PITT COUNTY BOARD OF EDUCATION

NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT







Year Ended June 30, 2022



ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE

PITT COUNTY BOARD OF EDUCATION, NORTH CAROLINA

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Ethan Lenker, Ed.D. Superintendent

Prepared by
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Assistant Superintendent of
Financial Services

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INTRODUCTORY SECTION



December 22, 2022

To the Members of the Pitt County Board of Education and the Citizens of Pitt County, North Carolina:

In compliance with local ordinances and the Public Schools Laws of North Carolina, the Annual Comprehensive Financial Report of the Pitt County Board of Education (Board) for the fiscal year ended June 30, 2022, is herewith submitted. These ordinances and statutes require that the Board issue annually a report on its financial position and activity and that an independent firm of certified public accountants will audit this report. Responsibility for the accuracy, completeness, and clarity of this report rests with the Superintendent and the Associate Superintendent of Financial Services.

Carr, Riggs, & Ingram, P.L.L.C. (Certified Public Accountants) following the requirements and guidelines promulgated by the Governmental Accounting Standards Board (GASB), assisted in the preparation of the report. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly reflect the financial position and results of operations of the Board. All disclosures necessary to enable the reader to gain the maximum understanding of the Board's financial activity have been included.

In addition, Carr, Riggs, & Ingram, P.L.L.C. (Certified Public Accountants) has audited the Board's financial statements for the fiscal year ended June 30, 2022. The goal of the audit was to provide reasonable assurance that the financial statements of Board for the fiscal year ended June 30, 2022, 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 unmodified opinion that the Board's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP).

The independent audit of the financial statements of the Board was part of broader federal and state mandates; which require "Single Audits". These audits are designed to meet the special needs of the federal and state 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 reports are included in this document. The Board understands the importance of quality internal control structure and places emphasis on ensuring compliance with grant requirements. The Board's fiscal year end June 30, 2022 Single Audits reported no instances of reportable conditions or material weaknesses within its internal control structure.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Board's MD&A can be found immediately following the report of the independent auditors.

REPORTING ENTITY

The Board consists of nine citizens elected on a non-partisan basis, who serve four-year staggered terms. The Superintendent of Schools is appointed by the Board and serves as secretary to the Board. The Board has no tax

levying authority or borrowing authority and is required to maintain accounting records according to a uniform state format. The Board receives local, state, and federal government funding and must comply with the legal requirements of each source entity. North Carolina General Statute 115C-140 empowers the Pitt County Board of Education with general control and supervision of all matters pertaining to the schools in the system.

The school system consists of 37 K-12 schools with varying configurations including 16 K-5 elementary schools, six K-8 schools, seven 6-8 middle schools, and eight high schools. The final average daily membership for the 2021-2022 school year was 23,235 students. The total operating budget for all governmental activities for the 2021-22 school year was \$454,695,524 with a per-pupil expenditure of \$11,725 including Child Nutrition.

The Board operates a very diverse system with many National Origin Minority Students enrolled, representing 43 different native languages. Out of these students, 1053 were identified as Limited English Proficient and served in the English as a Second Language Program. The ethnic distribution of students in 2021-22 is: African American -46.0%; White -34.3%; Hispanic -12.6%; Multi racial -5.3%; Asian -1.5%; and other -0.3%.

A principal charged with the responsibility of the total school operations administers each individual school. Appropriate instructional and support personnel based on pupil enrollment staff the schools. The school principal and faculty work cooperatively with instructional specialists and central administrative staff in developing and implementing effective instructional programs.

The graduating class of 2022 was offered \$15,640,668 in scholarships which includes 354 NC Scholars along with East Carolina University Honors College Scholarships, North Carolina State University Park Scholarships, NY Conservatory for Dramatic Arts Scholarship, Xavier University Presidential Scholarship, University of North Carolina Chapel Hill Morehead Scholarship, Texas Christian University Dean Scholarship, an Academic Merit Scholarship at Meredith College, Furman University Bell Tower Scholarship, and several athletic scholarships among many others.

The system, accredited by the North Carolina Department of Public Instruction and Advance ED, participates in a state performance-based accountability plan. Both district-level and school-based teams (comprised of teachers, parents, and administrators) annually develop School Improvement Plans to meet state guidelines as well as the unique needs of their students.

The quantity and quality of the instructional programs of the school system are directly dependent on the funding provided and on effective management and efficient use of those funds. We recognize the important trust and responsibility we are given in the management of public resources and continue to be vigilant and trustworthy in fulfilling that responsibility. During the last several years, the Board has pursued ways to reduce costs and improve efficiency by implementing a more aggressive risk management program and an energy efficiency plan. The Board has managed costs by adjusting formulas for personnel and non-personnel resources supporting schools and departments. We believe that continuation of these financial management practices coupled with effective planning provides fiscal accountability to the public and continued improvement of programs and outcomes for our students.

LOCAL ECONOMIC CONDITION AND OUTLOOK

The information provided in this year's financial report is best understood when it is explained in relation to the local economy.

Local Economy: A snapshot of Pitt County. As a university community with a strong business/manufacturing base, the area is characterized by an expanding, highly productive, multi-skilled labor force, a diversified economic base, a low cost of living, an excellent educational system, a large regional health care complex, abundant cultural and recreational opportunities, financially sound, progressive, and pro-business local government, and a mild climate.

The Pitt County/Greenville area is a leading retail center in eastern North Carolina and ranks as one of only a dozen billion dollar retail markets in NC. The local economy is well diversified with wholesale/retail trade and

manufacturing, government and health care/social services accounting for the majority of the total employment. Agriculture is also a strong contributor to the economy; tobacco, corn, soybeans, wheat, peanuts, eggs, livestock, poultry and vegetables are the primary agricultural products. Major employers include: Vidant Medical Center (health care), East Carolina University (education), Pitt County Schools (education), Patheon (pharmaceutical manufacturing), Hyster-Yale (materials handling equipment), City of Greenville (local government), Pitt Community College (education), Pitt County (local government), Denso Manufacturing (automotive supplier of technology systems and components), and Mayne Pharma (pharmaceutical manufacturing).

Access is provided by an east-west Interstate-quality freeway, a north-south four-lane highway, two railroads, and two commercial airports. An international airport is within two hours drive. More than thirty freight carriers, including several special commodity companies, provide regular service.

The area's educational system is the pride of eastern North Carolina. Pitt County Schools receives extensive local support, reflected in a wide range of extra-curricular activities, and student performance above state and national averages on standardized achievement tests. Pitt Community College, seventh largest in North Carolina's 58-campus community college system, educates and empowers people for success. With a culture of excellence and innovation, the college is a vital partner in the economic and workforce development of our community. East Carolina University, the state's fourth largest institution of higher education, offers undergraduate and graduate degree programs in its professional schools and colleges. The Brody School of Medicine at ECU also offers a four year Medical Doctor degree as well as PhD programs and the University has recently opened a Dental School. The University also operates several service and research centers or institutes to assist local government, business, and industry in resolving technical production problems, developing market strategies, or improving the quality of management skills.

The creation of the Brody School of Medicine at ECU stimulated the emergence of Vidant Health Systems as a regional health care referral center. The medical center serves a 29-county referral area with a multitude of services that include organ transplant, a Level I Trauma Center, air ambulance service, neonatal intensive care and centers for rehabilitation, diabetes, cancer, and cardiac care.

One of the most unique characteristics of the area is the wide assortment of leisure and cultural activities. Parks, rivers, golf courses, historic old towns, coastal sounds, and the famous beaches of the Outer Banks offer many recreational outlets in addition to organized activities sponsored by local recreation departments. The mild climate allows residents the opportunity to enjoy outdoor recreational activities throughout the year. The presence of the College of Fine Arts at ECU with its schools of Music, Theatre, and Art provides the cultural diversity of a major metropolitan area. Amateur musical, theatrical, and dance groups offer more than 200 free performances annually to fill nights and weekends. Excellent, professional entertainers perform regularly in clubs and concert facilities. The Wellington B. Gray Gallery (on campus) and the Greenville Museum of Art house excellent permanent exhibits as well as hosting traveling exhibitions.

Most of all, the quality of the business environment and the quality of life are reflections of the caliber of the people who have chosen to live, serve, work, raise families, or retire here, combining the hardiness and charm of Southerners with the vitality of new ideas brought by newcomers from around the world. Whether they are residents of Ayden, Bethel, Farmville, Grifton, or Greenville, the people of Pitt County fulfill the expectations of their employers, their communities, and their fellow citizens.

Charter Schools and Projected Enrollment. While students from Pitt County have attended charter schools for years, the first charter school opened in Pitt County in 2015-16, enrolling nearly 500 students. The following year the second charter school opened in the County with approximately 175 students. During 2017-18, the North Carolina General Assembly also legislated the opening of two Lab Schools within the State. Pitt County Schools partnered with East Carolina University to assist in the opening of the East Carolina University Community School enrolling 117 students, who are housed on the South Greenville Elementary School campus.

Charter school enrollment in Pitt County has stabilized with just less than 1,000 students living in Pitt County attending charter schools. The County Appropriation dollars of \$1,786 per pupil follow these students to their respective schools, and was budgeted at \$1,786,000 for 2021-22.

The Board of Education is also monitoring growth patterns and projected student population over the upcoming years. An area of concern is a population shift within the District. While the total enrollment should remain nearly constant, a declined enrollment is predicted in the northern side of the County and a comparable increase is projected in the southern side of the County, where schools are already reaching capacity.

Long-term Planning. The Board employs several initiatives to ensure the improvement and maintenance of the system's sites, facilities, and equipment. The preparation of an annual budget, a Long Range Facility Plan, and a Strategic Technology plan are tools employed to secure resources.

The Board completed a "Long Range Education Plan" ("plan") conducted by Smith Sinnett Associates that provided the basis for determining the immediate, short, and long-range facility needs of the school system. Through partnership with the County of Pitt, the Board was successful in having a portion of the immediate and short-term needs funded through Local Obligation Bonds along with supplemental resources from within the system.

Funding under the 2021 phase funded an extensive renovation at AG Cox Middle School to update two wings, which were built in 1936 and 1958. In addition the County and the district are partnering to complete structural repairs at CM Eppes middle school, repair roofing at various schools and update security camera systems, both within the school buildings and on school buses.

Current legislation in the State of North Carolina has mandated smaller class-size in grades Kindergarten through third grade. While the State has approved funding of additional teacher positions phased in from 2017-18 through 2021-22, the demand for classroom space and furniture has not been funded. Pitt County Schools received approximately 54 additional teacher positions, and will be in need of over 50 classrooms in the upcoming years. Both the Board and the County Commissioners are advocating with State leaders for funds for building needs.

An additional concern to the Board of Education is the age of existing school buildings within the District. Fourteen of our thirty-six school buildings were constructed prior to 1970. Many sites need half-life renovations with updates to electrical systems, windows, flooring and restrooms.

Together both the Board of Education and the County Commissioners are looking to other funding sources to meet future needs. Lottery receipts allocated to Pitt County Schools by State statute as part of the N.C. Education Lottery and a ¼ cent local sales tax dedicated to education construction are two sources of revenue that will be very influential to funding future school construction projects needed to meet the Board's growing student population.

