-2**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures: (continued)</b>					
Nash-Rocky Mount:					
Nash-Rocky Mt Schools	\$ 3,350,000	\$ -	\$ 846,510	\$ 846,510	\$ 2,503,490
Legal & Administration	80,000	-	67,517	67,517	12,483
	<u>\$ 3,430,000</u>	<u>\$ -</u>	<u>\$ 914,027</u>	<u>\$ 914,027</u>	<u>\$ 2,515,973</u>
Legal and Administration	\$ 100,000	\$ 74,648	\$ -	\$ 74,648	\$ 25,352
Total Expenditures	<u>\$ 14,109,780</u>	<u>\$ 10,338,598</u>	<u>\$ 998,302</u>	<u>\$ 11,336,900</u>	<u>\$ 2,772,880</u>
Revenues Over (Under) Expenditures	<u>\$ (13,526,000)</u>	<u>\$ (9,677,317)</u>	<u>\$ (996,978)</u>	<u>\$ (10,674,295)</u>	<u>\$ 2,851,705</u>
Other Financing Sources:					
Transfers from					
General Fund	\$ 726,000	\$ 726,000	\$ -	\$ 726,000	\$ -
Bond proceeds	12,800,000	9,370,000	3,430,000	12,800,000	-
Total	<u>\$ 13,526,000</u>	<u>\$ 10,096,000</u>	<u>\$ 3,430,000</u>	<u>\$ 13,526,000</u>	<u>\$ -</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 418,683</u>	<u>\$ 2,433,022</u>	<u>\$ 2,851,705</u>	<u>\$ 2,851,705</u>
<b>Fund Balance:</b>					
Beginning of year, July 1			418,683		
End of year, June 30			<u>\$ 2,851,705</u>		

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**Non-Major Governmental Funds**

**Edgecombe County, North Carolina  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2010**

**Special**

	<b>Revaluation Fund</b>	<b>CDBG Scattered Sites Project Fund</b>	<b>Fire Districts Fund</b>	<b>Industrial Sites Development Fund</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 243,912	\$ -	\$ 14,123	\$ 137,114
Accounts receivable, net	-	20,007	-	-
Taxes receivable, net	-	-	167,254	-
<b>Total Assets</b>	<b>\$ 243,912</b>	<b>\$ 20,007</b>	<b>\$ 181,377</b>	<b>\$ 137,114</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ -	\$ 4,531	\$ 21,520	\$ -
Due to other funds	-	15,476	-	-
Deferred revenue	-	-	159,857	-
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 20,007</b>	<b>\$ 181,377</b>	<b>\$ -</b>
<b>Fund balances:</b>				
Reserved by state statute	\$ -	\$ -	\$ -	\$ -
Reserved for Public Safety - Wireless	-	-	-	-
Unreserved - Designated	243,912	-	-	137,114
<b>Total Fund Balances</b>	<b>\$ 243,912</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 137,114</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 243,912</b>	<b>\$ 20,007</b>	<b>\$ 181,377</b>	<b>\$ 137,114</b>

Exhibit C-1

Revenue Funds

<u>Emergency Telephone System</u>	<u>Schools Capital Outlay Fund</u>	<u>Public Safety Grant Fund</u>	<u>CDBG Grant Fund</u>	<u>Economic Development &amp; Housing Recovery Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 438,637	\$ 53,369	\$ -	\$ -	\$ -	\$ 887,155
20,240	92,660	10,222	29,537	96,523	269,189
-	-	-	-	-	167,254
<u>\$ 458,877</u>	<u>\$ 146,029</u>	<u>\$ 10,222</u>	<u>\$ 29,537</u>	<u>\$ 96,523</u>	<u>\$ 1,323,598</u>
\$ 2,333	\$ 146,029	\$ 10,222	\$ 26,103	\$ -	\$ 210,738
-	-	-	3,434	95,698	114,608
-	-	-	-	-	159,857
<u>\$ 2,333</u>	<u>\$ 146,029</u>	<u>\$ 10,222</u>	<u>\$ 29,537</u>	<u>\$ 95,698</u>	<u>\$ 485,203</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
456,544	-	-	-	-	456,544
-	-	-	-	825	381,851
<u>\$ 456,544</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 825</u>	<u>\$ 838,395</u>
<u>\$ 458,877</u>	<u>\$ 146,029</u>	<u>\$ 10,222</u>	<u>\$ 29,537</u>	<u>\$ 96,523</u>	<u>\$ 1,323,598</u>

**Edgecombe County, North Carolina**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2010**

	<b>Special</b>			
	<b>Revaluation Fund</b>	<b>CDBG Scattered Sites Fund</b>	<b>Fire Districts Fund</b>	<b>Industrial Sites Development Fund</b>
<b>Revenues</b>				
Ad valorem taxes	\$ -	\$ -	\$ 824,389	\$ -
Local option sales tax	-	-	-	-
Restricted intergovernmental	-	20,007	-	-
Other taxes and licenses	-	-	-	-
Investment earnings	-	-	-	-
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 20,007</b>	<b>\$ 824,389</b>	<b>\$ -</b>
<b>Expenditures</b>				
General Government	\$ 14,934	\$ -	\$ -	\$ -
Public Safety	-	-	824,389	-
Education	-	-	-	-
Economic and Physical Development	-	20,007	-	-
<b>Total Expenditures</b>	<b>\$ 14,934</b>	<b>\$ 20,007</b>	<b>\$ 824,389</b>	<b>\$ -</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ (14,934)	\$ -	\$ -	\$ -
<b>Other Financing Sources (Uses)</b>				
Transfers to/from other funds	150,000	-	-	-
Loan proceeds	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ 135,066</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balances:</b>				
Beginning of year, July 1	108,846	-	-	137,114
<b>End of year, June 30</b>	<b>\$ 243,912</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 137,114</b>

**Exhibit C-2**

**Revenue Funds**

<b>Emergency Telephone System</b>	<b>Schools Capital Outlay Fund</b>	<b>Public Safety Grant Fund</b>	<b>CDBG Grant Fund</b>	<b>Economic Development &amp; Housing Recovery Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 824,389
-	749,411	-	-	-	749,411
-	-	41,564	48,955	141,504	252,030
242,881	-	-	-	-	242,881
-	-	-	-	610	610
<u>\$ 242,881</u>	<u>\$ 749,411</u>	<u>\$ 41,564</u>	<u>\$ 48,955</u>	<u>\$ 142,114</u>	<u>\$ 2,069,321</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,934
191,318	-	41,564	-	-	1,057,271
-	749,411	-	-	-	749,411
-	-	-	48,955	167,791	-
-	-	-	-	-	236,753
<u>\$ 191,318</u>	<u>\$ 749,411</u>	<u>\$ 41,564</u>	<u>\$ 48,955</u>	<u>\$ 167,791</u>	<u>\$ 2,058,369</u>
\$ 51,563	\$ -	\$ -	\$ -	\$ (25,677)	\$ 10,952
-	-	-	-	-	150,000
-	-	-	-	-	-
<u>\$ 51,563</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25,677)</u>	<u>\$ 160,952</u>
404,981	-	-	-	26,502	677,443
<u>\$ 456,544</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 825</u>	<u>\$ 838,395</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, 2010**

**Exhibit C-3**

	2010		<b>Variance Positive (Negative)</b>
	Budget	Actual	
<b>Revenues:</b>			
Investment earnings	\$ -	\$ -	\$ -
<b>Expenditures:</b>			
General Government:			
Property revaluation	18,600	14,934	3,666
<b>Revenues Over (Under) Expenditures</b>	<b>\$ (18,600)</b>	<b>\$ (14,934)</b>	<b>\$ 3,666</b>
<b>Other Financing Sources:</b>			
Transfer In:			
General Fund	-	150,000	150,000
<b>Revenues and Other Sources Over (Under) Expenditures</b>	<b>\$ (18,600)</b>	<b>\$ 135,066</b>	<b>\$ 153,666</b>
<b>Appropriated fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenues, Other Sources, and Appropriated Fund Balance Over (Under) Expenditures</b>	<b>\$ (18,600)</b>	<b>\$ 135,066</b>	<b>\$ 153,666</b>
<b>Fund Balance:</b>			
Beginning of year, July 1		108,846	
End of year, June 30		<b>\$ 243,912</b>	

**Edgecombe County, North Carolina  
Community Development Block Grant Fund  
Scattered Site Project Fund - 09-C-1990  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
From Inception and for the Fiscal Year Ended June 30, 2010**

**Exhibit C-4**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Restricted Intergovernmental:					
Community Development Block Grant 09-C-1990	\$ 400,000	\$ -	\$ 20,007	\$ 20,007	\$ (379,993)
<b>Expenditures:</b>					
Economic and Physical Development:					
Rehabilitation	\$ 48,000	\$ -	\$ 350	\$ 350	\$ 47,650
Relocation	289,500	-	1,680	1,680	287,820
Clearance	22,500	-	2,030	2,030	20,470
Administration	40,000	-	15,947	15,947	24,053
<b>Total Expenditures</b>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 20,007</u>	<u>\$ 20,007</u>	<u>\$ 379,993</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
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, 2010**

**Exhibit C-5**

	<b>2010</b>		<b>Variance</b>
	<b>Budget</b>	<b>Actual</b>	<b>Positive</b>
			<b>(Negative)</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 947,500	\$ 824,389	\$ (123,111)
<b>Expenditures:</b>			
Public Safety:			
Fire Districts	947,500	824,389	123,111
Revenues Over Expenditures	\$ -	\$ -	\$ -
<b>Fund Balance:</b>			
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, 2010**

Exhibit C-6

	2010		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Investment earnings	\$ -	\$ -	\$ -
Property sale/lease payments	-	-	-
Total Revenues	\$ -	\$ -	\$ -
<b>Expenditures:</b>			
Economic and Physical Development:			
Engineering	\$ -	\$ -	\$ -
Revenues Over Expenditures	\$ -	\$ -	\$ -
Other Financing Sources (Uses):			
Transfers Out:	-	-	-
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ -	\$ -	\$ -
<b>Fund Balance:</b>			
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, 2010**

**Exhibit C-7**

	2010		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
NC 911 PSAP fees	\$ 207,120	\$ 242,881	\$ 35,761
<b>Expenditures:</b>			
Public Safety:			
Salaries and benefits	\$ 75,120	\$ 75,149	\$ (29)
Operating expenses	122,000	108,909	13,091
Capital Outlay	165,000	7,260	157,740
<b>Total Expenditures</b>	<b>\$ 362,120</b>	<b>\$ 191,318</b>	<b>\$ 170,802</b>
Revenues Over (Under) Expenditures	\$ (155,000)	\$ 51,563	\$ 206,563
<b>Other Financing Sources (Uses):</b>			
Transfer from General Fund	\$ -	\$ -	\$ -
Fund Balance Appropriated	155,000	-	(155,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 155,000</b>	<b>\$ -</b>	<b>\$ (155,000)</b>
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	<b>\$ -</b>	<b>\$ 51,563</b>	<b>\$ 51,563</b>
<b>Fund Balance:</b>			
Beginning of year, July 1		404,981	
End of year, June 30		<b>\$ 456,544</b>	