Pitt County Schools "Strategic Technology Plan" provides a vision to provide all students, teachers, administrators, and staff with equitable access to essential tools to facilitate learning, teaching, monitoring, and communicating in an efficient and productive manner. The plan embraces emerging technologies for their usefulness in engaging learners and helping students evolve as critical thinkers.

COVID-19

This past several fiscal years have been both trying and rewarding, as no one could have foreseen the many challenges our school system would face due to the pandemic outbreak of Covid-19. The effects and repercussions of a national shutdown combined with the health and safety concerns were difficult on our nation, and most particularly, our students and staff. The Board's response to these events, in conjunction with the NCDPI's and the Governor's office protocols and proclamations, has been one of our utmost focal points. This response includes addressing virtual learning, PPE for staff and addressing learning loss. The Board is continuing to address many of

these issues and concerns, as we move into a new school year, once again seeking and utilizing local, state and federal resources to provide for well-being of our student and staff, in a safe learning environment.

MAJOR INITIATIVES

Developed during the most challenging year in our history, Pitt County Schools developed its Strategic Plan as a comprehensive guide outlining the forward direction of our system. Our goal continues to be foundational, optimal achievement for our students not just as successful learners, but also as successful people.

The mission states, "Pitt County Schools will lead collaboration between school, home and community to foster student growth and success, both socially and academically, in order to develop productive, global citizens."

The vision states, "Pitt County Schools will inspire and motivate all learners by providing educational opportunities that engage, empower and elevate students to lead healthy, resourceful and responsible lives."

The motto states, "Engage. Empower. Elevate."

The Board's system-wide goals are:

- GOAL 1- Teaching, Learning and Equity: Eliminate opportunity gaps by 2026.
- GOAL 2 Achievement: Improve school and district performance.
- GOAL 3 Human Capital: Increase educator preparedness to meet the needs of every student.
- GOAL 4 Community Engagement and Safety: Foster shared responsibility for student success.

The goals are a reflection of the Board's top priority to increase academic achievement for all students of Pitt County Schools. The graduation rate serves as an example of this priority. The school system posted an 81.9% four-year cohort graduation rate.

Public schools in North Carolina are assigned a letter grade by the State Board of Education based upon the school's achievement score (80%) and the students' academic growth (20%). With the release of the 2021-2022 accountability results, Pitt County Schools had 34 out of 37 schools receive a passing grade. Additionally, two schools, Pitt County Early College and Innovation Early College, earned a grade of A.

In addition to State and Local funds, the District seeks Federal grants to assist with new initiatives. In 2016, the District received a multi-year grant in excess of \$16 million to implement new processes to recruit, retain and reward educators through multiple career pathways and performance based compensation. This grant allowed the District to offer many training opportunities to teachers and administrators and provide many benefits to students, staff and our community. The District has also received another Federal grant to support the professional development of Teachers and School Leaders, for approximately \$5.2 million.

In 2016, the North Carolina State Board of Education (SBE) adopted a new policy for recurring low-performing schools. Restart schools are given charter-like flexibility; however, an application must be submitted to the Department of Public Instruction detailing how operating the school with the same exemptions from statutes and rules as a charter school provides each student with the opportunity for a sound basic education. With this flexibility, the school continues to remain under the operation of the local education agency. North Carolina State Board of Education approved five applications for Restart schools in Pitt County. The District requested that all five schools be designated as a Restart Schools in order to have the flexibility necessary to meet these goals:

- (1) Significantly improve the academic achievement for all students
- (2) Close achievement gaps
- (3) Increase school performance growth scores
- (4) Build capacity among staff and leadership
- (5) Make substantive changes in instructional delivery

Increased academic performance and expansion of programs intended to build 21st century learning skills is of primary focus for the Board's Superintendent, Dr. Ethan Lenker. Dr. Lenker joined Pitt County Schools in August of 2013 and from day one set out to meet with parents, students, employees, elected officials, and members of the public to tap into the uniqueness of each community and the instructional needs of all students. Over a period encompassing several months a vision of 21st century learning has been established with the creation and expansion of instructional programming intended to meet diverse needs.

FINANCIAL AND BUDGETARY CONTROLS

Accrual Accounting. With the implementation of *GASB Statement No. 34, Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments,* the Board displays information about the government-wide entity as a whole. The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenue, expense, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Fund Accounting. The Board also reports its financial activities through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities. (See Note 1 in the Notes to Financial Statements for a summary of significant accounting policies and a description of fund types).

The Board's financial management staff is responsible for establishing and maintaining an internal control structure through its financial policies designed to ensure that the assets of the school system are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. The Board has implemented an internal auditing function with the employment of a full time internal auditor in order to ensure that financial policies are maintained and adhered to at the individual school and central services levels.

As a recipient of federal, state, and local financial assistance, the school system is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with all applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management.

The largest component of the Board's financial operations is the investment in human resources. The Board relies heavily on teachers, teacher assistants, counselors, and various other instructional support positions to meet the instructional needs of all students. The Board employs over 3,000 individuals with the cost of salaries and benefits comprising approximately 75% of the boards operating funds.

The cost of public school education in North Carolina is financed primarily by the State, which establishes minimum programs. Local funds, in varying amounts by district, supplement the basic program and are generated from the general tax levies of the county. Local boards of education have no direct tax levying and limited borrowing authority.

North Carolina state law requires a uniform accounting system for all local school administrative units. Significant modifications were made to the uniform accounting system by the North Carolina Department of Public Instruction (NCDPI) that went into effect at the beginning of the 2007-08 fiscal year. On a monthly basis, the Board submits reports of transactions of state and federal funds and details of disbursements from these funds to NCDPI for review.

North Carolina General Statutes require all governmental units in the state to adopt a balanced budget by July 1 of each year. The Board has the final approval over the budget and primary accountability for fiscal matters (including any deficits). The Board's annual Budget Resolution authorizes expenditures by purpose, function, and project on a modified accrual basis. For internal management purposes, the budget is detailed and compared to expenditures and encumbrances by line item within each function and project. The budget amount reflected in the accompanying financial statements represents the final budget as amended for the fiscal year. The Board also uses a purchase order encumbrance system that records and shows encumbrances outstanding against each line item of expenditure. Outstanding encumbrances at the end of the fiscal year related to normal operations are considered to be continuing contracts and are transferred at the end of the year to appropriations in future years.

Financial activities throughout the year are controlled in accordance with the *North Carolina School Budget and Fiscal Control Act* which requires a pre-audit procedure to ensure availability of funds prior to issuance of purchase order or payment of claims. We believe that the Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

AWARDS AND ACKNOWLEDGMENTS

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Pitt County Board of Education for its ACFR for the fiscal year ended June 30, 2021. The ASBOI awarded a Certificate of Excellence in Financial Reporting to the Pitt County Board of Education for its ACFR for the fiscal year ended June 30, 2021. This was the sixteenth year that the Board received these prestigious awards. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

These awards are only valid for a period of one year. We believe that our current ACFR continues to meet both GFOA and ASBO requirements and we are submitting it to both organizations to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report in a timely manner could not have been accomplished without the efforts and dedication of the Superintendent's staff, Finance Department, and our independent audit firm. We would like to express our appreciation to all the staff members who helped in the preparation of this report.

Respectfully submitted,

Ethan Lenker, Ed. D.

Superintendent

Debra W. Baggett

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Assistant Superintendent of Financial Services



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Pitt County Board of Education North Carolina

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2021

Executive Director/CEO

Christopher P. Morrill



The Certificate of Excellence in Financial Reporting is presented to

Pitt County Board of Education

for its Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021.

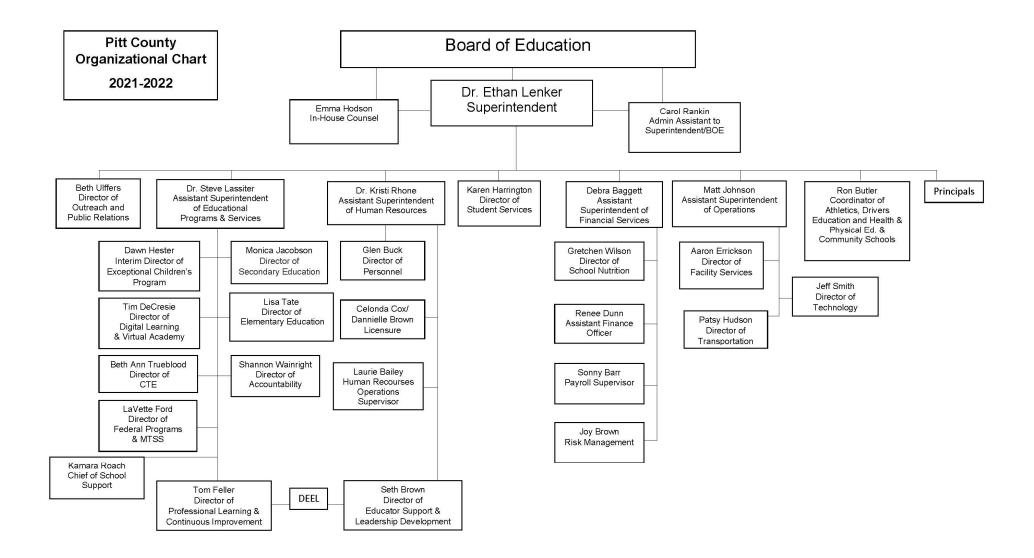
The district report meets the criteria established for ASBO International's Certificate of Excellence in Financial Reporting.



William A. Sutter President

Will ash

David J. Lewis
Executive Director



2021-2022 Pitt County Board of Education Board Members



James E. Tripp Jr. Chair



Don Rhodes Vice Chair



Amy Cole



Caroline W. Doherty



Tracy Everette-Lenz



Worth Forbes



Benjie Forrest



Melinda Fagundus



Anna Barrett Smith





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INDEPENDENT AUDITORS' REPORT

To the Board of Education Pitt County, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Pitt County Board of Education, North Carolina, as of and for the year then ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Pitt County Board of Education's basic financial statements as listed in the table of contents.

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, and each major fund of the Pitt County Board of Education, North Carolina as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, State Public School Fund, Federal Grants Fund, and the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pitt County Board of Education, North Carolina and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note IV to the financial statements, in 2022, the Pitt County Board of Education, North Carolina adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pitt County Board of Education, North Carolina's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that
 are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness
 of the Pitt County Board of Education, North Carolina's internal control. Accordingly, no such opinion is
 expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pitt County Board of Education, North Carolina's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of the Proportionate Share of the Net Pension and OPEB Liabilities (Assets) and the Schedule of Board Contributions as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pitt County Board of Education, North Carolina's basic financial statements. The individual fund financial schedules and the schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial schedules and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, on our consideration of the Pitt County Board of Education, North Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to solely 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 effectiveness of the Pitt County Board of Education, North Carolina's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pitt County Board of Education, North Carolina's internal control over financial reporting and compliance.