**Edgecombe County, North Carolina  
 Schools Capital Outlay Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2010**

**Exhibit C-8**

	2010		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Local Sales Tax - Restricted Portion	\$ 800,000	\$ 749,411	\$ (50,589)
<b>Expenditures:</b>			
Education:			
Schools - Capital outlay	800,000	749,411	50,589
Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>			
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, 2010**

**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>
<b>Revenues:</b>					
Restricted Intergovernmental:					
JAG-033-1-09-003	\$ 49,197	\$ -	\$ 41,564	\$ 41,564	\$ (7,633)
<b>Expenditures:</b>					
Public Safety:					
JAG-033-1-09-003					
Targeted Outreach CSI	<u>49,197</u>	<u>-</u>	<u>41,564</u>	<u>41,564</u>	<u>7,633</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other Financing Sources (Uses):					
Transfer from					
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Loan proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Fund Balance:</b>					
Beginning of year, July 1			-		
End of year, June 30			<u><u>\$ -</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, 2010**

**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>
<b>Revenues:</b>					
Restricted Intergovernmental:					
Community Development					
Block Grant:					
U-365 Industrial Park	\$ 479,883	\$ 472,297	\$ 810	\$ 473,107	\$ (6,776)
Talent Enhancement	75,000	-	46,991	46,991	(28,009)
09-C-2027 Hook Up	40,850	-	1,154	1,154	(39,696)
<b>Total Revenues</b>	<b>\$ 595,733</b>	<b>\$ 472,297</b>	<b>\$ 48,955</b>	<b>\$ 521,252</b>	<b>\$ (74,481)</b>
<b>Expenditures:</b>					
Economic Development:					
Community Development					
Block Grant:					
U-365:					
Engineering	\$ 43,195	\$ 42,385	\$ 810	\$ 43,195	\$ -
Site improvements	479,883	473,107	-	473,107	6,776
	<b>\$ 523,078</b>	<b>\$ 515,492</b>	<b>\$ 810</b>	<b>\$ 516,302</b>	<b>\$ 6,776</b>
CDBG Talent Enhancement:					
Contractual Services	\$ 67,500	\$ -	\$ 42,503	\$ 42,503	\$ 24,997
Administration	7,500	-	4,488	4,488	3,012
	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ 46,991</b>	<b>\$ 46,991</b>	<b>\$ 28,009</b>
09-C-2027:					
Rehabilitation	\$ 35,650	\$ -	\$ -	\$ -	\$ 35,650
Administration	5,200	-	1,154	1,154	4,046
	<b>\$ 40,850</b>	<b>\$ -</b>	<b>\$ 1,154</b>	<b>\$ 1,154</b>	<b>\$ 39,696</b>
<b>Total Expenditures</b>	<b>\$ 638,928</b>	<b>\$ 515,492</b>	<b>\$ 48,955</b>	<b>\$ 564,447</b>	<b>\$ 74,481</b>

(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, 2010**

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>
(continued)					
Revenues Over					
(Under) Expenditures	\$ (43,195)	\$ (43,195)	\$ -	\$ (43,195)	\$ -
Other Financing Sources (Uses):					
Transfers In:					
Industrial Sites					
Development Fund	<u>43,195</u>	<u>43,195</u>	<u>-</u>	<u>43,195</u>	<u>-</u>
Revenues and Other Financing					
Sources (Uses) Over					
(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
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, 2010**

Exhibit C-11

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Restricted Intergovernmental:					
NC Housing & Finance:					
USDA/RD - Housing	\$ 95,503	\$ 66,632	\$ 28,195	\$ 94,827	\$ (676)
2008 Urgent Repair	75,000	37,500	37,500	75,000	-
Single Family Repair	336,350	292,195	19,847	312,042	(24,308)
Golden Leaf-Broadband	100,000	40,562	55,962	96,524	(3,476)
The Rural Center - Investment income	590	802	610	1,412	822
<b>Total Revenues</b>	<u>\$ 607,443</u>	<u>\$ 437,691</u>	<u>\$ 142,114</u>	<u>\$ 579,805</u>	<u>\$ (27,638)</u>
<b>Expenditures:</b>					
Economic and Physical Development:					
NC Housing & Finance:					
USDA/RD - Housing	\$ 95,503	\$ 66,632	\$ 28,194	\$ 94,826	\$ 677
2008 Urgent Repair	75,590	11,800	63,790	75,590	-
Single Family Repair	336,350	292,195	19,845	312,040	24,310
Golden Leaf-Broadband	100,000	40,562	55,962	96,524	3,476
<b>Total Expenditures</b>	<u>\$ 607,443</u>	<u>\$ 411,189</u>	<u>\$ 167,791</u>	<u>\$ 578,980</u>	<u>\$ 28,463</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 26,502</u>	<u>\$ (25,677)</u>	<u>\$ 825</u>	<u>\$ 825</u>
<b>Fund Balance:</b>					
Beginning of year, July 1			26,502		
End of year, June 30			<u>\$ 825</u>		

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## **Enterprise Funds**

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**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, 2010**

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>	
<b>Revenues:</b>					
Water District No. 3:					
Restricted Intergovernmental:					
USDA/Rural Development NC Clean Water & Utilities Bond - Loan	\$ 3,900,000	\$ 3,472,720	\$ -	\$ 3,472,720	\$ (427,280)
NC Clean Water & Utilities Bond - Grant	2,690,259	2,690,259	-	2,690,259	-
Rural Center	3,000,000	3,000,000	-	3,000,000	-
County Appropriation	200,000	200,000	-	200,000	-
General Obligation Bonds	43,500	43,500	-	43,500	-
Sales Tax Refunds	294,000	294,000	-	294,000	-
	36,600	55,896	-	55,896	19,296
<b>Total</b>	<b>\$ 10,164,359</b>	<b>\$ 9,756,375</b>	<b>\$ -</b>	<b>\$ 9,756,375</b>	<b>\$ (407,984)</b>
Water District No. 5:					
Restricted Intergovernmental:					
USDA/Rural Development	\$ 3,988,000	\$ 2,196,026	\$ 1,114,380	\$ 3,310,406	\$ (677,594)
General Obligation Bonds	3,928,000	3,928,000	-	3,928,000	-
Investment Income	20,500	26,568	-	26,568	6,068
<b>Total</b>	<b>\$ 7,936,500</b>	<b>\$ 6,150,594</b>	<b>\$ 1,114,380</b>	<b>\$ 7,264,974</b>	<b>\$ (671,526)</b>
Water District No. 4 - Phase I:					
Restricted Intergovernmental:					
CDBG 07-C-1717	\$ 750,000	\$ 56,153	\$ 627,777	\$ 683,930	\$ (66,070)
Rural Center	500,000	-	203,745	203,745	(296,255)
<b>Total</b>	<b>\$ 1,250,000</b>	<b>\$ 56,153</b>	<b>\$ 831,522</b>	<b>\$ 887,675</b>	<b>\$ (362,325)</b>
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)
<b>Total</b>	<b>\$ 1,271,462</b>	<b>\$ -</b>	<b>\$ 927,281</b>	<b>\$ 927,281</b>	<b>\$ (344,181)</b>

(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, 2010**

Exhibit D-1

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues: (continued)</b>					
Water District No. 4 -					
Phase III - PER & EA:					
Restricted Intergovernmental:					
Rural Center	\$ 31,480	\$ -	\$ -	\$ -	\$ (31,480)
Fund Balance Appropriation	11,020	-	-	-	(11,020)
Total	<u>\$ 42,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,500)</u>
 Total Revenues	 <u>\$ 20,664,821</u>	 <u>\$ 15,963,122</u>	 <u>\$ 2,873,183</u>	 <u>\$ 18,836,305</u>	 <u>\$ (1,828,516)</u>
<b>Expenditures:</b>					
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	7,740,825	52,781	7,793,606	618,453
Engineering Fees	760,800	717,010	5,427	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>\$ 9,291,222</u>	<u>\$ 58,208</u>	<u>\$ 9,349,430</u>	<u>\$ 814,929</u>
Water District No. 5:					
Construction	\$ 6,430,324	\$ 4,921,178	\$ 991,731	\$ 5,912,909	\$ 517,415
Engineering Fees	621,360	586,539	81,702	668,241	(46,881)
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	37,996	103	38,099	2,613
Capitalized Interest	350,000	53,772	-	53,772	296,228
Equipment	192,680	188,242	-	188,242	4,438
Contingency	55,774	16,522	12,504	29,026	26,748
Total	<u>\$ 7,940,300</u>	<u>\$ 6,004,628</u>	<u>\$ 1,086,040</u>	<u>\$ 7,090,668</u>	<u>\$ 849,632</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, 2010**

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>	
<b>Expenditures: (continued)</b>					
Water District No. 4 - Phase I:					
Construction	\$ 997,650	\$ -	\$ 742,209	\$ 742,209	\$ 255,441
Engineering Fees	183,000	54,005	69,788	123,793	59,207
Land Right of Way	9,000	2,148	1,402	3,550	5,450
Administration & Legal	30,000	-	18,123	18,123	11,877
Contingency	30,350	-	-	-	30,350
Total	<u>\$ 1,250,000</u>	<u>\$ 56,153</u>	<u>\$ 831,522</u>	<u>\$ 887,675</u>	<u>\$ 362,325</u>
Water District No. 4 - Phase II:					
Construction	\$ 945,000	\$ -	\$ 877,955	\$ 877,955	\$ 67,045
Engineering Fees	147,000	49,221	83,330	132,551	14,449
Land Right of Way	25,000	2,100	-	2,100	22,900
Administration & Legal	8,000	7,310	13,523	20,833	(12,833)
Equipment	42,000	-	38,224	38,224	3,776
Contingency	104,462	-	-	-	104,462
Total	<u>\$ 1,271,462</u>	<u>\$ 58,631</u>	<u>\$ 1,013,032</u>	<u>\$ 1,071,663</u>	<u>\$ 199,799</u>
Water District No. 4 - Phase III - PER & EA:					
Engineering Fees	<u>\$ 42,500</u>	<u>\$ 8,925</u>	<u>\$ 2,095</u>	<u>\$ 11,020</u>	<u>\$ 31,480</u>
Total Expenditures	<u>\$ 20,668,621</u>	<u>\$ 15,419,559</u>	<u>\$ 2,990,897</u>	<u>\$ 18,410,456</u>	<u>\$ 2,258,165</u>
Revenues Over (Under) Expenditures	<u>\$ (3,800)</u>	<u>\$ 543,563</u>	<u>\$ (117,714)</u>	<u>\$ 425,849</u>	<u>\$ 429,649</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, 2010**

Exhibit D-2

	2010		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues:			
Water Sales - charges for service	\$ 2,287,000	\$ 2,341,747	\$ 54,747
Late charges and penalties	95,000	104,215	9,215
Total Operating Revenues	<u>\$ 2,382,000</u>	<u>\$ 2,445,962</u>	<u>\$ 63,962</u>
Non-operating Revenues:			
Water tap fees	\$ -	\$ -	\$ -
Investment Income	-	201	201
Transfer from Capital Project	-	-	-
Rural Center grant	-	31,480	31,480
Other	-	5,993	5,993
Total Non-operating Revenues	<u>\$ -</u>	<u>\$ 37,674</u>	<u>\$ 37,674</u>
Total Revenues	<u>\$ 2,382,000</u>	<u>\$ 2,483,636</u>	<u>\$ 101,636</u>
<b>Expenditures:</b>			
Water Operation and Administration:			
Salaries and employee benefits	\$ 409,350	\$ 392,183	\$ 17,167
Water purchases	733,733	775,824	(42,091)
Operating expenditures	266,114	230,203	35,911
System Maintenance	82,000	77,622	4,378
Capital outlay	-	-	-
Total Expenditures	<u>\$ 1,491,197</u>	<u>\$ 1,475,832</u>	<u>\$ 15,365</u>
Revenues Over Expenditures	<u>\$ 890,803</u>	<u>\$ 1,007,804</u>	<u>\$ 117,001</u>

(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, 2010**

Exhibit D-2

	<b>2010</b>		<b>Variance</b>
	<b>Budget</b>	<b>Actual</b>	<b>Positive</b>
			<b>(Negative)</b>
(continued)			
Other Financing Sources (Uses):			
Fund Balance Appropriation	\$ 12,500	\$ -	\$ (12,500)
Lease transfers	(903,303)	(903,301)	2
Total Other Financing Sources (Uses)	\$ (890,803)	\$ (903,301)	\$ (12,498)
Revenues and Other Financing Sources			
(Uses) Over (Under) Expenditures	\$ -	\$ 104,503	\$ 104,503

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

Revenues Over Expenditures	\$ 104,503
Reconciling Items:	
Transfer from Capital Project	\$ -
Lease (transfer) adjustment	274,023
Capital Outlay	-
Increase in accrued vacation pay & OPEB	5,835
Provision for bad debt	(29,647)
Depreciation	(680,911)
Capital contributions	2,873,183
Total Reconciling Items	\$ 2,442,483
Change in Net Assets	\$ 2,546,986

**Edgecombe County, North Carolina**  
**Non-operating Enterprise Funds**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2010**

	<b>Water &amp; Sewer District 1</b>		<b>Water &amp; Sewer District 2</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
<b>Expenditures:</b>				
Budgetary Appropriations:				
Interest paid	\$ 184,823	\$ 184,823	\$ 174,224	\$ 174,224
Debt principal	70,500	70,500	53,000	53,000
Total Expenditures	<u>\$ 255,323</u>	<u>\$ 255,323</u>	<u>\$ 227,224</u>	<u>\$ 227,224</u>
Other Financing Sources:				
Capital lease transfers in	<u>255,323</u>	<u>255,323</u>	<u>227,224</u>	<u>227,224</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Reconciliation of Modified Accrual Basis to Full Accrual:**

Payment of debt principal	\$ 70,500	\$ 53,000
Change in interest accrual	280	205
Reduction of investment in direct financing lease receivable	(70,780)	(53,205)
Residual Equity Transfer	-	-
Change in Net Assets	<u>\$ -</u>	<u>\$ -</u>

**Exhibit D-3**

<b>Water &amp; Sewer District 3</b>		<b>Water &amp; Sewer District 5</b>		<b>Total Non-operating Enterprise Funds</b>		<b>Variance Positive (Negative)</b>
<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	
\$ 103,313	\$ 103,312	\$ 171,850	\$ 171,850	\$ 634,210	\$ 634,209	\$ 1
145,593	145,593	-	-	269,093	269,093	-
<u>\$ 248,906</u>	<u>\$ 248,905</u>	<u>\$ 171,850</u>	<u>\$ 171,850</u>	<u>\$ 903,303</u>	<u>\$ 903,302</u>	<u>\$ 1</u>
248,906	248,905	171,850	171,850	903,303	903,302	(1)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\$ 145,593	\$ -	\$ 269,093
963	3,485	4,933
(146,556)	(3,485)	(274,026)
-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Edgecombe County, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Year Ended June 30, 2010**

Exhibit D-4

	2010		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues:			
Charges for Services:			
Solid Waste charges	\$ 1,930,000	\$ 1,935,352	\$ 5,352
Recycling	-	79,180	79,180
Total Operating Revenues	<u>\$ 1,930,000</u>	<u>\$ 2,014,532</u>	<u>\$ 84,532</u>
Non-operating Revenues:			
Investment earnings	\$ 3,000	\$ 4,183	\$ 1,183
Scrap tire	73,000	64,504	(8,496)
White goods	25,000	37,532	12,532
Other Grants	45,000	26,017	(18,983)
Other income	693	36,272	35,579
Total Non-operating Revenues	<u>\$ 146,693</u>	<u>\$ 168,508</u>	<u>\$ 21,815</u>
Total Revenues	<u>\$ 2,076,693</u>	<u>\$ 2,183,040</u>	<u>\$ 106,347</u>
<b>Expenditures:</b>			
Operating Expenditures:			
Salaries and employee benefits	\$ 687,575	\$ 646,783	\$ 40,792
Other operating expenditures	1,448,720	1,230,089	218,631
Post-closure expenditures	250,000	115,285	134,715
Total Operating Expenditures	<u>\$ 2,386,295</u>	<u>\$ 1,992,157</u>	<u>\$ 394,138</u>
Capital outlays	502,523	479,203	23,320
Total Expenditures	<u>\$ 2,888,818</u>	<u>\$ 2,471,360</u>	<u>\$ 417,458</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, 2010**

Exhibit D-4

	2010		Variance Positive (Negative)
	Budget	Actual	
(continued)			
Revenues Over (Under) Expenditures	\$ (812,125)	\$ (288,320)	\$ 523,805
Other Financing Sources (Uses):			
Fund balance appropriated	122,125	-	(122,125)
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ (690,000)	\$ (288,320)	\$ 401,680

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

Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ (288,320)
Reconciling Items:	
Capital outlays	\$ 479,203
Depreciation	(107,471)
Provision for bad debt	(4,851)
(Increase) decrease in accrued landfill closure and postclosure care costs	90,285
(Increase) decrease in accrued vacation pay & OPEB	4,445
Total Reconciling Items	\$ 461,611
Change in Net Assets	\$ 173,291

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## **Other Schedules**

- Schedule of Ad Valorem Taxes Receivable.
- Analysis of Current Tax Levy – County-Wide Levy
- Analysis of Current Tax Levy – Fire Districts
- Statement of Changes in Assets and Liabilities – Agency Funds

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**Edgecombe County, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**June 30, 2010**

**Exhibit E-1**

<b>Fiscal Year</b>	<b>Uncollected Balance June 30, 2009</b>	<b>Additions</b>	<b>Collections And Credits</b>	<b>Uncollected Balance June 30, 2010</b>
2009-2010	\$ -	\$ 26,808,512	\$ 24,791,152	\$ 2,017,360
2008-2009	1,839,304	-	1,055,132	784,172
2007-2008	760,599	-	239,846	520,753
2006-2007	529,345	-	116,928	412,417
2005-2006	397,932	-	73,070	324,862
2004-2005	311,152	-	40,495	270,657
2003-2004	298,334	-	21,420	276,914
2002-2003	277,142	-	14,881	262,261
2001-2002	241,994	-	10,497	231,497
2000-2001	157,385	-	6,151	151,234
1999-2000	161,252	-	161,252	-
	<u>\$ 4,974,439</u>	<u>\$ 26,808,512</u>	<u>\$ 26,530,824</u>	<u>\$ 5,252,127</u>
				Less: allowance for uncollectible accounts 434,556
				<u>\$ 4,817,571</u>
<b>Reconciliation with Revenues:</b>				
	Ad valorem taxes collected			<u>\$ 26,835,971</u>
	Reconciling Items:			
	Penalties and Interest collected			\$ (465,657)
	Taxes written off			160,510
	Total Reconciling Items			<u>\$ (305,147)</u>
	Total Collections and Credits			<u>\$ 26,530,824</u>

**Edgecombe County, North Carolina  
Analysis of Current Tax Levy  
County-Wide Levy  
For the Fiscal Year Ended June 30, 2010**

Exhibit E-2

	County - Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at:					
prior year's rate	\$ 75,632,794	0.94	\$ 710,948	\$ -	\$ 710,948
current year's rate	2,967,993,309	0.86	25,524,742	24,035,635	1,489,107
Penalties	-		117,422	117,422	-
<b>Total</b>	<b>\$ 3,043,626,103</b>		<b>\$ 26,353,112</b>	<b>\$ 24,153,057</b>	<b>\$ 2,200,055</b>
Discoveries at:					
prior year's rate	285,120	0.94	2,680	-	2,680
current year's rate	68,109,204	0.86	585,739	210,885	374,854
Abatements at					
prior year's rate	(215,731)	0.94	(2,028)	-	(2,028)
current year's rate	(15,231,510)	0.86	(130,991)	(98,392)	(32,599)
<b>Total Property Valuation</b>	<b>\$ 3,096,573,186</b>				
Net Levy			\$ 26,808,512	\$ 24,265,550	\$ 2,542,962
Uncollected taxes at June 30, 2010			2,017,360	1,522,255	495,105
Current Year's Taxes Collected			<b>\$ 24,791,152</b>	<b>\$ 22,743,295</b>	<b>\$ 2,047,857</b>
Current Levy Collection Percentage			<b>92.47%</b>	<b>93.73%</b>	<b>80.53%</b>

**Edgecombe County, North Carolina**  
**Analysis of Current Tax Levy - Fire Districts**  
**For the Fiscal Year Ended June 30, 2010**