CARR, RIGGS & INGRAM, P.L.L.C.

Carr, Riggs & Ungram, P.L.L.C.

Goldsboro, North Carolina December 22, 2022

This section of the Pitt County Board of Education's (the "Board") financial report represents our discussion and analysis of the financial performance of the Board for the year ended June 30, 2022. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- At the government-wide level, the liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources of the Board for the fiscal year ended June 30, 2022 by \$119,557,439 (net position). Net position consists of \$7,796,646 as restricted for use, \$196,831,325 is for net investment in capital assets and (\$324,185,410) is unrestricted.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,521,597 or 7.85% of total general fund expenditures and total fund balance for the general fund was \$10,050,340 or 22.41% of total general fund expenditures.

Overview of the Financial Statements

The audited financial statements of the Board consist of four components. They are as follows:

- Independent Auditors' Report
- Management's Discussion and Analysis (required supplementary information)
- Basic Financial Statements
- Required supplemental information:
 - Information relating to the Board's participation in the Teachers' and State Employees Retirement System
 - Information relating to the Board's participation in the Retiree Health Benefit Fund
 - Information relating to the Board's participation in the Disability Income Plan of North Carolina

The Basic Financial Statements include two types of statements that present different views of the Board's finances. The first is the government-wide statements. These statements are presented on the full accrual basis of accounting and include the Statement of Net Position and the Statement of Activities. The Statement of Net Position includes all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Board. Assets and liabilities are classified in the order of relative liquidity for assets and due dates for liabilities. This statement provides a summary of the Board's investment in assets, deferred inflows of resources, and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The Statement of Activities summarizes the current year revenues and expenses for the Board. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second type of statement included in the basic financial statements is the Fund Financial Statements, which are presented for the Board's governmental funds and proprietary fund. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The proprietary fund is presented on the full accrual basis of accounting. The fund financial statements focus on the Board's most significant funds. Because a different basis of accounting is used in the government-wide statements, a reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide statement provides information about the Board as an economic unit while the fund financial statements provide information on the financial resources of the Board's major funds.

Government-wide Statements

The government-wide financial statements report information about the Board as a whole, using the accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Board's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

These two government-wide statements report the Board's net position and how it has changed. Net position – the difference between the Board's assets and deferred outflows of resources and the liabilities and deferred inflows of resources – is one way to measure the Board's financial health or position.

- Over time, an increase or decrease in the Board's net position is an indicator of whether its financial position is improving or deteriorating.
- To assess the Board's overall financial health, one needs to consider additional non-financial factors such as changes in the County's property tax base and the condition of its school buildings and other physical assets.

The Board's activities are divided into two categories on the government-wide statements:

- Governmental activities: Most of the Board's basic services are included here, such as regular
 and special education, transportation, and administration. County funding and state and federal
 aid finance most of these activities.
- Business-type activities: The Board charges fees to help cover the costs of certain services it provides. School food service is included here.

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

Fund financial statements

The fund financial statements provide more detailed information about the Board's funds, focusing on its most significant funds or "major" funds and not the district as a whole. Funds are accounting devices the Board uses to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by State law, such as the State Public School Fund.
- The Board established other funds to control and manage money for a particular purpose or to show that it is accounting for financial resources properly, such as the Federal Grants Fund.

The Board has two types of funds:

Governmental funds: Most of the Board's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be converted to cash flows in and out and the balances remaining at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near term to finance the Board's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statements, in the form of a reconciliation, explains the relationship (or differences) between them. The

Board has several governmental funds: the General Fund, the State Public School Fund, the Federal Grants Fund, the Special Revenue Fund, the Individual Schools Fund, and the Capital Outlay Fund. The governmental fund statements are shown as Exhibits 3 through 5 of this report.

Proprietary fund: Services for which the Board charges a fee are generally reported in the proprietary fund. The proprietary fund statements are reported on the same basis of accounting as the government-wide statements – full accrual. The Board has one proprietary fund – the School Food Service Fund. The proprietary fund statements are shown as Exhibits 6, 7 and 8 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in this document following the financial statements.

Required supplementary information (RSI)

The RSI provides information that relates to the Board's participation in the Teachers' and State Employees' Retirement System (TSERS), the Retiree Health Benefit Fund (RHBF), and the Disability Income Plan of North Carolina (DIPNC). The RSI can be found following the notes to the financial statements beginning on page 88 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report includes supplementary information concerning the Board's individual fund statements. This information can be found after the required supplementary information beginning on page 94 of this report.

Interdependence with Other Entities

The Board depends on the financial resources flowing from, or associated with, the Federal Government, the State of North Carolina, and the County of Pitt. Because of this dependency the Board is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal, State, and County appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign governments and holders of publicly held U.S. Treasury Securities.

Financial Analysis of the Board as a Whole

Net position can be an indicator of the fiscal health of the Board. Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$119,557,439 as of June 30, 2022. The largest component of net position is net investment in capital assets of \$196,831,325 which comprises - (164.63)% of the total net position, whereas unrestricted net position was (\$324,185,410).

The following table shows the net position for the Board:

Table 1
Condensed Statement of Net Position

	Governmental Activities Business-type Activities Total F				Total Primary	l Primary Government				
June 30,		2022	2	2021	2022	2021		2022		2021
Current assets	\$	33,044,336 \$	5 3	8,163,623	\$ 9,754,872	\$ 6,532,615	\$	42,799,208	Ş	44,696,238
Other and capital assets		196,937,158	19	4,432,029	957,909	819,533		197,895,067		195,251,562
Total assets		229,981,494	23	2,595,652	10,712,781	7,352,148		240,694,275		239,947,800
Deferred outlfows of resources		71,171,181	6	2,559,759	2,257,280	2,059,048		73,428,461		64,618,807
Current liabilities		2,721,197		9,214,826	98,850	169,801		2,820,047		9,384,627
Long-term liabilities		289,945,280	34	1,413,519	7,805,810	8,988,532		297,751,090		350,402,051
Total liabilities		292,666,477	35	0,628,345	7,904,660	9,158,333		300,571,137		359,786,678
Deferred inflows of resources		129,850,196	10	4,165,684	3,258,842	2,672,367		133,109,038		106,838,051
Net investment in capital assets		195,873,416	19	3,138,750	957,909	819,533		196,831,325		193,958,283
Restricted net position		7,793,032		7,586,331	3,614	9,727		7,796,646		7,596,058
Unrestricted net position (deficit)		(325,030,446)	(36	0,363,699)	845,036	(3,248,764)		(324,185,410)		(363,612,463)
Total net position (deficit)	\$	(121,363,998) \$	(15	9,638,618)	\$ 1,806,559	\$ (2,419,504)	\$	(119,557,439)	\$	(162,058,122)

The Board's net position increased during the current fiscal year by \$42,500,683. In part, the increase is the net result of:

- A decrease of \$1,897,030 in current assets, primarily related to a decrease in accounts receivable from federal, state and county funding.
- An increase of \$2,643,505 in other and capital assets, primarily related to increased overall capital construction.
- An increase of \$8,809,654 in deferred outflows of resources, primarily related to changes in actuarial valuations for the pension and OPEB plans.
- A decrease of \$6,564,580 in current liabilities, primarily related to less year-end payroll and benefit accruals outstanding.
- A decrease of \$52,650,961 in long-term liabilities, primarily related to changes in actuarial valuations for the pension and OPEB plans.
- An increase of \$26,270,987 in deferred inflows of resources, primarily related to changes in actuarial valuations for the pension and OPEB plans.

The increase in net investment in capital assets of \$2,873,042 is contributed to the following factors:

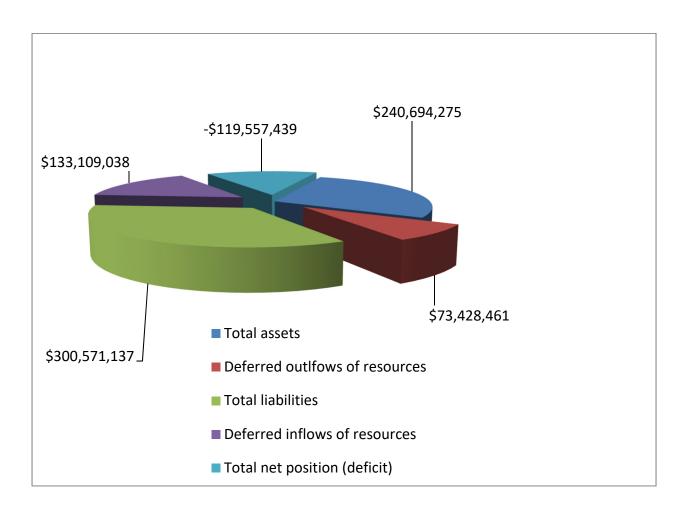
- The net increase of \$2,643,504 in net capital outlay and acquisition of other capital assets.
- An annual provision of depreciation and amortization expense of \$7,573,585.
- Debt service issued of \$377,147 in long-term debt related to the installment purchase of school buses.
- Debt service payments of \$1,099,153 in long-term debt related to the installment purchases of school buses, and capital lease of buses and a modular classroom and right to use assets.

The following factors contributed to the increase of \$200,588 in restricted net position:

- Net position restricted for school capital projects decreased by \$1,627,300.
- Net position restricted by grantor requirements in the Special Revenue fund increased \$193,801.
- Net position restricted for DIPNC OPEB plan decreased \$271,693.

 Net position restricted by state statue to cover outstanding encumbrances and accounts receivable increased \$1,244,822 from June 30, 2021 to June 30, 2022. Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

The following chart shows the totals of certain financial components as presented on the statement of net position at the government-wide level as of June 30, 2022.