**Exhibit E-3**

	<b>Original Levy</b>	<b>Accounts Receivable</b>
Harrison	\$ 48,620	\$ 2,220
Tri-County	41,809	3,295
Davenport	33,733	3,052
Heartsease	126,634	5,618
Princeville	113,371	9,969
Speed	71,893	4,756
South Edgecombe	47,136	4,164
Macclesfield	56,930	3,399
Leggett	48,561	3,604
West Edgecombe	110,898	7,342
Lewis	48,571	2,730
Conetoe	77,539	6,000
Sharp Point	5,390	408
Pintain	4,811	699
Total Original Levy	\$ 835,896	\$ 57,256
Less uncollected at June 30, 2010	57,256	
Current Year's Taxes Collected	\$ 778,640	
Percent Current Year Collected	93.15%	

**Edgecombe County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For The Fiscal Year Ended June 30, 2010**

Exhibit E-4

	<b>Balance July 1, 2009</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2010</b>
<b>Fines and Forfeitures:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 36,964	\$ 509,520	\$ 498,705	\$ 47,779
<b>Liabilities:</b>				
Intergovernmental Payable:				
Schools	\$ 29,926	\$ 458,206	\$ 446,994	\$ 41,138
State of North Carolina-DMV	7,038	51,314	51,711	6,641
Total Liabilities	\$ 36,964	\$ 509,520	\$ 498,705	\$ 47,779
<b>Motor Vehicle Tax:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 116,064	\$ 1,223,631	\$ 1,225,929	\$ 113,766
<b>Liabilities:</b>				
Miscellaneous liabilities	\$ 116,064	\$ 1,223,631	\$ 1,225,929	\$ 113,766
<b>Deed of Trust Fee:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 3,225	\$ 2,865	\$ 360
<b>Liabilities:</b>				
Miscellaneous liabilities	\$ -	\$ 3,225	\$ 2,865	\$ 360
<b>Totals - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 153,028	\$ 1,736,376	\$ 1,727,499	\$ 161,905
<b>Liabilities:</b>				
Miscellaneous liabilities	\$ 116,064	\$ 1,226,856	\$ 1,228,794	\$ 114,126
Intergovernmental Payable:				
Schools	29,926	458,206	446,994	41,138
State of North Carolina-DMV	7,038	51,314	51,711	6,641
Total Liabilities	\$ 153,028	\$ 1,736,376	\$ 1,727,499	\$ 161,905

## 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>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	135 - 144
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	145 - 155
<b>Debt Capacity</b>	
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.	156 - 158
<b>Demographic and Economic Information</b>	
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.	159 - 164
<b>Operating Information</b>	
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.	165 - 169

**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>
<b>Governmental Activities:</b>			
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
 Total Governmental Activities Net Assets	 <u>\$ 19,181,099</u>	 <u>\$ 23,184,079</u>	 <u>\$ 27,486,392</u>
 <b>Business-type Activities:</b>			
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
 Total Business-type Activities Net Assets	 <u>\$ 13,282,048</u>	 <u>\$ 14,227,452</u>	 <u>\$ 17,777,618</u>
 <b>Primary Government:</b>			
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
 Total Primary Government Net Assets	 <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**

<b>Fiscal Year</b>					
<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	
\$ 6,490,271	\$ 16,171,252	\$ 14,173,172	\$ 16,886,989	\$ 17,793,681	
2,402,398	2,572,793	2,702,845	2,715,347	2,229,046	
28,313,181	16,792,486	19,172,344	17,518,231	18,548,121	
<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>	
\$ 16,130,877	\$ 17,512,165	\$ 18,778,684	\$ 20,709,078	\$ 21,967,465	
-	-	-	-	-	
3,424,277	4,131,617	1,939,476	1,661,656	3,123,547	
<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>	
\$ 22,621,148	\$ 33,683,417	\$ 32,951,856	\$ 37,596,067	\$ 39,761,146	
2,402,398	2,572,793	2,702,845	2,715,347	2,229,046	
31,737,458	20,924,103	21,111,820	19,179,887	21,671,668	
<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>	

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Expenses:</b>			
<b>Governmental Activities:</b>			
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>
<b>Business-type Activities:</b>			
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>
<b>Program Revenues:</b>			
<b>Governmental Activities:</b>			
<b>Charges for Services:</b>			
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>
<b>Business-type Activities:</b>			
<b>Charges for Services:</b>			
Water and Sewer	\$ 1,159,096	\$ 1,404,068	\$ 1,692,537
Landfill	2,819,233	2,499,147	2,104,326
Capital 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**

<b>Fiscal Year</b>					
<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	
\$ 4,453,545	\$ 4,490,345	\$ 5,008,019	\$ 6,014,390	\$ 6,221,650	
9,517,145	10,715,161	10,905,575	11,805,147	11,420,814	
57,335	56,308	56,308	60,974	60,564	
1,060,364	1,929,463	1,339,101	2,164,472	1,486,151	
26,639,846	26,632,334	26,223,748	23,855,432	21,192,219	
662,671	691,766	712,402	717,540	713,703	
12,769,896	11,941,455	12,814,315	12,226,548	13,147,339	
605,335	757,723	714,309	679,758	671,369	
<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>	
\$ 1,902,529	\$ 2,169,389	\$ 2,404,801	\$ 2,741,864	\$ 2,009,749	
2,078,309	2,206,944	2,329,249	2,514,392	2,809,833	
<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>\$ 59,746,975</u>	<u>\$ 61,590,888</u>	<u>\$ 62,507,827</u>	<u>\$ 62,780,517</u>	<u>\$ 59,733,391</u>	
\$ 1,140,117	\$ 811,435	\$ 397,591	\$ 695,534	\$ 487,234	
2,296,095	2,229,040	2,459,512	3,122,470	3,417,685	
6,097	-	-	-	-	
4,586,933	4,384,471	4,660,471	4,890,516	4,366,034	
14,253,265	13,201,642	12,929,028	12,590,662	14,035,462	
151,525	709,489	948,780	3,233,509	259,530	
<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>	
\$ 1,794,211	\$ 2,060,054	\$ 1,995,233	\$ 2,368,964	\$ 2,451,956	
2,034,916	2,071,620	2,163,628	2,131,136	2,050,804	
1,767,148	2,110,152	1,186,271	2,365,823	3,032,716	
<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>\$ 28,030,307</u>	<u>\$ 27,577,903</u>	<u>\$ 26,740,514</u>	<u>\$ 31,398,614</u>	<u>\$ 30,101,421</u>	

(continued)

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

	<b>2003</b>	<b>2004</b>	<b>2005</b>
(continued)			
<b>Net (Expense)/Revenue</b>			
Governmental activities	\$ (29,956,264)	\$ (27,970,188)	\$ (29,153,637)
Business-type activities	3,246,843	1,354,728	3,472,257
 Total Primary Government Net Expense	\$ (26,709,421)	\$ (26,615,460)	\$ (25,681,380)
 <b>General Revenues and Other Changes in Net Assets</b>			
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	\$ 30,733,910	\$ 31,973,168	\$ 33,455,950
Business-type Activities:			
Investment earnings	\$ 7,366	\$ 11,176	\$ 77,853
Transfers	(525,000)	(420,500)	56
Total Business-type Activities	\$ (517,634)	\$ (409,324)	\$ 77,909
 Total Primary Government	\$ 30,216,276	\$ 31,563,844	\$ 33,533,859
 <b>Change in Net Assets</b>			
Governmental activities	\$ 777,646	\$ 4,002,980	\$ 4,302,313
Business-type activities	2,729,209	945,404	3,550,166
 Total Primary Government	\$ 3,506,855	\$ 4,948,384	\$ 7,852,479

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

**Schedule 2**

Fiscal Year					
2006	2007	2008	2009	2010	
\$ (33,332,105)	\$ (35,878,478)	\$ (36,378,395)	\$ (32,991,570)	\$ (32,347,864)	
1,615,437	1,865,493	611,082	1,609,667	2,715,894	
<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>	
\$ 32,292,877	\$ 32,723,256	\$ 33,230,085	\$ 31,190,594	\$ 32,840,815	
344,780	233,730	507,661	204,877	371,344	
1,099,236	1,378,251	935,330	408,688	55,266	
198,252	310,384	532,800	138,023	530,720	
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>	
\$ 162,099	\$ 223,135	\$ 126,979	\$ 42,907	\$ 4,383	
-	-	(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>\$ 42,377,194</u>	<u>\$ 34,868,756</u>	<u>\$ 35,353,522</u>	<u>\$ 34,106,683</u>	<u>\$ 33,802,528</u>	
\$ 8,882,990	\$ (1,232,857)	\$ 511,830	\$ 1,072,206	\$ 1,450,281	
1,777,536	2,088,628	(925,621)	1,652,574	2,720,277	
<u>\$ 10,660,526</u>	<u>\$ 855,771</u>	<u>\$ (413,791)</u>	<u>\$ 2,724,780</u>	<u>\$ 4,170,558</u>	

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund:				
Reserved	\$ 6,550,918	\$ 8,668,385	\$ 8,635,153	\$ 7,453,863
Unreserved:				
Undesignated	4,646,987	3,670,964	3,617,053	6,401,260
Designated	2,583,425	2,459,995	1,297,990	2,177,343
Total General Fund	<u>\$ 13,781,330</u>	<u>\$ 14,799,344</u>	<u>\$ 13,550,196</u>	<u>\$ 16,032,466</u>
All Other Governmental Funds:				
Reserved	\$ 918,138	\$ 1,789,474	\$ 19,105	\$ 156,428
Unreserved, Reported in:				
Special Revenue funds	(28,480)	30,649	451,002	350,011
Capital Projects funds	(573,556)	(1,360,751)	(66,314)	46,067
Debt Service funds	-	-	-	-
Total All Other Governmental Funds	<u>\$ 316,102</u>	<u>\$ 459,372</u>	<u>\$ 403,793</u>	<u>\$ 552,506</u>

**Schedule 3**

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 8,159,272	\$ 8,264,914	\$ 5,710,916	\$ 6,923,028	\$ 6,431,853	\$ 6,091,556
6,814,311	6,041,658	5,820,833	4,573,835	6,133,293	6,953,116
3,793,919	4,742,865	4,544,165	4,239,769	2,234,600	3,491,220
<u>\$ 18,767,502</u>	<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>
\$ 185,627	\$ 9,054,199	\$ 2,542,720	\$ 1,522,519	\$ 823,664	\$ 3,308,249
476,420	579,781	318,562	340,574	272,462	381,851
3,771	-	2,222,121	-	-	-
-	-	-	-	-	-
<u>\$ 665,818</u>	<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>