The following table shows revenue and expenses for the Board:

Table 2
Condensed Statement of Revenues, Expenses, and Changes in Net Position

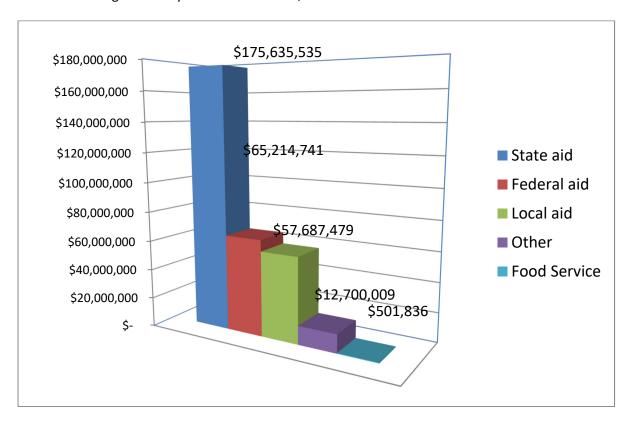
	Governmen		Business-type	ctivities	Total Primary Government				
For the Fiscal Years Ended June 30,	2022	2021		2022		2021	2022		2021
Revenues:									
Program revenues:									
Charges for services	\$ 931,979	\$ 725,684	\$	501,836	\$	232,216	\$ 1,433,815	\$	957,900
Operating grants and contributions	225,867,972	199,603,999		15,386,809		6,646,338	241,254,781		206,250,337
Capital grants and contributions	2,570,586	4,106,672		-		-	2,570,586		4,106,672
General revenues:									
Other revenues	63,385,428	49,685,208		12,483		6,931	63,397,911		49,692,139
Total revenues	292,755,965	254,121,563		15,901,128		6,885,485	308,657,093		261,007,048
Expenses:									
Governmental activities:									
Instructional services	191,100,714	190,074,834		-		-	191,100,714		190,074,834
System-wide support services	53,771,563	42,504,111		-		-	53,771,563		42,504,111
Ancillary services and non-program	1,970,681	2,496,103		-		-	1,970,681		2,496,103
Repayment of County debt issuance	1,867,520	1,419,849		-		-	1,867,520		1,419,849
Interest Expense	17,037	23,224		-		-	17,037		23,224
Depreciation	5,701,129	5,708,665		-		-	5,701,129		5,708,665
Business-type activities:									
Food service	-	-		11,727,766		7,408,275	11,727,766		7,408,275
Total expense	254,428,644	242,226,786		11,727,766		7,408,275	266,156,410		249,635,061
Excess revenues over (under) expenses									
before transfers	38,327,321	11,894,777		4,173,362		(522,790)	42,500,683		11,371,987
Transfers in (out)	(52,701)	(45,417)		52,701		45,417	-		-
Increase (decrease) in net position	38,274,620	11,849,360	-	4,226,063		(477,373)	42,500,683		11,371,987
Net position (deficit), beginning,	(159,638,618)	(171,487,978)		(2,419,504)		(1,942,131)	(162,058,122)		(173,430,109)
Net position (deficit), ending	\$ (121,363,998)	. , , ,	\$	1,806,559	\$	(2,419,504)	\$ (119,557,439)	\$	(162,058,122)

For fiscal years ended June 30, 2022 and 2021, total governmental activities earned revenues of \$292,755,965 and \$254,121,563, respectively, which is a net increase of \$38,634,402. The following factors contributed to the net increase in governmental activities earned revenues from fiscal year ended June 30, 2021 to fiscal year ended June 30, 2022:

- An increase of \$206,295 in charges for services.
- An increase of \$26,263,973 in operating grants and contributions, which includes an increase of \$7,670,031 from State Public School Fund appropriations and an increase of \$18,815,758 in federal appropriations.
- A decrease of \$1,536,086 in capital grants and contributions.
- An increase of \$13,700,220 in other revenues, which primarily includes increases of \$2,155,414 in indirect costs and \$12,274,939 from county operating appropriations and capital contributions.
- An increase in revenues from fines and forfeitures of \$232,672, which is generated largely from traffic light fines.

For fiscal years ended June 30, 2022 and 2021, business-type activities related to the Board's food service program earned revenue of \$15,901,128 and \$6,885,485, respectively which is an increase of \$9,015,643. Federal reimbursements for meals served to qualifying students increased \$8,455,161 while food sales increased \$269,620. These increases are the result of the Board's return to more inperson operations.

The following chart shows, by revenue source, the government-wide revenues presented on the accrual basis of accounting for fiscal years ended June 30, 2022:

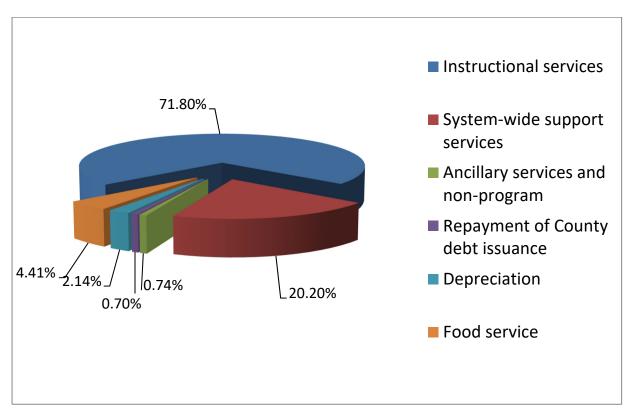


Total governmental activities expenses for fiscal years ended June 30, 2022 and 2021 were \$254,428,644 and \$242,226,786, respectively, which is an increase of \$12,201,858. The following factors contributed to the increase in governmental activities expenses from the fiscal year ended June 30, 2021 to fiscal year ended June 30, 2022:

- Instructional programs expenses increased \$1,025,880
- System-wide support services increased \$11,267,452
- Ancillary services and non-program decreased \$525,422
- Repayment of County debt issuance increased \$447,671

Instructional programs expense comprised 75.11% of total governmental-type expenses while supporting services made up 21.13% of those expenses for 2022.

The following chart shows the percentage composition of government-wide expenses by expense purpose for fiscal year ended June 30, 2022, excluding interest expense:



Business-type activities expense related to the Board's food service program ended June 30, 2022 and 2021 at \$11,727,766 and \$7,408,275, respectively, which is an increase of \$4,319,491.

For fiscal years ended June 30, 2022 and 2021, net position of the governmental activities increased by \$38,274,620 and \$11,849,360, respectively. For fiscal years ended June 30, 2022 and 2021, net position of the business-type activities increased by \$4,226,063 and decreased by \$477,373, after transfers, respectively.

Financial Analysis of the Board's Funds

For fiscal year ended June 30, 2022, the Board's governmental funds reported combined ending fund balances of \$29,935,650 which is an increase of \$1,487,937 from the prior year. This amount is comprised of ending fund balances in the general fund, special revenue fund, individual schools fund, and the capital outlay fund. The following is an analysis of the change in fund balance of each respective fund and a summary of the factors that impacted the change:

General Fund

The general fund comprised the largest component of the Board's governmental funds combined fund balances ending the year with a fund balance of \$10,050,340 which is a decrease of \$1,549,566 from the prior year. This decrease in fund balance can be attributed to increased expenses for instructional programs and system-wide support services.

To better account for financial resources from many granting agencies and to comply with NC case law, the Board has segregated monies between the General Fund Special Revenue Fund.

At June 30, 2022 the unassigned ending fund balance of the general fund totaled \$3,521,597 which is available for spending at the government's discretion. The general fund's remaining fund balance of \$6,528,743 is comprised of the following:

- \$540,138 that is non-spendable inventories
- \$477,715 that is restricted based on North Carolina state statute.
- \$466,776 which is restricted by grantors to school capital outlay projects.
- \$4,454,051 that has been committed by the Board to fund future school capital projects, staff development and safety and security.
- \$590,063 that is assigned to fund subsequent year's expenditures.

Special Revenue Funds

The special revenue funds were established in the Board's adopted budget ordinance to account for programs and grants provided by other state, local, and federal sources to the local administrative unit. The special revenue funds are used to account for reimbursements for services and fees, sales tax refunds, gifts and grants restricted to use, and federal appropriations made directly to the local administrative unit. The special revenue funds are also used to account for funds received for pre-kindergarten programs and special programs.

At June 30, 2022 the special revenue funds ended the year with a fund balance of \$11,314,606 which is an increase of \$461,163 from the fiscal year ended June 30, 2021. This increase primarily relates to controlled spending with consistent revenues and expenses. Fiscal year end fund balance of the special revenue fund is comprised of the following:

- \$2,537,916 that is restricted based on the requirements of grantors
- \$7,686,956 that is assigned to fund subsequent year's expenditures
- \$1,089,734 that is restricted based on North Carolina state statute

Revenues of the special revenue funds increased by \$1,564,380 for the fiscal year ended June 30, 2022, compared to the prior fiscal year, primarily due to increased indirect costs. Expenditures for the special revenue funds increased by \$326,805 for the same periods, with primarily within instructional support and operational support expenses.

Individual Schools Fund

For fiscal year ended June 30, 2022 the individual schools fund balance was \$2,661,444 which was restricted for individual school use. The individual schools fund balance increased \$660,958 from fiscal year ended June 30, 2021. Individual schools contributions and donations and interest earnings were \$4,906,412 and \$2,409,786, respectively, for fiscal years ended June 30, 2022 and 2021 which is an increase of \$2,496,626. Individual schools co-curricular expenditures were \$4,287,481 and \$2,440,936, respectively, for fiscal years ended June 30, 2022 and 2021 which is an increase of \$1,846,545. These increases are due primarily to increased school sporting events, fundraisers or social events.

Capital Fund

The capital fund ending fund balance was \$5,909,260 which consists of restricted to state statute in the amount of \$433,513 and school capital outlay projects for \$5,475,747. The capital fund balance increased \$1,915,382 from fiscal year ended June 30, 2021 to fiscal year ended June 30, 2022 due primarily to the funding of capital projects and transfers from other funds in the amount of \$6,000,000.

Proprietary Fund

For fiscal year ended June 30, 2022 the Board's business-type net position stood at \$1,806,559 which is an increase of \$4,226,063, from the fiscal year ended June 30, 2021, which is primarily related greater in-person students and thus increased federal reimbursements.

General Fund Budgetary Highlights

Over the course of the year, the Board revised the general fund budget several times at the functional level through formal budget amendment to account for changes in expense utilization. The change in the final amended budget from original at the functional level was due primarily to increased Federal ESSER funding and changes in expectation throughout the year of the required resources needed to serve special education, economically disadvantaged students through community services as well as alternative programs compared to the resources needed to serve regular instructional students.

For fiscal year ended June 30, 2022, actual general fund revenues came in \$22,335 below the final amended budget. The increase in general fund revenues compared to the final amended budget was the net result of the following:

- Fines and forfeitures, including traffic light revenues, were \$16,545 less than budgeted.
- Tuition and fees, miscellaneous revenue and interest income were \$5,790 less than anticipated, including revenues from East Carolina University for funds associated with the partnership with the East Carolina University Community School.

General fund expenditures ended the fiscal year \$6,502,388 below the final amended budget. The variance in general fund expenditures from the final amended budget represented fund balance committed by the Board to cover various projects during the next fiscal year.

Capital Asset Administration

The Board's capital assets (net of accumulated depreciation) for its governmental and business-type activities stood at approximately \$197,593,465 and \$195,251,562, respectively, as of June 30, 2022 and 2021. This investment in capital assets includes land, buildings, vehicles, and equipment.

The following table outlines the Board's capital assets as of June 30, 2022 and 2021:

Table 3
Condensed Summary of Capital Assets (net of depreciation)

	Governmer	ıtal /	Activities	Business-typ	oe A	ctivities	Total Primary G			Government		
June 30,	2022		2021	2022		2021		2022		2021		
Land	\$ 5,168,270	\$	5,168,270	\$ -	\$	-	\$	5,168,270	\$	5,168,270		
Construction in progress	8,059,574		2,236,637	-		-		8,059,574		2,236,637		
Buildings and improvements	179,102,274		182,066,092	-		-		179,102,274		182,066,092		
Equipment and furniture	1,626,099		1,500,775	946,552		804,046		2,572,651		2,304,821		
Vehicles	2,679,339		3,460,255	11,357		15,487		2,690,696		3,475,742		
Total capital assets	\$ 196,635,556	\$	194,432,029	\$ 957,909	\$	819,533	\$	197,593,465	\$	195,251,562		

For fiscal year ended June 30, 2022 the Board had an overall increase in net capital assets of \$2,341,903 from the previous year. In addition to the above, the Board's assets increased by \$450,442 in response to recognition of the right-to-use assets under the adoption of GASB 87, *Leases*. Additional information on the Board's capital assets can be found in the Capital Asset section of footnote II, Detail Notes on All Funds, starting on page 67 of the financial statements.

Debt Outstanding

During the year the Board's long-term liabilities, including compensated absences, net OPEB liability and net pension liability, decreased \$53,143,430. This decrease is primarily the result in changes in valuation of the Board's proportionate share of the net pension liability.

The following table outlines the Board's long-term debt as of June 30, 2022 and 2021:

Table 4
Condensed Summary of Long-term Debt

	Governmen	Activities	Business-ty	ctivities	Total Primary Government				
June 30,	2022		2021	2022		2021	2022		2021
Installment purchases	\$ 681,275	\$	1,007,193	\$ -	\$	-	\$ 681,275	\$	1,007,193
Capital lease	89,718		286,086	-		-	89,718		286,086
Right to use assets	292,749		450,442	-		-	292,749		450,442
Compensated absences	12,993,817		12,924,265	205,468		208,731	13,199,285		13,132,996
Net OPEB liability	235,489,543		218,973,455	1,215,161		2,774,786	236,704,704		221,748,241
Net pension liability	40,398,178		108,222,520	6,385,181		6,005,015	46,783,359		114,227,535
Total long-term debt	\$ 289,945,280	\$	341,863,961	\$ 7,805,810	\$	8,988,532	\$ 297,751,090	\$	350,852,493

The Board is limited by North Carolina General Statutes with regards to the types of debt it can issue and for what purpose that debt can be used. Pitt County Government holds virtually all debt issued for school capital construction.

Additional information on the Board's long-term obligations can be found in the Long-term obligations section of footnote II, Detail Notes on All funds, starting on page 82 of the financial statements.

Economic Factors

The population of Pitt County at 2022 is 172,169 which is a decrease of 8,836 from 2021. While enrollment has increased for the last several years, the impact of closures due to COVID-19 and the virtual learning environment has resulted in decreased enrollment. The Board has enacted policies such as open enrollment, specialized programming and a virtual academy as a means of attracting students to enroll and remain in the District.

County funding is a major source of income for the Board; therefore, the County's economic outlook directly affects that of the schools. The following factors have affected the economic outlook of Pitt County:

- The unemployment rate for Pitt County in June 2022 was 4.6%. This is slightly higher than the State of North Carolina's June 2022 rate of 4.1%.
- The County continues to serve as the hub of eastern North Carolina in the healthcare, retail, and education sectors. Moderate growth and expansion are expected in these areas.

The current economic environment will continue to be most challenging for the Board, as Local Educational Agencies (LEAs) are dependent upon state and local revenue allocations to fund the primary operations of the school system, as set forth within State law. While funding sources may be negatively impacted by the COVID-19 global pandemic, educators will be faced with addressing learning loss and other factors resulting from related school closures and newly implemented virtual instruction. Additional Federal funds provided through ESSER will be an integral part of closing the educational gaps created by our current circumstances.

In addition, current legislation in the State of North Carolina has mandated smaller class-size in Kindergarten through third grade. While the State funded additional teacher positions which were phased in over a four year period, the demand for classroom space and furniture has not been funded. Pitt County Schools received approximately 54 additional teacher positions, and will be in need of over 50 classrooms over the coming years. The Board is currently exempt from these requirements because it receives funds related to teacher compensation models; however, both the Board and the County Commissioners are advocating with State leaders for a State Bond to fund building needs. In the meantime, the District continues to use modular units to accommodate the student growth in various locations across the county.

In August 2021, the Board, in an effort to increase teacher recruitment and retention, voted to increase teacher supplements to 7% from 6.5%. The ability to attract new business to the local Pitt County area will also be vital to increase skill sets and expand the tax base needed to assist in meeting the instructional need of the Board's students. The increased cost of supporting learning loss resulting from school closures during the global pandemic is a major challenge the Board will face for the 2022-2023 budget year.

Requests for Information

This financial report is designed to provide a general overview of the Pitt County Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Debra Baggett
Assistant Superintendent of
Financial Services

Pitt County Board of Education 1717 West Fifth Street Greenville, NC 27834 www.pitt.k12.nc.us

Pitt County Board of Education, North Carolina Statement of Net Position June 30, 2022 Exhibit 1

	G	iovernmental Activities	I	Business-type Activities		Total
ASSETS						
Cash and cash equivalents	\$	20,814,997	\$	5,399,408	\$	26,214,405
Investments	7	9,325,004	-	2,882,038	т.	12,207,042
Receivables (net)		1,567,449		9,102		1,576,551
Due from other governments		636,606		623,157		1,259,763
Net OPEB asset		125,934		3,614		129,548
Lease receivable		34,208		5,014		34,208
Inventories		540,138		837,553		1,377,691
Right to use assets, net of amortization		301,602		-		301,602
Capital assets		301,002				301,002
·		12 227 044				12 227 044
Land and construction in process		13,227,844		-		13,227,844
Other capital assets, net of		402 407 742		057.000		101 265 624
depreciation		183,407,712		957,909		184,365,621
Total capital assets		196,635,556		957,909		197,593,465
Total assets		229,981,494		10,712,781		240,694,275
DEFERRED OUTFLOWS OF RESOURCES - PENSIONS		39,965,449		1,480,614		41,446,063
DEFERRED OUTFLOWS OF RESOURCES - OPEB		31,205,732		776,666		31,982,398
		31,203,732		770,000		31,302,330
LIABILITIES						
Accounts payable and accrued						
liabilities		2,399,331		13,165		2,412,496
Accrued interest payable		337		-		337
Due to other governments		321,529		-		321,529
Unearned revenues		-		85,685		85,685
Long-term liabilities:				,		,
Due within one year		4,102,358		51,367		4,153,725
Due in more than one year net pension liability		40,398,178		1,215,161		41,613,339
Due in more than one year net OPEB liability		235,489,543		6,385,181		241,874,724
Due in more than one year		9,955,201		154,101		10,109,302
Total liabilities		292,666,477		7,904,660		300,571,137
				. /2 2 . / 2 2 2		
DEFERRED INFLOWS OF RESOURCES - PENSIONS		55,229,220		1,234,824		56,464,044
DEFERRED INFLOWS OF RESOURCES - OPEB		74,359,084		2,024,018		76,383,102
DEFERRED INFLOWS OF RESOURCES - SALES TAX		227,804		-		227,804
DEFERRED INFLOWS OF RESOURCES - LEASES		34,088		-		34,088
NET POSITION						
Net investment in capital assets		195,873,416		957,909		196,831,325
Restricted for:						
Individual schools		2,661,444		-		2,661,444
Requirements by grantors		2,537,916		-		2,537,916
School capital outlay		900,289		-		900,289
DIPNC OPEB plan		125,934		3,614		129,548
Stabilization by state statute		1,567,449		-		1,567,449
Unrestricted (deficit)		(325,030,446)		845,036		(324,185,410
Total net position (deficit)	\$	(121,363,998)	\$	1,806,559	\$	(119,557,439

Pitt County Board of Education, North Carolina Statement of Activities For the Fiscal Year Ended June 30, 2022 Exhibit 2

					Pro	gram Revenues		
Functions		Expenses	C	harges for Services	·	erating Grants and Contributions	,	pital Grants and ntributions
Primary Government:								
Governmental activities:								
Instructional programs								
Regular	\$	107,999,951	\$	696,887	\$	112,038,390	\$	-
Special	•	28,763,726	-	-	-	31,808,812	-	-
Alternative programs		21,567,617		-		23,922,549		_
School leadership		13,604,106		-		10,222,866		-
Co-curricular		5,433,756		-		4,916,040		-
School based support		13,731,558		_		14,491,439		-
Supporting services						, ,		
Support and development		2,672,179		_		2,237,183		_
Special populations		596,841		-		825,421		_
Alternative programs		725,531		_		786,486		_
Technology support		1,861,730		-		708,129		_
Operational suport		41,878,685		235,092		18,315,678		703,06
Financial and human resources		4,326,621		-		765,119		_
Accountability services		97,732		-		13,226		_
System wide pupil support		96,558		-		101,298		_
Leadership services		1,515,686		-		842,813		_
Ancillary services		1,678,655		-		889,250		-
Non-program charges		292,026		-		2,983,273		_
On-behalf payment to County for		·				, ,		
for repayment of debt		1,867,520		-		-		1,867,52
Interest on long-term debt		17,037		-		-		-
Unallocated depreciation expense		5,701,129		_		-		-
(excludes amounts directly allocated)								
Total governmental activities		254,428,644		931,979		225,867,972		2,570,58
Business-type activities:								
School food services		11,727,766		501,836		15,386,809		-
Total business-type activities		11,727,766		501,836		15,386,809		-
Total board of education	Ś	266,156,410	\$	1,433,815	Ś	241,254,781	\$	2,570,58

Pitt County Board of Education, North Carolina Statement of Activities For the Fiscal Year Ended June 30, 2022 Exhibit 2

				Net (Expense) Revenue and Changes in Net Position							
Functions	vernmental Activities	siness-type Activities	To	otal							
Primary Government:											
Governmental activities:											
Instructional programs											
Regular	\$ 4,735,326	\$ - \$		4,735,326							
Special	3,045,086	-		3,045,086							
Alternative programs	2,354,932	-		2,354,932							
School leadership	(3,381,240)	-		(3,381,240)							
Co-curricular	(517,716)	-		(517,716)							
School based support	759,881	-		759,881							
Supporting services											
Support and development	(434,996)	-		(434,996)							
Special populations	228,580	-		228,580							
Alternative programs	60,955	-		60,955							
Technology support	(1,153,601)	-		(1,153,601)							
Operational suport	(22,624,849)	-		(22,624,849)							
Financial and human resources	(3,561,502)	-		(3,561,502)							
Accountability services	(84,506)	-		(84,506)							
System wide pupil support	4,740	-		4,740							
Leadership services	(672,873)	_		(672,873)							
Ancillary services	(789,405)	_		(789,405)							
Non-program charges	2,691,247	_		2,691,247							
On-behalf payment to County for	2,031,247			2,031,247							
for repayment of debt	_	_		_							
Interest on long-term debt	(17,037)	_		(17,037)							
Unallocated depreciation expense	(5,701,129)	_		(5,701,129)							
	(3,701,129)	-		(3,701,129)							
(excludes amounts directly allocated)	/2E 0E9 107\			(25 059 107)							
Total governmental activities	(25,058,107)	<u>-</u>		(25,058,107)							
Business-type activities:											
School food services	-	4,160,879		4,160,879							
Total business-type activities	-	4,160,879		4,160,879							
Total board of education	(25,058,107)	4,160,879		(20,897,228)							
General revenues:											
Unrestricted county appropriation - operating	43,283,624	-		43,283,624							
Unrestricted county appropriation - capital	14,403,855	-		14,403,855							
Unrestricted State appropriation - capital	703,066	-		703,066							
Interest earnings, unrestricted	44,041	12,483		56,524							
Unrestricted Federal grants	1,725,157	-		1,725,157							
Miscellaneous, unrestricted	3,225,685	-		3,225,685							
Transfers	(52,701)	52,701		=							
Total general revenues and transfers	63,332,727	65,184		63,397,911							
Change in net position	38,274,620	4,226,063		42,500,683							
Net position (deficit) - beginning	(159,638,618)	(2,419,504)	(1	.62,058,122)							
Net position (deficit), ending	(121,363,998)	\$ 1,806,559 \$		19,557,439)							