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 18,767,702	\$ 21,860,761	\$ 22,544,391	\$ 23,303,444
Local option sales tax	4,741,138	4,674,222	6,308,937	7,170,852
Other taxes and licenses	139,174	95,724	319,496	313,058
Unrestricted intergovernmental	2,046,296	1,552,646	118,936	510,363
Restricted intergovernmental	32,443,858	24,082,880	20,132,473	12,867,033
Permits and fees	535,074	558,348	533,419	628,442
Sales and services	7,471,448	8,592,902	6,963,395	6,522,210
Investment earnings	866,875	499,270	498,490	59,191
Miscellaneous	1,480,178	607,412	210,389	282,131
<b>Total Revenues</b>	<u>\$ 68,491,743</u>	<u>\$ 62,524,165</u>	<u>\$ 57,629,926</u>	<u>\$ 51,656,724</u>
<b>Expenditures:</b>				
General Government	\$ 3,579,420	\$ 3,673,805	\$ 4,126,233	\$ 3,314,180
Public safety	8,668,893	7,426,827	14,849,091	7,773,127
Transportation	62,732	76,115	40,350	44,641
Economic and physical development	1,375,852	2,164,879	2,022,829	1,526,936
Human services	29,646,305	25,949,464	24,428,679	23,353,120
Cultural and recreational	670,252	674,034	648,861	640,331
Intergovernmental:				
Education	9,873,570	10,551,154	10,620,867	10,476,092
Capital Outlay	-	-	-	-
Debt service:				
Principal	863,738	1,107,643	1,407,776	1,550,098
Interest and other charges	702,506	755,672	709,568	572,484
Capital Outlay	17,456,807	10,672,660	698,380	1,587,419
<b>Total Expenditures</b>	<u>\$ 72,900,075</u>	<u>\$ 63,052,253</u>	<u>\$ 59,552,634</u>	<u>\$ 50,838,428</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (4,408,332)</u>	<u>\$ (528,088)</u>	<u>\$ (1,922,708)</u>	<u>\$ 818,296</u>
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	\$ -	\$ -	\$ -	\$ -
Transfers from other funds	670,000	740,654	733,872	822,526
Transfers to other funds	(220,000)	(237,567)	(208,872)	(402,026)
Transfer from component unit	155,962	153,825	85,105	-
Loan proceeds	3,000,000	-	-	1,300,000
Sale of capital assets	27,781	10,492	7,876	92,187
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 3,633,743</u>	<u>\$ 667,404</u>	<u>\$ 617,981</u>	<u>\$ 1,812,687</u>
Net Change in Fund Balances	<u>\$ (774,589)</u>	<u>\$ 139,316</u>	<u>\$ (1,304,727)</u>	<u>\$ 2,630,983</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>2.82%</u>	<u>3.56%</u>	<u>3.60%</u>	<u>4.31%</u>

**Schedule 4**

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
\$ 24,673,143	\$ 24,161,582	\$ 23,906,570	\$ 24,046,566	\$ 24,056,682	\$ 27,660,360
7,530,351	7,712,329	8,249,404	8,044,419	6,465,512	4,290,784
306,050	323,029	326,945	366,845	339,293	343,106
391,087	298,907	168,266	211,335	240,955	489,115
15,097,186	14,532,891	13,656,898	14,050,073	16,040,057	14,565,969
526,208	691,419	910,324	872,808	788,327	682,159
7,514,326	7,327,063	6,293,458	6,874,690	7,441,317	7,322,618
428,914	1,099,236	1,378,251	935,330	408,688	55,266
464,185	339,481	539,247	532,801	469,722	539,271
<u>\$ 56,931,450</u>	<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>
\$ 3,751,125	\$ 4,156,778	\$ 4,264,018	\$ 4,725,635	\$ 5,578,173	\$ 6,005,191
8,698,861	9,107,990	10,574,834	10,116,622	11,040,057	10,882,613
44,699	57,335	56,308	56,308	60,974	60,564
1,713,868	1,053,162	1,926,960	1,339,132	2,151,069	1,471,873
25,382,074	26,530,571	26,621,901	26,525,729	23,560,859	21,989,055
652,125	662,671	691,766	712,402	717,540	692,750
11,133,616	11,559,046	11,526,190	12,211,573	11,521,918	10,735,683
-	795,586	6,932,165	1,215,099	1,395,748	749,411
1,618,855	1,257,878	1,711,307	1,512,134	1,656,397	1,799,478
509,575	454,560	769,003	728,717	687,765	663,608
588,680	1,019,267	573,397	125,037	705,656	998,302
<u>\$ 54,093,478</u>	<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>\$ 2,837,972</u>	<u>\$ (168,907)</u>	<u>\$ (10,218,486)</u>	<u>\$ (3,333,521)</u>	<u>\$ (2,825,603)</u>	<u>\$ (99,880)</u>
\$ -	\$ 9,370,000	\$ -	\$ -	\$ -	\$ 3,430,000
73,697	-	-	1,663,682	-	-
(73,753)	-	-	-	-	-
-	-	-	-	-	-
-	-	760,000	-	1,121,750	1,000,000
10,432	49,004	23,966	20,667	-	-
<u>\$ 10,376</u>	<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>\$ 2,848,348</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>3.98%</u>	<u>3.08%</u>	<u>3.81%</u>	<u>3.79%</u>	<u>4.02%</u>	<u>4.47%</u>

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

<b>Fiscal Year</b>	<b>Real Property</b>			<b>Personal Property</b>
	<b>Residential Property</b>	<b>Commercial/ Manufacturing Property</b>	<b>Other</b>	
2001	\$ 695,217	\$ 566,607	\$ 152,956	\$ 703,812
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

Source: Edgecombe County Tax Assessor

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

**Schedule 5**

<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>
\$ 80,539	\$ 2,038,053	0.91%	\$ 2,547,566
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

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

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>County Direct Rate</b>				
General - Edgecombe(1)	0.86	0.94	0.94	0.94
<b>City Rates</b>				
City of Rocky Mount	0.55	0.58	0.58	0.55
<b>Town Rates</b>				
Town of Conetoe	0.16	0.16	0.16	0.17
Town of Leggett	0.25	0.25	0.25	0.25
Town of Macclesfield	0.37	0.45	0.45	0.45
Town of Pinetops	0.31	0.36	0.36	0.36
Town of Princeville	0.62	0.78	0.78	0.78
Town of Sharpsburg	0.50	0.50	0.50	0.45
Town of Speed	0.30	0.30	0.30	0.30
Town of Tarboro	0.36	0.42	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**

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
0.93	0.93	0.91	0.91	0.87	0.91
0.50	0.50	0.50	0.48	0.44	0.46
0.17	0.18	0.20	0.20	0.20	0.21
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	0.34	0.37
0.78	0.78	0.78	0.78	0.78	0.78
0.45	0.45	0.45	0.45	0.45	0.41
0.25	0.25	0.25	0.25	0.25	0.25
0.42	0.42	0.42	0.42	0.42	0.46
0.69	0.69	0.69	0.67	0.67	0.67

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

Schedule 7

<u>Taxpayer</u>	<u>2000</u>		<u>2001</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.	\$ -	-	\$ 61,614,080	2.74%
Sprint	49,100,590	2.28%	64,346,582	2.86%
Keihin Carolina Systems Technology	17,205,060	0.86%	33,587,691	1.49%
Cogentrix	58,929,262	2.73%	58,247,693	2.59%
A T & T Communications	25,812,855	1.19%	23,172,788	1.03%
Sara Lee Bakery	43,362,064	2.01%	67,492,015	3.00%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	23,295,824	1.08%	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	24,777,472	1.15%	19,655,110	0.87%
Glenoit Mills	26,344,969	1.22%	24,060,720	1.07%
EMC	-	-	17,118,018	0.76%
American Fibers & Yarns	19,746,373	0.92%	19,213,796	0.85%
CSX	-	-	-	-
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	15,411,638	0.72%	-	-
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	-	-	-	-
Total	<u>\$ 303,986,107</u>	<u>14.16%</u>	<u>\$ 388,508,493</u>	<u>17.26%</u>

Source: Tax Assessor for the entity.

**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.	\$ 62,530,718	2.48%	\$ 73,703,681	2.98%
Sprint	63,507,922	2.52%	62,454,297	2.52%
Keihin Carolina Systems Technology	44,701,599	1.78%	48,366,714	1.95%
Cogentrix	57,065,659	2.27%	47,912,247	1.94%
A T & T Communications	-	-	-	-
Sara Lee Bakery	64,062,187	2.54%	71,971,615	2.91%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	21,731,630	0.86%	19,845,620	0.80%
Glenoit Mills	20,699,894	0.82%	-	-
EMC	17,939,452	0.71%	18,224,126	0.74%
American Fibers & Yarns	18,157,257	0.72%	25,355,872	1.02%
CSX	-	-	14,810,087	0.60%
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	15,267,046	0.61%	12,735,074	0.51%
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	-	-	-	-
Total	<u>\$ 385,663,364</u>	<u>15.31%</u>	<u>\$ 395,379,333</u>	<u>15.97%</u>

Source: Tax Assessor for the entity.

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

**Schedule 7**

<b>Taxpayer</b>	<b>2004</b>		<b>2005</b>	
	<b>Assessed Valuation</b>	<b>% of Total Assessed Valuation</b>	<b>Assessed Valuation</b>	<b>% of Total Assessed Valuation</b>
QVC Rocky Mount, Inc.	\$ 81,043,588	3.22%	\$ 71,915,287	2.83%
Sprint	61,806,698	2.45%	67,184,075	2.64%
Keihin Carolina Systems Technology	56,190,873	2.23%	59,623,706	2.34%
Cogentrix	51,843,151	2.06%	46,748,445	1.84%
A T & T Communications	13,031,564	0.52%	-	-
Sara Lee Bakery	54,646,983	2.17%	63,461,613	2.50%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	17,630,200	0.70%	16,427,150	0.65%
Glenoit Mills	-	-	-	-
EMC	18,749,478	0.74%	20,043,954	0.79%
American Fibers & Yarns	24,514,529	0.97%	12,835,571	0.50%
CSX	-	-	13,957,580	0.55%
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	13,444,522	0.53%	15,715,109	0.62%
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	-	-	-	-
<b>Total</b>	<b>\$ 392,901,586</b>	<b>15.59%</b>	<b>\$ 387,912,490</b>	<b>15.26%</b>

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.	\$ 69,489,661	3.23%	\$ 70,942,641	2.84%
Sprint	58,849,236	2.74%	58,475,763	2.34%
Keihin Carolina Systems Technology	66,333,882	3.09%	66,464,930	2.66%
Cogentrix	45,583,521	2.12%	44,470,824	1.78%
A T & T Communications	-	-	-	-
Sara Lee Bakery	58,557,623	2.72%	51,687,341	2.07%
Edgecombe GENCO LLC	-	-	-	-
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	17,329,980	0.81%	16,839,258	0.67%
Glenoit Mills	-	-	-	-
EMC	20,467,170	0.95%	21,442,067	0.86%
American Fibers & Yarns	-	-	-	-
CSX	13,486,537	0.63%	14,956,853	0.60%
Berry Plastics Holding Corp	-	-	-	-
Carlisle Plastics LP	16,202,318	0.75%	16,956,148	0.68%
Air Systems Components	9,498,365	0.44%	-	-
Covalence Specialty Materials Corp	-	-	16,584,924	0.66%
ABB Power	-	-	-	-
Piedmont Natural Gas Co Inc	-	-	-	-
Total	<u>\$ 375,798,293</u>	<u>17.48%</u>	<u>\$ 378,820,749</u>	<u>15.16%</u>

Source: Tax Assessor for the entity.