Pitt County Board of Education, North Carolina Balance Sheet –Governmental Funds June 30, 2022 Exhibit 3 (Continued)

		General		ate Public School		Federal Grants		Special Revenue		vidual 100ls	Ca	pital Outlay	Go	Total overnmental Funds
ASSETS														
Cash and cash equivalents	\$	8,691,702	\$	323,947	\$	_	\$	5,972,878	\$ 2.6	547,125	\$	3,179,345	\$	20,814,997
Investments	,	2,415,766	,	-	•	_	,	3,995,849	7 -/-	14,319	,	2,899,070	,	9,325,004
Accounts receivable		477,715		_		_		1,089,734				-		1,567,449
Lease receivable		-		_		_		34,208		_		_		34,208
Inventories		540,138		_		_		-		-		_		540,138
Due from other governments		-		_		229,770		384,376		_		22,460		636,606
Total assets	\$	12,125,321	\$	323,947	\$	229,770	\$:	1,477,045	\$ 2,6	61,444	\$	6,100,875	\$	32,918,402
LIABILITIES, DEFERRED INFLOWS OF														
RESOURCES, AND FUND BALANCES														
Liabilities:														
Accounts payable and accrued														
liabilities	\$	1,091,811	\$	_	\$	_	Ś	128,351	\$	_	\$	191,615	\$	1,411,777
Temporary bank overdraft	*	-	Ψ.	_	Ψ	4,384	Ψ.	-	*	_	Ψ.	-	Ψ.	4,384
Due to other governments		_		321,529		-		_		_		_		321,529
Accrued salaries and wages payable		983,170		-		_		_		_		_		983,170
Total liabilities		2,074,981		321,529		4,384		128,351		-		191,615		2,720,860
								·				<u> </u>		
Deferred inflows of resources		-		2,418		225,386		34,088		-		-		261,892
Fund balances:														
Nonspendable:														
Inventories		540,138		-		-		-		-		-		540,138
Restricted:														
Stabilization by State Statute		477,715		-		-		1,089,734		-		-		1,567,449
Requirements by Grantors		-		-		-		2,537,916		-		-		2,537,916
School capital outlay		466,776		-		-		-		-		433,513		900,289
Individual schools		-		-		-		-	2,6	61,444		-		2,661,444
Committed:														
Capital projects		4,154,051		-		-		-		-		5,475,747		9,629,798
Instructional Staff development		250,000		-		-		-		-		-		250,000
Safety and security		50,000		-		-		-		-		-		50,000
Assigned:														
Subsequent years expenditures		590,063		-		-		7,686,956		-		-		8,277,019
Unassigned:		3,521,597		-		-		-		-				3,521,597
Total fund balances		10,050,340		-		-		11,314,606	2,6	61,444		5,909,260		29,935,650
Total liabilities, deferred inflows of resources, and fund balances	\$	12,125,321	\$	323,947	\$	229,770	\$:	11,477,045	\$ 2,6	661,444	\$	6,100,875	\$	32,918,402

Pitt County Board of Education, North Carolina Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2022 Exhibit 3

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position:	
Amounts reported for governmental activities in the Statement of Net Position	
(Exhibit I) are different because:	
Fund balance - governmental funds	\$ 29,935,650
Net OPEB asset	125,934
Capital assets used in governmental activities are not financial resources and	
therefore are not reported in the funds.	196,635,556
Right to use leased assets used in governmental activities are not financial resources	
and therefore are not reported in the funds.	301,602
Deferred outflows related to pensions	39,965,449
Deferred outflows related to OPEB	31,205,732
Some liabilities, including notes payable and capital leases, are not due and payable	
in the current period and therefore are not reported in the funds.	(13,764,810)
Lease liability	(292,749)
Net pension liability	(40,398,178)
Net OPEB liability	(235,489,543)
Accrued interest	(337)
Deferred inflows of resources related to pensions	(55,229,220)
Deferred inflows of resources related to OPEB	(74,359,084)
Net position of governmental activities	\$ (121,363,998)

Pitt County Board of Education, North Carolina Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds For the Fiscal Year Ended June 30, 2022 Exhibit 4 (continued)

	General	State Public School	Federal Grants	Special Revenue	Individual Schools	Capital Outlay	Total Governmenta Funds
REVENUES	General	SCHOOL	rederal Grants	Revenue	SCHOOLS	Capital Outlay	runus
State aid	\$ - \$	169,123,578	\$ -	\$ 3,941,371	¢ -	\$ 2,570,586	\$ 175,635,53
Federal aid	· ·	103,123,370	45,131,612	4,696,320	-	2,570,500	49,827,93
Local aid	43,283,624		43,131,012	-,030,320	_	14,403,855	57,687,47
Other local sources	43,263,024			421,982		167,751	589,73
	-	-	-	421,962	4.006.351	107,751	
Contributions and donations	44764	-	-		4,906,351		4,906,35
Interest earnings	14,761	-	-	18,953	61	10,266	44,04
Fines and forfietures	2,033,455	-	-	-	-	-	2,033,45
Indirect costs	-	-	-	3,375,545	-	-	3,375,54
Sales tax	-	-	-	162,108	-	14,225	176,33
Tuition and fees	12,750	-	-	696,887	-	-	709,63
Miscellaneous	266,699	-	-	585,732	-	-	852,43
Total revenues	45,611,289	169,123,578	45,131,612	13,898,898	4,906,412	17,166,683	295,838,47
EXPENDITURES							
Current:							
Instructional programs							
Regular	13,141,940	96,439,690	14,799,391	1,502,469	-	-	125,883,49
Special	1,337,478	23,069,749	8,738,913	509,383	-	-	33,655,52
Alternative programs	442,214	8,934,604	11,655,428	3,311,786	-	-	24,344,03
School leadership	5,414,549	9,530,014	679,681	630,873	-	-	16,255,11
Co-curricular	1,332,871	9,689	-	31,381	4,278,883	-	5,652,82
School based support	659,758	11,606,468	1,847,019	1,459,727	-	-	15,572,97
System wide support services							
Support and development	834,542	540,842	458,263	1,160,247	-	-	2,993,89
Special populations	22,075	219,866	216,276	238,042	-	_	696,25
Alternative programs	63,357	169,641	424,001	190,453	_	_	847,45
Technology support	1,311,793	485,219	222,910		_	_	2,019,92
Operational support	14,836,620	16,498,306	2,445,438	190,858	_	_	33,971,22
Financial and human resources	3,781,772	606,966	108,820	37,101	_	12,203	4,546,86
Accountability Services	101,394	1,615	2,611	9,000	_	12,203	114,62
System wide pupil support	11,786	101,298	2,011	3,000	_	_	113,08
Leadership services	853,309	607,267	235,546	2,352			1,698,47
·	655,505	007,207	233,340	2,332	_	-	1,058,47
Ancillary services	45.264	22.602		026 077			4 005 43
Community	45,361	23,683	-	936,077	-	-	1,005,12
Nutritional	-	225,960	571,906	10,679	-	-	808,54
Non-program charges	-	-	2,725,409	217,307	-	-	2,942,71
On-behalf payment to County							
for repayment of debt	-	-	-	-	-	1,867,520	1,867,52
Debt Service:							
Principal	191,122	-	-	-	8,598	899,433	1,099,15
Interest	2,378	-	-	-	-	14,322	16,70
Capital outlay:							
Real property and buildings	-	-	-	-	-	13,445,047	13,445,04
Furniture and equipment	-	-	-	-	-	5,004,426	5,004,42
Buses and motor vehicles	-	-	-	-	-	385,497	385,49
Total expenditures	44,384,319	169,070,877	45,131,612	10,437,735	4,287,481	21,628,448	294,940,47
Excess revenues over (under) expenditures	1,226,970	52,701	-	3,461,163	618,931	(4,461,765)	898,00
OTHER FINANCING SOURCES (USES)							
Installment purchase							
obligations issued	-	_	_	-	-	377,147	377,14
Transfers (from) to other funds	(3,000,000)	(52,701)	-	(3,000,000)	-	6,000,000	(52,70
Insurance recovery	75,000	-	_	-	-	-	75,00
Lease financing issued		_	_	_	42,027	-	42,02
Total other financing sources (uses)	(2,925,000)	(52,701)		(3,000,000)	42,027	6,377,147	441,47
		(32,701)					
Net change in fund balances	(1,698,030)	-	-	461,163	660,958	1,915,382	1,339,47
Fund balances - beginning	11,599,906	-	-	10,853,443	2,000,486	3,993,878	28,447,71
Increase in reserve for inventories	148,464	-	-	-	-	-	148,46

Pitt County Board of Education, North Carolina Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities For the Fiscal Year Ended June 30, 2022 Exhibit 4 (concluded)

Net changes in fund balances - total governmental funds	\$ 1,339,473
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.	
Capital outlay	9,361,642
Depreciation expense	(7,158,115
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	22,969,136
Contributions to the OPEB plan in the current fiscal year are not included on the Statement of Activities	8,946,044
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 affects only the government-wide Statement of Net Position.	(419,174
Right to use leased assets	42,027
Amortization expense on right to use leased assets	(190,867
Some expenses reported in the Statement of Activites (Exhibit 2) do not require the use of current financial	
resources and, therefore, are not reported as expenditures in the governmental funds.	
Accrued interest expense	(341
Pension expense	(9,329,245
OPEB revenues	11,535,975
Debt service	1,099,153
Adjustment due to the use of the consumption method of recording inventory in the government-wide statements	148,464
Compensated absences	(69,552
Total changes in net position of governmental activities	\$ 38,274,620

Pitt County Board of Education, North Carolina General Fund and Annually Budgeted Major Special Revenue Funds Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual For the Fiscal Year Ended June 30, 2022 Exhibit 5 (continued)