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

Schedule 7

Taxpayer	2008		2009	
	Assessed Valuation	% of Total Assessed Valuation	Assessed Valuation	% of Total Assessed Valuation
QVC Rocky Mount, Inc.	\$ 65,878,958	2.61%	\$ 80,193,033	2.59%
Sprint	56,759,751	2.25%	67,452,488	2.18%
Keihin Carolina Systems Technology	63,944,268	2.53%	71,613,882	2.31%
Cogentrix	42,169,492	1.67%	-	-
A T & T Communications	-	-	-	-
Sara Lee Bakery	48,662,817	1.93%	48,747,068	1.57%
Edgecombe GENCO LLC	-	-	35,539,654	1.15%
Amoco Fabrics & Fibers	-	-	-	-
Empire Industries	-	-	-	-
Dixie Yarn/Fieldcrest Cannon	-	-	-	-
Heritage Hospital Inc.	-	-	-	-
Superior Telecommunications	15,540,578	0.62%	13,344,978	0.43%
Glenoit Mills	-	-	-	-
EMC	20,661,809	0.82%	25,814,885	0.83%
American Fibers & Yarns	-	-	-	-
CSX	15,585,561	0.62%	20,572,575	0.66%
Berry Plastics Holding Corp	-	-	13,666,327	0.44%
Carlisle Plastics LP	15,798,330	0.63%	-	-
Air Systems Components	-	-	-	-
Covalence Specialty Materials Corp	-	-	-	-
ABB Power	9,359,158	0.37%	-	-
Piedmont Natural Gas Co Inc	-	-	11,222,601	0.36%
Total	<u>\$ 354,360,722</u>	<u>14.05%</u>	<u>\$ 388,167,491</u>	<u>12.54%</u>

Source: Tax Assessor for the entity.

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

<b>Levy</b>	<b>Taxes Levied for the Fiscal Year (Original Levy)</b>		<b>Collected within the Fiscal Year of the Levy</b>	
	<b>Amount</b>	<b>Percentage of Levy</b>	<b>Amount</b>	<b>Percentage of Levy</b>
2001	\$ 18,599,076	92.58%	\$ 17,218,279	92.58%
2002	21,601,406	92.44%	19,968,594	92.44%
2003	22,779,178	90.79%	20,680,173	90.79%
2004	22,560,839	92.00%	20,754,985	92.00%
2005	23,253,954	93.74%	21,797,535	93.74%
2006	23,151,447	93.49%	21,645,355	93.49%
2007	23,244,190	93.07%	21,634,223	93.07%
2008	23,629,262	91.99%	21,737,165	91.99%
2009	23,320,868	92.11%	21,481,564	92.11%
2010	26,808,512	92.47%	24,791,152	92.47%

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**

<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
	<b>Amount</b>	<b>Percentage of Levy</b>
\$ 1,229,563	\$ 18,447,842	99.19%
1,401,315	21,369,909	98.93%
1,836,744	22,516,917	98.85%
1,528,940	22,283,925	98.77%
1,185,762	22,983,297	98.84%
1,181,230	22,826,585	98.60%
1,197,550	22,831,773	98.23%
1,371,344	23,108,509	97.80%
1,055,132	22,536,696	96.64%
-	24,791,152	92.47%

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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
2010	\$ 11,250,000	n/a	\$ 219	0.36%
2009	8,220,000	n/a	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%
2001	-	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**

<b>Legal Debt Margin Calculation</b>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Assessed Value--January 1,	<u>\$ 2,038,053,077</u>	<u>\$ 2,470,975,862</u>	<u>\$ 2,492,546,665</u>	<u>\$ 2,473,573,956</u>
Debt limit - 8% of assessed value	<u>\$ 163,044,246</u>	<u>\$ 197,678,069</u>	<u>\$ 199,403,733</u>	<u>\$ 197,885,916</u>
Gross Debt:				
Total bonded debt	\$ 4,349,000	\$ 4,300,500	\$ 8,250,000	\$ 8,491,000
Revenue Bonds	-	-	-	-
Installment Purchase	14,765,896	13,995,627	12,595,757	12,836,116
Notes Payable	1,235,281	1,124,405	829,150	602,869
Gross Debt	<u>\$ 20,350,177</u>	<u>\$ 19,420,532</u>	<u>\$ 21,674,907</u>	<u>\$ 21,929,985</u>
Less Water Gross Debt	<u>4,349,000</u>	<u>4,587,849</u>	<u>8,526,051</u>	<u>8,755,175</u>
Net Bonded Debt				
Applicable to Debt Limit	<u>\$ 16,001,177</u>	<u>\$ 14,832,683</u>	<u>\$ 13,148,856</u>	<u>\$ 13,174,810</u>
Legal Debt Margin	<u>\$ 147,043,069</u>	<u>\$ 182,845,386</u>	<u>\$ 186,254,877</u>	<u>\$ 184,711,106</u>
 Total net debt applicable to the limit as a percentage of debt limit	 9.81%	 7.50%	 6.59%	 6.66%

Schedule 10

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>\$ 2,495,552,804</u>	<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>\$ 199,644,224</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>
\$ 8,392,000	\$ 16,364,000	\$ 15,726,000	\$ 15,380,500	\$ 18,859,500	\$ 21,784,500
-	1,296,000	1,276,500	1,256,000	1,234,500	1,212,000
11,434,509	10,086,839	9,019,746	7,914,442	7,819,982	7,488,766
<u>2,870,729</u>	<u>3,140,060</u>	<u>4,086,919</u>	<u>3,337,527</u>	<u>2,895,488</u>	<u>2,685,703</u>
<u>\$ 22,697,238</u>	<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>11,141,283</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>\$ 11,555,955</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>\$ 188,088,269</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>
5.79%	9.89%	9.71%	8.60%	8.26%	7.79%

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

**Schedule 11**

<b>Calendar Year</b>	<b>Population</b>	<b>Personal Income (thousands of dollars)</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>School ADM</b>	<b>Unemployment Rate</b>
	(1)	(2)	(2)	(1)	(3)	(4)
2001	55,606	\$ 1,181,294	\$ 21,244	35.85	7,468	5.9%
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	*	*	36.74	7,221	14.2%
2010	51,327			38.88	7,207	16.10%

\*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	2001		2002	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Edgecombe County Schools	1,110	4.83%	1,100	4.98%
Sara Lee Bakery	930	4.05%	935	4.23%
QVC, Inc.	400	1.74%	400	1.81%
Edgecombe County	640	2.79%	680	3.08%
MBM Corporation	350	1.52%	700	3.17%
Carolina Telephone/Sprint/Embarq	650	2.83%	650	2.94%
Tyco Plastics	-	-	-	-
Berry Plastics	-	-	-	-
Keihin Carolina System Technology	400	1.74%	430	1.95%
Air System Components	170	0.74%	287	1.30%
Barcalounger Company	430	1.87%	430	1.95%
Heritage Hospital Inc.	360	1.57%	489	2.21%
Superior Telecommunications	400	1.74%	222	1.01%
Barnhill Contracting Company	200	0.87%	735	3.33%
Long Agribusiness	-	-	-	-
General Foam Plastics	-	-	-	-
Focal Point	-	-	-	-
Glenoit LLC	1,000	4.36%	447	2.02%
ABB Power T&D Company, Inc.	200	0.87%	176	0.80%
Glenoit Fabrics (GH) Corporation	-	-	-	0.00%
Mayo Knitting Mills	310	1.35%	221	1.00%
Tri-County Industries	175	0.76%	175	0.79%
HC Composites LLC	-	-	-	-
Stretchlon, Inc.	100	0.44%	100	0.45%
Royster Clark, Inc.	100	0.44%	100	0.45%
Inco, Inc.	350	1.52%	320	1.45%
Carlisle Plastics, Inc.	320	1.39%	270	1.22%
Long Manufacturing Co., Inc.	210	0.91%	181	0.82%
SE&M	200	0.87%	117	0.53%
Pillotex Corporation	250	1.09%	250	1.13%
Empire Industries, Inc.	200	0.87%	200	0.91%
American Fabrics & Fibers	275	1.20%	-	-
Ansell Edmont Industrial	200	0.87%	-	-
Heilig-Meyers Distribution	160	0.70%	-	-
Engine Systems	100	0.44%	-	-
Trinity Industries	100	0.44%	-	-
Covalence Plastica	-	-	-	-
Farm Trac	-	-	-	-
Town of Tarboro	-	-	-	-
Greenleaf Nursery	-	-	-	-
Nomaco, Inc.	-	-	-	-
Spongex, LLC	-	-	-	-
<b>Total</b>	<b>10,290</b>	<b>44.82%</b>	<b>9,615</b>	<b>43.54%</b>

Source:

Carolina Gateway Partnership  
Employment Security Commission of  
North Carolina

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

**Schedule 12**

<u>Employer</u>	<u>2003</u>		<u>2004</u>	
	<u>Employees</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>
Edgecombe County Schools	1,100	4.92%	1,100	4.94%
Sara Lee Bakery	935	4.18%	850	3.81%
QVC, Inc.	400	1.79%	850	3.81%
Edgecombe County	680	3.04%	650	2.92%
MBM Corporation	700	3.13%	400	1.79%
Carolina Telephone/Sprint/Embarq	650	2.91%	600	2.69%
Tyco Plastics	-	-	550	2.47%
Berry Plastics	-	-	550	2.47%
Keihin Carolina System Technology	430	1.92%	500	2.24%
Air System Components	287	1.28%	325	1.46%
Barcalounger Company	430	1.92%	400	1.79%
Heritage Hospital Inc.	489	2.19%	485	2.18%
Superior Telecommunications	222	0.99%	400	1.79%
Barnhill Contracting Company	735	3.29%	250	1.12%
Long Agribusiness	-	-	225	1.01%
General Foam Plastics	200	0.90%	200	0.90%
Focal Point	-	-	200	0.90%
Glenoit LLC	447	2.00%	200	0.90%
ABB Power T&D Company, Inc.	176	0.79%	180	0.81%
Glenoit Fabrics (GH) Corporation	-	-	200	0.90%
Mayo Knitting Mills	221	0.99%	200	0.90%
Tri-County Industries	175	0.78%	125	0.56%
HC Composites LLC	-	-	150	0.67%
Stretchlon, Inc.	100	0.45%	100	0.45%
Royster Clark, Inc.	100	0.45%	-	-
Inco, Inc.	320	1.43%	375	1.68%
Carlisle Plastics, Inc.	270	1.21%	-	-
Long Manufacturing Co., Inc.	181	0.81%	-	-
SE&M	117	0.52%	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	<u>9,365</u>	<u>41.91%</u>	<u>10,205</u>	<u>45.79%</u>

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	2005		2006	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Edgecombe County Schools	1,100	4.95%	1,100	4.92%
Sara Lee Bakery	850	3.82%	850	3.80%
QVC, Inc.	850	3.82%	850	3.80%
Edgecombe County	650	2.92%	550	2.46%
MBM Corporation	600	2.70%	600	2.68%
Carolina Telephone/Sprint/Embarq	600	2.70%	600	2.68%
Tyco Plastics	550	2.47%	550	2.46%
Berry Plastics	550	2.47%	550	2.46%
Keihin Carolina System Technology	500	2.25%	500	2.24%
Air System Components	425	1.91%	450	2.01%
Barcalounger Company	400	1.80%	400	1.79%
Heritage Hospital Inc.	380	1.71%	380	1.70%
Superior Telecommunications	340	1.53%	340	1.52%
Barnhill Contracting Company	250	1.12%	250	1.12%
Long Agribusiness	200	0.90%	200	0.89%
General Foam Plastics	200	0.90%	200	0.89%
Focal Point	200	0.90%	200	0.89%
Glenoit LLC	200	0.90%	200	0.89%
ABB Power T&D Company, Inc.	180	0.81%	180	0.80%
Glenoit Fabrics (GH) Corporation	160	0.72%	160	0.72%
Mayo Knitting Mills	150	0.67%	150	0.67%
Tri-County Industries	130	0.58%	125	0.56%
HC Composites LLC	125	0.56%	150	0.67%
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	-	-	-	-
Farm Trac	-	-	-	-
Town of Tarboro	-	-	-	-
Greenleaf Nursery	-	-	-	-
Nomaco, Inc.	-	-	-	-
Spongex, LLC	-	-	-	-
<b>Total</b>	<b>9,690</b>	<b>43.58%</b>	<b>9,635</b>	<b>43.08%</b>

Source:

Carolina Gateway Partnership  
Employment Security Commission of  
North Carolina

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

Schedule 12

<u>Employer</u>	<u>2007</u>		<u>2008</u>	
	<u>Employees</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>
Edgecombe County Schools	1,100	4.92%	1,100	4.92%
Sara Lee Bakery	800	3.58%	800	3.58%
QVC, Inc.	850	3.80%	950	4.25%
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	-	-	-	-
Berry Plastics	-	-	-	-
Keihin Carolina System Technology	500	2.24%	500	2.24%
Air System Components	450	2.01%	550	2.46%
Barcalounger Company	200	0.89%	200	0.89%
Heritage Hospital Inc.	380	1.70%	380	1.70%
Superior Telecommunications	300	1.34%	300	1.34%
Barnhill Contracting Company	275	1.23%	275	1.23%
Long Agribusiness	-	-	-	-
General Foam Plastics	200	0.89%	200	0.89%
Focal Point	100	0.45%	100	0.45%
Glenoit LLC	-	-	-	-
ABB Power T&D Company, Inc.	220	0.98%	220	0.98%
Glenoit Fabrics (GH) Corporation	-	-	-	-
Mayo Knitting Mills	140	0.63%	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%	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%	-	0.00%
Farm Trac	175	0.78%	-	0.00%
Town of Tarboro	170	0.76%	170	0.76%
Greenleaf Nursery	-	-	-	-
Nomaco, Inc.	-	-	150	0.67%
Spongex, LLC	-	-	100	0.45%
<b>Total</b>	<b>8,510</b>	<b>38.05%</b>	<b>8,175</b>	<b>36.55%</b>

Source:

Carolina Gateway Partnership  
Employment Security Commission of  
North Carolina

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

Schedule 12

<u>Employer</u>	<u>2009</u>		<u>2010</u>	
	<u>Employees</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>
Edgecombe County Schools	1,100	4.92%	1,100	4.92%
Sara Lee Bakery	800	3.58%	800	3.58%
QVC, Inc.	1,025	4.58%	1,025	4.58%
Edgecombe County	467	2.09%	461	2.06%
MBM Corporation	600	2.68%	600	2.68%
Carolina Telephone/Sprint/Embarq	1,000	4.47%	-	-
Tyco Plastics	-	-	-	-
Berry Plastics	-	-	350	1.56%
Keihin Carolina System Technology	400	1.79%	400	1.79%
Air System Components	822	3.68%	500	2.24%
Barcalounger Company	-	-	-	-
Heritage Hospital Inc.	470	2.10%	470	2.10%
Superior Telecommunications	260	1.16%	260	1.16%
Barnhill Contracting Company	275	1.23%	275	1.23%
Long Agribusiness	-	-	-	-
General Foam Plastics	250	1.12%	250	1.12%
Focal Point	-	-	-	-
Glenoit LLC	-	-	-	-
ABB Power T&D Company, Inc.	270	1.21%	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.	-	-	-	-
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	0.76%
Greenleaf Nursery	160	0.72%	160	0.72%
Nomaco, Inc.	100	0.45%	100	0.45%
Spongex, LLC	120	0.54%	120	0.54%
Total	<u>8,619</u>	<u>38.54%</u>	<u>7,641</u>	<u>34.16%</u>

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,**

<b>Function/Program</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>General Government</b>										
County Manager	3	3	3	3	3	3	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	3	4	4	4	4	4	4	4
Public Buildings	10	10	10	10	10	10	10	10	10	10
<b>Public Safety</b>										
Sheriff	53	54	55	56	56	58	55	59	61	61
Dispatchers	10	10	10	10	10	11	11	11	11	11
Jail	50	50	50	50	61	61	58	62	58	60
Emergency Services	2	2	2	2	2	3	3	3	3	3
Building Inspections	3	3	3	3	3	3	3	2	2	2
<b>Economic Development</b>										
Planning	5	5	5	5	5	5	5	5	5	5
Housing Recovery	1	1	1	1	1	1	0	0	0	0
CoOp. Extension	10	10	10	10	10	10	10	7	7	7
Soil Conservation	4	4	4	4	4	3	3	3	3	3
<b>Human Services</b>										
Health Department	80	80	81	81	81	81	70	72	81	81
HomeHealth	34	34	34	34	34	34	31	26	23	23
Social Serives	165	161	161	166	166	166	153	151	141	142
Veterans	1	2	2	2	2	2	2	2	2	2
<b>Landfill</b>	8	8	8	8	8	8	8	8	8	8
<b>Water and Sewer</b>	3	4	4	9	9	9	9	9	9	9
<b>Total</b>	<b>474</b>	<b>473</b>	<b>475</b>	<b>487</b>	<b>498</b>	<b>501</b>	<b>468</b>	<b>467</b>	<b>461</b>	<b>464</b>

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**

<b>Function/Program</b>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Board of Elections					
Number of registered voters	35,408	35,475	35,752	36,344	34,908
Planning/Inspections					
Building permits issued	108	87	83	47	25
Emergency Services					
Fire-Number of calls answered	571	1,369	1,284	1,388	1,585
Fire-Number of inspections conducted	250	250	156	217	143
Veterans					
Number of clients served	1,558	2,119	7,105	3,942	5,814
Water					
Number of water customers	1,375	2,148	2,390	3,014	3,199

Source: County departments

\*Information not available

**Schedule 14**

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
35,450	34,861	38,189	37,040	37,582
38	35	29	21	24
1,571	1,641	1,992	1,867	1,955
116	185	169	146	188
3,141	2,561	2,868	2,861	5,684
3,724	3,845	3,932	4,035	4,200

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

<b>Function/Program</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>Fire Protection</b>					
Number of Fire personnel and officers	450	450	500	238	231
Number of stations	15	15	15	9	9
<b>Law Enforcement</b>					
Number of stations	2	3	3	3	3
Patrol units	68	68	68	68	68
<b>Public Works</b>					
Paved/unpaved highways (miles)	700	700	700	700	700
Number of traffic lights	69	69	69	69	69
<b>Cultural and Recreation</b>					
Community Centers	4	4	4	4	4
Parks	5	5	5	5	5
Golf Courses	2	3	2	2	2
Swimming pools	4	4	4	4	4
Tennis Courts	6	6	6	6	6
Museums and Art Centers	4	4	4	4	4
<b>Water</b>					
Water mains(miles)	96	210	210	210	210
Fire hydrants	96	211	211	211	211
Storage capacity (millions of gallons)	1.5	1.5	1.5	1.5	1.5
<b>Facilities and Services not included in Reporting Entity:</b>					
<b>Education;</b>					
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
<b>Hospitals:</b>					
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**

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
233 9	233 9	227 9	243 9	233 9
3 68	4 91	4 95	4 95	4 95
730 77	730 85	754 86	754 86	742 86
4 5 3 4 6 4	4 5 3 4 6 4	4 5 3 4 6 4	4 5 3 4 6 4	4 5 3 4 6 4
560 426 2.1	560 426 2.1	560 426 2.1	560 600 2.1	560 600 2.1
1 4 11 1	1 4 11 1	1 4 11 1	1 4 11 1	1 4 11 1
1 127	1 127	1 127	1 127	1 127

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**Compliance Section**

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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 units, each major fund, and the aggregated remaining fund information of Edgecombe County, North Carolina, as of and for the year ended June 30, 2010, which collectively comprises Edgecombe County's basic financial statements, and have issued our report thereon dated November 19, 2010. 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

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 opinions 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 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*.

We noted certain matters that we reported to management of Edgecombe County, in a separate letter dated November 19, 2010.

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 19, 2010

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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, 2010. 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 could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

## 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 federal 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 federal program to determine the 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.