	General Fund			
	Budgeted An	nounts		
	Original	Final	Actual Amounts	Variance with Fina Budget - Positive (Negative)
REVENUES	-			-
State aid	\$ - \$	-	\$ -	\$ -
Federal aid	-	-	-	-
Local aid	43,283,624	43,283,624	43,283,624	-
Other local sources	-	-	-	-
Interest earnings	-	-	14,761	14,761
Fines and forfietures	2,050,000	2,050,000	2,033,455	(16,54
Indirect costs	-	-	-	-
Sales tax	-	-	-	-
Tuition and fees	-	-	12,750	12,750
Miscellaneous	300,000	300,000	266,699	(33,30:
Total revenues	45,633,624	45,633,624	45,611,289	(22,33
EXPENDITURES				
Current:				
Instructional programs				
Regular	18,315,154	18,037,535	13,141,940	4,895,595
Special	1,188,579	1,376,662	1,337,478	39,184
Alternative programs	432,408	444,853	442,214	2,639
School leadership	6,636,171	5,996,178	5,414,549	581,62
Co-curricular	1,025,508	1,332,863	1,332,871	(3
School based support	801,174	829,267	659,758	169,509
System wide support services				
Support and development	917,968	936,597	834,542	102,05
Special populations	6,140	23,065	22,075	990
Alternative program	10,733	63,467	63,357	110
Technology support	1,291,615	1,317,965	1,311,793	6,17
Operational support	16,131,275	15,967,058	14,836,620	1,130,438
Financial and human resources	3,568,746	3,776,327	3,781,772	(5,44
Accountability services	91,228	101,553	101,394	159
System wide pupil support	25,856	11,914	11,786	128
Leadership services	860,301	880,587	853,309	27,278
Ancillary services				
Community	32,317	45,380	45,361	19
Nutritional	1,975	-	-	-
Debt services				
Principal	-	193,500	191,122	2,378
Interest	-	2,378	2,378	-
Non-program charges	-	-	-	-
Total expenditures	51,337,148	51,337,149	44,384,319	6,952,830
Revenues over expenditures	(5,703,524)	(5,703,525)	1,226,970	6,930,49
Other financing sources (uses)				
Transfers to other funds	(3,000,000)	(3,000,000)	(3,000,000)	-
Insurance recovery	1,200,000	1,200,000	75,000	(1,125,000
Fund balance appropriated	7,503,524	7,503,525	-	(7,503,525
Total other financing sources (uses)	5,703,524	5,703,525	(2,925,000)	(8,628,52
Revenues and other financing sources over			/	A /
(under) expenditures and other financing uses	\$ - \$	-	(1,698,030)	\$ (1,698,030
Fund balances - beginning, previosly reported			11,599,906	
Increase in reserve for inventories			148,464	
Fund balances - ending			\$ 10,050,340	

Pitt County Board of Education, North Carolina General Fund and Annually Budgeted Major Special Revenue Funds Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual For the Fiscal Year Ended June 30, 2022 Exhibit 5 (continued)

	Budgeted	Amou	nts				
	Original		Final	Act	tual Amounts	Buc	nce with Fina get - Positive Negative)
REVENUES							
State aid	\$ 176,934,277	\$	181,352,475	\$	169,123,578	\$	(12,228,897
Federal aid	-		-		-		-
Local aid	-		-		-		-
Other local sources	-		-		-		-
Interest earnings	-		-		-		-
Fines and forfietures	-		-		-		-
Indirect costs	-		-		-		-
Sales tax	-		-		-		-
Tuition and fees	-		-		-		-
Miscellaneous	-		-		-		-
Total revenues	176,934,277		181,352,475		169,123,578		(12,228,89
EXPENDITURES							
Current:							
Instructional programs							
Regular	102,932,434		104,544,244		96,439,690		8,104,55
Special	24,433,661		24,116,044		23,069,749		1,046,29
Alternative programs	9,116,111		10,356,685		8,934,604		1,422,08
School leadership	10,066,004		10,049,580		9,530,014		519,56
Co-curricular	9,700		9,700		9,689		1
School based support	12,004,454		12,259,494		11,606,468		653,02
System wide support services							
Support and development	454,256		572,710		540,842		31,86
Special populations	250,605		233,822		219,866		13,95
Alternative program	185,147		197,965		169,641		28,32
Technology support	310,655		492,933		485,219		7,71
Operational support	15,443,955		16,785,097		16,498,306		286,79
Financial and human resources	620,846		635,107		606,966		28,14
Accountability services	1,615		1,615		1,615		/-
System wide pupil support	97,479		101,431		101,298		13
Leadership services	639,767		631,304		607,267		24,03
Ancillary services	033,707		031,304		007,207		24,03
Community	44,050		44,050		23,683		20,36
Nutritional	323,538		268,432		225,960		42,47
Debt services	323,330		200,432		223,300		72,77
Principal	_		_		_		_
Interest					_		
Non-program charges							
Total expenditures	176,934,277		101 200 212		160 070 977		12,229,33
	170,934,277		181,300,213		169,070,877 52,701		43
Revenues over expenditures	-		52,262		32,701		43
Other financing sources (uses)			(52.262)		(52.704)		(42)
Transfers to other funds	-		(52,262)		(52,701)		(43
Insurance recovery	-		-		-		-
Fund balance appropriated	-		- (F2 266)		- (52.70*)		- /
Total other financing sources (uses)	-		(52,262)		(52,701)		(43
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$	-		-	\$	-

Pitt County Board of Education, North Carolina General Fund and Annually Budgeted Major Special Revenue Funds Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual For the Fiscal Year Ended June 30, 2022 Exhibit 5 (continued)

	Federal Grants Fund Budgeted An			
	Original	Final	Actual Amounts	Variance with Fina Budget - Positive (Negative)
REVENUES				
State aid	\$ - \$		\$ -	\$ -
Federal aid	124,650,332	127,423,282	45,131,612	(82,291,670
Local aid	-	-	-	-
Other local sources	-	-	-	-
Interest earnings	-	-	-	-
Fines and forfietures	-	-	-	-
Indirect costs	-	-	-	-
Sales tax	-	-	-	-
Tuition and fees	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	124,650,332	127,423,282	45,131,612	(82,291,670
EXPENDITURES				
Current:				
Instructional programs				
Regular	43,648,699.00	46,342,945	14,799,391	31,543,554
Special	14,294,074.00	15,302,907	8,738,913	6,563,994
Alternative programs	32,404,361.00	25,047,717	11,655,428	13,392,289
School leadership	1,053,466.00	1,368,829	679,681	689,148
Co-curricular	-	-	-	-
School based support	5,853,217.00	4,958,908	1,847,019	3,111,889
System wide support services				
Support and development	2,622,037	1,785,852	458,263	1,327,589
Special populations	222,283	235,207	216,276	18,933
Alternative program	427,046	439,121	424,001	15,120
Technology support	234,180	380,223	222,910	157,31
Operational support	18,023,434	20,585,409	2,445,438	18,139,97
Financial and human resources	472,896	504,226	108,820	395,400
Accountability services	1,305	2,611	2,611	-
System wide pupil support	1,305	-	-	-
Leadership services	679,122	690,522	235,546	454,976
Ancillary services	,	,-	,-	,-
Community	-	_	_	_
Nutritional	481,458	703,976	571,906	132,070
Debt services	101,130	, 65,576	372,300	202,07
Principal	_	_	_	_
Interest	_	_	_	_
Non-program charges	4,231,449	9,074,829	2.725.409	6,349,420
Total expenditures	124,650,332	127,423,282	45,131,612	82,291,670
Revenues over expenditures	124,030,332	127,423,202	+3,131,012	02,231,070
Other financing sources (uses)				
Transfers to other funds	_	_	_	
Insurance recovery	- -	_	-	-
•	-	-	-	-
Fund balance appropriated Total other financing sources (uses)	-	-	-	-
Revenues and other financing sources (uses)	-	-	-	-
(under) expenditures and other financing uses	\$ - \$	-	-	\$ -
Fund balances - beginning	Ŧ Y			

Pitt County Board of Education, North Carolina General Fund and Annually Budgeted Major Special Revenue Funds Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual For the Fiscal Year Ended June 30, 2022 Exhibit 5 (concluded)

	Special Reve Budg	nue Fund eted Amo	ounts		
	Original		Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES					
State aid	\$ 3,313,1	.56 \$	3,932,754	\$ 3,941,371	\$ 8,617
Federal aid	9,905,6	559	10,082,889	4,696,320	(5,386,569)
Local aid	-	-	-	-	-
Other local sources	875,6	558	434,645	421,982	(12,663)
Interest earnings	-	-	-	18,953	18,953
Fines and forfietures	-	-	-	-	-
Indirect costs	1,072,8	800	3,072,800	3,375,545	302,745
Sales tax		=	200,000	162,108	(37,892)
Tuition and fees	250,0	000	835,000	696,887	(138,113)
Miscellaneous	485,0	000	766,250	585,732	(180,518)
Total revenues	15,902,2	273	19,324,338	13,898,898	(5,425,440)
EXPENDITURES					
Current:					
Instructional programs					
Regular	12,401,8	202	12,424,226	1,502,469	10,921,757
Special	1,221,7		1,221,799	509,383	
•				•	712,416
Alternative programs School leadership	3,874,0		4,019,319	3,311,786	707,533
·	1,081,3	1/3	1,076,273	630,873	445,400
Co-curricular	2 200 0		9,100	31,381	(22,281)
School based support	2,306,0	106	2,367,101	1,459,727	907,374
System wide support services	2.500.4	22	2 560 022	1 160 247	2 400 675
Support and development	3,560,1		3,560,922	1,160,247	2,400,675
Special populations	248,5		249,440	238,042	11,398
Alternative program	187,8	318	190,693	190,453	240
Technology support			152,383	-	152,383
Operational support	227,5		200,000	190,858	9,142
Financial and human resources	56,5		57,355	37,101	20,254
Accountability services	9,0	000	9,000	9,000	-
System wide pupil support	-	-	-	-	-
Leadership services	-	-	2,600	2,352	248
Ancillary services					
Community	-	-	1,148,635	936,077	212,558
Nutritional	30,0	000	30,000	10,679	19,321
Debt services					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Non-program charges	2,587,4	804	1,502,901	217,307	-
Total expenditures	27,792,1	.82	28,221,747	10,437,735	16,498,418
Revenues over expenditures	(11,889,9	009)	(8,897,409)	3,461,163	12,358,572
Other financing sources (uses)					
Transfers to other funds	-	-	(3,000,000)	(3,000,000)	-
Insurance recovery	-	-	-	-	-
Fund balance appropriated	11,889,9	009	11,897,409	-	(11,897,409)
Total other financing sources (uses)	11,889,9	009	8,897,409	(3,000,000)	(11,897,409)
Revenues and other financing sources over					
(under) expenditures and other financing uses	\$ -	- \$	<u> </u>	461,163	\$ 461,163
Fund balances - beginning				10,853,443	
Fund balances - ending				\$ 11,314,606	

Pitt County Board of Education, North Carolina Statement of Net Position Proprietary Fund June 30, 2022 Exhibit 6