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 19, 2010

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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 could have a direct and material effect on each of its major State programs for the year ended June 30, 2010. 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 compliance requirements referred to above that are could have a direct and material effect on each of its major State programs for the year ended June 30, 2010

## 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 the requirements that could have a direct and material effect on a major State program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance 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 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 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.

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 19, 2010

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**Edgecombe County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2010**

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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    X no
  
- Significant deficiency (ies)  
  identified that are not considered  
  to be material weaknesses                   \_\_\_yes    X none reported

Noncompliance material to financial  
statements noted                                   \_\_\_yes    X no

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified?                   \_\_\_yes    X no
  
- Significant deficiency (ies)  
  identified that are not considered  
  to be material weaknesses                   \_\_\_yes    X 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    X no

**Edgecombe County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2010**

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
10.551 and 10.561	Food Stamp Cluster
93.778	Medical Assistance Program
93.558	Temporary Assistance for Needy Families
93.714	ARRA-Temporary Assistance for Needy Families
	Subsidized Child Care Cluster:
93.596	Child Care Development Fund
93.575	Child Care and Development Block Grant
93.667	Social Services Block Grant
93.558	Temporary Assistance for Needy Families
93.713	ARRA - Childcare and Development Block Grant

Federal programs that did not meet the criteria for a major program using the criteria discussed in OMB Circular A-133 Section .520 but were tested as a major program because the State awards meet the threshold for a major State program are included in the list of major federal programs (Subsidized Childcare Cluster).

Dollar threshold used to distinguish  
between Type A and Type B Programs \$3,000,000

Auditee qualified as low-risk auditee  yes  no

**State Awards**

Internal control over major State 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 State programs:  
Unqualified.

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

**Edgecombe County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2010**

Identification of major State programs:

<u>Program Name</u>	<u>CFDA #</u>
State/County Special Assistance for Adults	
Subsidized Child Care Cluster:	
Tanf - Moe	N/A
State Appropriations	N/A
CWS Adoption subsidy	N/A
Rural Center - Clean Water Partners Grant Programs	N/A

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Section II - Financial Statement Findings

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NONE

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Section III - Federal Award Findings and Questioned Costs

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NONE

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Section IV- State Award Findings and Questioned Costs

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NONE

**Edgecombe County, North Carolina  
Summary Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2010**

**Finding 09-1**

Status: Corrected.

**Finding 09-2**

Status: Corrected.

**Finding 09-3**

Status: Corrected.

**Finding 09-4**

Status: Corrected.

**Finding 09-5**

Status: Corrected.

**Finding 09-6**

Status: Corrected.

**Edgecombe County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2010**

<b>Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>
<b>FEDERAL GRANTS:</b>	
<b>U.S. Department of Health and Human Services:</b>	
Passed-through N.C. Department of Health and Human Services:	
Division of Social Services:	
Administration:	
Temporary Assistance for Needy Families	93.558
ARRA - Temporary Assistnace 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
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 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>
\$ 1,223,909	\$ -	\$ 918,576
334,978	-	-
55,737	-	-
472,314	-	-
4,273	-	-
386,046	9,891	120,629
875,477	38,154	451,035
24,206	6,052	-
12,210	3,157	1,230
21,586	1,852	5,148
1,565,590	(700)	(330)
467,804	-	-
13,732	-	-
\$ 5,457,862	\$ 58,406	\$ 1,496,288
\$ 191,196	\$ -	\$ 14,778
297,043	27,352	269,691
429,465	87,972	87,972
98,909	170	98,200
115,198	22,038	24,565
\$ 1,131,811	\$ 137,532	\$ 495,206

(continued)

**Edgecombe County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2010**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number
<b>FEDERAL GRANTS: (continued)</b>	
<b>U.S. Department of Health and Human Services: (continued)</b>	
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
ARRA - Child Care and Development Block Grant	93.713
Total Child Care Development Fund Cluster	
Social Services Block Grant	93.667
Temporary Assistance for Needy Families	93.558
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>
\$ 833,935	\$ -	\$ 833,935
27,375	9,113	14,638
27,535	27,535	-
18,520	-	18,520
80,495,280	28,452,279	14,749
<u>\$ 81,402,645</u>	<u>\$ 28,488,927</u>	<u>\$ 881,842</u>
\$ 131,072	\$ -	\$ -
1,492,413	-	-
462,069	-	-
210,336	113,176	-
280,809	-	-
<u>\$ 2,576,699</u>	<u>\$ 113,176</u>	<u>\$ -</u>
20,576	-	-
438,547	-	-
-	176,900	-
-	224,624	-
<u>\$ 3,035,822</u>	<u>\$ 514,700</u>	<u>\$ -</u>

(continued)

**Edgecombe County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2010**

<b>Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>
<b>FEDERAL GRANTS: (continued)</b>	
<b>U.S. Department of Health and Human Services: (continued)</b>	
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
First Time Motherhood	93.110
Total N.C. Department of Health and Human Services	
Total U.S. Department of Health and Human Services	
<b>U.S. Department of Agriculture:</b>	
Passed-through N.C. Department of Health and Human Services:	
Division of Social Services:	
Food Stamp Cluster:	
Food Stamp Program - Noncash	10.551
Food Stamp Program	10.561
Total Division of Social Services	
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	

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 150,916	\$ -	\$ -
436,904	-	-
31,657	-	-
9,932	-	-
28,993	-	-
9,916	-	-
133,593	-	-
15,902	-	-
93,696	-	-
10,900	-	-
\$ 922,409	\$ -	\$ -
\$ 91,950,549	\$ 29,199,565	\$ 2,873,336
\$ 22,329,472	\$ -	\$ -
702,992	-	605,945
\$ 23,032,464	\$ -	\$ 605,945
\$ 361,414	\$ -	\$ -
1,526,372	-	-
\$ 1,887,786	\$ -	\$ -

(continued)

**Edgecombe County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2010**

<b>Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>
<b>FEDERAL GRANTS: (continued)</b>	
<b>U.S. Department of Agriculture: (continued)</b>	
Passed-through N.C. Rural Economic Development Center:	
Water and Waste Disposal Systems for Rural Communities	10.760
Rural Housing Preservation Grants	10.433
Total N.C. Rural Economic Development Center	
Total U.S. Department of Agriculture	
<b>U.S. Department of Housing and Urban Development:</b>	
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	
<b>U.S. Department of Justice:</b>	
Passed-through N.C. Department of Correction:	
Criminal Justice	16.541
COPS Technology Grant	16.710
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>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 1,114,380	\$ -	\$ -
28,194	-	-
\$ 1,142,574	\$ -	\$ -
\$ 26,062,824	\$ -	\$ 605,945
\$ 696,739	\$ -	\$ -
57,345	-	-
\$ 754,084	\$ -	\$ -
\$ 67,841	\$ -	\$ -
145,511	-	-
46,982	-	-
138,885	-	-
40,006	-	7,650
\$ 439,225	\$ -	\$ 7,650

(continued)

**Edgecombe County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2010**

<b>Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>
<b>FEDERAL GRANTS: (continued)</b>	
<b>U.S. Department of Aging:</b>	
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
Smart Start	N/A
TANF Program Integrity	N/A
CWS Adoption Subsidy	N/A
State Foster Home	N/A
SFHF Maximization	N/A
Work First Non-Reimbursable	N/A
Energy Neighbors	N/A

Total Division of Social Services

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 18,673	\$ 1,098	\$ -
114,589	6,741	-
52,219	3,072	-
14,217	836	-
25,986	1,529	-
7,002	412	-
64,253	1,836	-
19,997	-	-
12,338	822	-
\$ 329,274	\$ 16,346	\$ -

\$ -	\$ -	\$ 225,886
-	-	11,175
-	723,564	723,564
-	20,807	8,988
-	35,815	-
-	1,355	-
-	26,616	-
-	105,852	-
-	2,351	-
-	310,163	76,194
-	82,893	82,892
-	97,707	97,762
-	-	515
-	168	-
\$ -	\$ 1,407,291	\$ 1,226,976

(continued)

**Edgecombe County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2010**

<b>Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>
<b>STATE GRANTS: (continued)</b>	
<b>N.C. Department of Human and Health Services: (continued)</b>	
Division of Health Services:	
Preparedness and Response	N/A
AIDS - State	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
LHD	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	
<b>N.C. Department of Crime Control and Public Safety:</b>	
Emergency Management Services Grant	N/A
Homeland Security Grant	N/A
Justice Assistance Grant	N/A
Total N.C. Department of Crime Control and Public Safety	

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ -	\$ 40,340	\$ -
-	54,088	-
-	9,052	-
-	213,921	-
-	7,367	-
-	6,521	-
-	18,117	-
-	825	-
-	44,938	-
-	5,610	-
-	800	-
-	1,000	-
<u>\$ -</u>	<u>\$ 402,579</u>	<u>\$ -</u>
\$ -	\$ 25,699	\$ -
-	10,891	-
-	8,630	-
-	144,725	-
-	148	-
<u>\$ -</u>	<u>\$ 190,093</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 1,999,963</u>	<u>\$ 1,226,976</u>
\$ -	\$ 35,937	\$ 35,937
-	271	-
-	41,564	-
<u>\$ -</u>	<u>\$ 77,772</u>	<u>\$ 35,937</u>

(continued)

**Edgecombe County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2010**

<b>Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>
<b>STATE GRANTS: (continued)</b>	
<b>N.C. Department of Transportation:</b>	
Operating Assistance	N/A
<b>N.C. Department of Environment and Natural Resources</b>	
Rural Center Grants	N/A
White Goods Management Program	N/A
Scrap Tire Program	N/A
Recycling Grant	N/A
Total N.C. Department of Environment and Natural Resources	
<b>N.C. Department of Juvenile Justice &amp; Delinquency Prevention:</b>	
Youth Services	N/A
<b>N.C. Department of Agriculture and Consumer Services:</b>	
Farmland Protection Plan	N/A
<b>N.C. Department of Commerce:</b>	
Rural Center - Clean Water Partners Grant Programs	N/A
Total Financial Assistance	

**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.

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
<u>\$ -</u>	<u>\$ 195,450</u>	<u>\$ -</u>
\$ -	\$ 23,525	\$ -
-	20,791	-
-	7,235	-
-	10,000	3,600
<u>\$ -</u>	<u>\$ 61,551</u>	<u>\$ 3,600</u>
<u>\$ -</u>	<u>\$ 208,006</u>	<u>\$ 29,233</u>
<u>\$ -</u>	<u>\$ 29,715</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 1,162,504</u>	<u>\$ -</u>
<u><u>\$ 119,535,956</u></u>	<u><u>\$ 32,950,872</u></u>	<u><u>\$ 4,782,677</u></u>

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