	School Food Service				
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 5,399,408				
Investments	2,882,038				
Accounts receivables	9,102				
Due from other governments	623,157				
OPEB asset	3,614				
Inventories	837,553				
Total current assets	9,754,872				
Noncurrent assets:					
Capital assets (net of accumulated					
depreciation)	957,909				
Total noncurrent assets	957,909				
Total assets	10,712,781				
DEFERRED OUTFLOWS OF RESOURCES - PENSIONS	1,480,614				
DEFERRED OUTFLOWS OF RESOURCES - OPEB	776,666				
LIABILITIES					
Current liabilities:					
Accounts payable	13,165				
Compensated absences payable, current	51,367				
Unavailable revenues	85,685				
Total current liabilities	150,217				
Noncurrent liabilities:					
Net pension liability	1,215,161				
Net OPEB liability	6,385,181				
Compensated absences payable, noncurrent	154,101				
Total noncurrent liabilities	7,754,443				
Total liabilities	7,904,660				
DEFERRED INFLOWS OF RESOURCES - PENSIONS	1,234,824				
DEFERRED INFLOWS OF RESOURCES - OPEB	2,024,018				
NET POSITION					
Investment in capital assets	957,909				
DIPNC OPEB plan	3,614				
Unrestricted	845,036				
Total net position	\$ 1,806,559				

Pitt County Board of Education, North Carolina Statement of Revenue, Expenses and Changes in Net Position Proprietary Fund For the Fiscal Year Ended June 30, 2022 Exhibit 7

	School Food Service
OPERATING REVENUES	
Food sales	\$ 501,836
Total operating revenues	501,836
OPERATING EXPENSES	
Purchase of food	6,013,047
Salaries and benefits	4,605,063
Indirect costs	432,829
Purchased services	90,498
Repairs and maintenance	339,331
Materials and supplies	22,396
Depreciation	224,602
Total operating expenses	11,727,766
Operating loss	(11,225,930)
NONOPERATING REVENUES (EXPENSES) Federal reimbursements	14,287,858
Federal commodities	1,098,951
Investment earnings	12,483
Total nonoperating revenues	15,399,292
Income before transfers	4,173,362
Transfers in (out)	
State Public School Fund	52,701
Total transfers	52,701
Change in net position	4,226,063
Total net position (deficit) - beginning	(2,419,504)
Total net position (deficit) - ending	\$ 1,806,559

Pitt County Board of Education, North Carolina Statement of Cash Flows Proprietary Fund For the Fiscal Year Ended June 30, 2022 Exhibit 8 (continued)

	School Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers and users	\$ 500,568
Cash paid for goods and services	(5,997,342)
Cash paid to employees for services	(5,341,273)
Net cash used in operating activities	(10,838,047)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal and state reimbursements	14,091,889
Net cash provided by noncapital financing	
activities	14,091,889
CASH FLOWS FROM CAPITAL AND RELATED	
FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(362,978)
Net cash used in capital and related	
financing activities	(362,978)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of investments	(434,476)
Interest on investments	12,483
Net cash provided by investing activities	(421,993)
Net change in cash and cash equivalents	2,468,871
Cash and cash equivalents, July 1	2,930,537
Cash and cash equivalents, June 30	\$ 5,399,408

Pitt County Board of Education, North Carolina Statement of Cash Flows Proprietary Fund For the Fiscal Year Ended June 30, 2022 Exhibit 8 (concluded)

Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (11,225,930)
Adjustments to reconcile operating loss	
to net cash used in operating activities	
Depreciation	224,602
Donated commodities consumed	1,098,951
Salaries paid by special revenue fund	52,701
Change in assets, deferred outflows of resources and liabilities:	
(Increase) Decrease in due from other governments	(1,268)
(Increase) Decrease in net OPEB asset	6,113
(Increase) Decrease in inventory	(127,786)
Increase (Decrease) in accounts payable	(39,499)
Increase (Decrease) in accrued salaries and wages payable	(545)
Increase (Decrease) in net OPEB liability	380,166
Increase (Decrease) in compensated absences	(3,263)
Increase (Decrease) in unavailable revenues	(30,907)
Increase (Decrease) in net pension liability	(1,559,625)
(Increase) Decrease in deferred outlfows - pensions	15,095
Increase (Decrease) in deferred inflows - pensions	1,230,880
Increase (Decrease) in deferred inflows - OPEB	(644,405)
Net cash used in operating activities	\$ (10,838,047)

Noncash operating activities and noncapital financing activities:

The State Public School Fund paid salaries and benefits of \$52,701 to administrative personnel of the School Food Service Fund during the fiscal year. The payment is reflected as an transfer in and an operating expense on Exhibit 7.

The School Food Service Fund received donated commodities with a value of \$1,098,951 during the fiscal year. The receipt of the commodities is recognized as a non-operating revenue. The Fund recorded the consumption of \$1,098,951 worth of donated commodities during the fiscal year as an operating expense. These transactions are reported on Exhibit 7.

I. Summary of Significant Accounting Policies

The accounting policies of Pitt County Board of Education, North Carolina 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 Pitt County Board of Education, North Carolina (Board) is a Local Education Agency empowered by State law [Chapter 115C of the North Carolina General Statutes] with the responsibility to oversee and control all activities related to public school education in Pitt County, North Carolina. The Board receives State, local, and federal government funding and must adhere to the legal requirements of each funding entity.

B. Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities present information about the Board. These statements include the financial activities of the overall government. Eliminations have been made to minimize the effect of internal activities on revenues and expenses. These statements distinguish between the *governmental* and *business-type activities* of the Board. Governmental activities generally are financed through 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 Board and for each function of the Board'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 are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Board's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column.

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

The Board reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. This fund is the "Local Current Expense Fund," which is mandated by State law [G.S. 115C-426].

State Public School Fund. The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public school system.

Federal Grants Fund. The Federal Grants Fund is used to account for various programs and grants, which the federal government provided to the local administrative unit.

Special Revenue Fund. The Special Revenue Fund is used to account for other programs and grants provided by other State, Local, and Federal sources to the local administrative unit. The Special Revenue Fund is used to account for reimbursements for services and fees, sales tax refunds, gifts and grants restricted to use, and Federal appropriations made directly to the local administrative unit. The Special Revenue Fund is also used to account for funds received for pre-kindergarten programs and special programs.

Individual Schools Fund. The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fund raising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs. The Individual Schools Fund is reported as a special revenue fund.

Capital Outlay Fund. The Capital Outlay Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by the proprietary fund) and is reported as a capital projects fund. It is mandated by State law [G.S.115C-426]. Capital projects are funded by Pitt County appropriations, restricted sales tax moneys, proceeds of Pitt County bonds issued for public school construction, lottery proceeds, as well as certain State assistance.

The Board reports the following major enterprise fund:

School Food Service Fund. The Child Nutrition Fund is used to account for the food service program within the school system and is reported as an enterprise fund.

C. Measurement Focus and Basis of Accounting

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and 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 Board gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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. The Board considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. These include federal, State, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for 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. Acquisitions under capital leases are reported as other financing sources.

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

D. Budgetary Data

The Board's budgets are adopted as required by the North Carolina General Statutes. Annual budgets are adopted for all funds, except for the Individual Schools' Special Revenue Funds, as required by the North Carolina General Statutes. Per State law no budget is required for Individual School Funds. All appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the purpose dimension level for all annually budgeted funds. The Board has authorized the Superintendent to move monies from one function to another within a fund. Amendments are required for any revisions that alter total expenditures of any fund or that change purpose appropriations. All amendments must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted. The actual and budgetary expenditure data on Exhibit 5 is presented at the functional level to provide greater details and information.

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Fund Equity

1. Deposits and Investments

All deposits of the Board are made in board-designated official depositories and are secured as required by State law [G.S. 115C-444]. The Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit. The Board also has money credited in its name with the State Treasurer and may issue State warrants against these funds.

The STIF is managed by the staff of the Department of State Treasurer and operated in accordance with state laws and regulations. It is not registered with the SEC. It consists of an internal portion and an

external portion in which the Board participates. Investments are restricted to those enumerated in G.S. 147-69.1.

State law [G.S. 115C-443] authorizes the 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; the North Carolina Capital Management Trust (NCCMT) is a SEC-registered money market mutual fund allowable by G.S 159-3(c)(8). The NCCMT Government Portfolio is a 2a-7 fund maintaining an AAAm rating from S&P Global and AAAmf by Moody's Investors Service. The NCCMT Government Portfolio is reported at fair value.

The Short-Term Investment Fund (STIF) is managed by the staff of the Department of State Treasurer and operated in accordance with state laws and regulations. It is not registered with the SEC. It consists of an internal portion and an external portion in which the board participates. Investments are restricted to those enumerated in G.S. 147-69.1.

The Board's investments are reported at amortized cost or at fair value determined by either quoted market prices or a matrix pricing model. Bank deposits are measured at amortized cost. Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs – other than quoted prices – included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2022 of 1.3 years. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to external participants of the fund.

2. Cash and Cash Equivalents

The Board pools money from several funds to facilitate disbursement and investment and to maximize investment income. All cash and investments with original maturities of three months or less are considered cash and cash equivalents.

3. <u>Inventories</u>

The inventories of the Board are valued at cost and the Board uses the first-in, first-out (FIFO) flow assumption in determining cost. The inventories of the Board's General Fund consist of expendable materials and supplies, which are recorded as expenditures when purchased. The General Fund inventories do not reflect current appropriable resources; thus, an equivalent portion of fund balance is reserved. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

4. Lease Receivable

The Board's lease receivable is measured at the present value of lease payments expected to be received during the lease term. There are no variable components under the lease agreement. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded

at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

5. Capital Assets

Donated assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation or forfeiture. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other capital assets are recorded at original cost. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Certain items acquired before July 1, 1950 are recorded at an estimated original historical cost. The total of these estimates is not considered large enough that any errors would be material when capital assets are considered as a whole.

It is the policy of the Board to capitalize all capital assets costing more than \$3,000 with an estimated useful life of two or more years. In addition, other items that are purchased and used in large quantities such as student desks are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Pitt County holds title to certain properties, which are reflected as capital assets in the financial statements of the Board. The properties have been deeded to the County to permit installment purchase financing of 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 give the school system full use of the facilities, full responsibility for maintenance of the facilities, and provides that the County will convey title of the property back to the Board, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	50
Improvements	10
Equipment and furniture	3 - 12
Vehicles	6

Depreciation for building and equipment that serve multiple purposes cannot be allocated ratably and is therefore reported as "unallocated depreciation" on the Statement of Activities.

6. Deferred outflows and inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The Board has several items that meet this criterion – pension and OPEB related deferrals and contributions made to the plans subsequent to the measurement date. The statement of financial position also reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to future periods and so will not be recognized as revenue until then. The Board has several items that meet this criterion - sales tax refunds receivable in

the State Public School and Federal Grants funds, lease receivable in the Special Revenue Fund and pension and OPEB related deferrals.

7. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

8. Compensated Absences

The Board follows the State's policy for vacation and sick leave. Employees may accumulate up to thirty (30) days earned vacation leave with such leave being fully vested when earned. The Board's liability for accumulated earned vacation and the salary-related payments as of June 30, 2022 is recorded in the government-wide and proprietary fund financial statements on a FIFO basis. An estimate of the current portion of compensated absences based on prior years' records has been made.

The sick leave policy of the Board provides 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 the board has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

9. Net Position/Fund Balances

Net Position

Net position in the government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments, or imposed by law through State statute.

Fund Balance

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

The governmental fund types classify fund balances as follows:

Non-spendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Inventories – portion of fund balance that is <u>not</u> an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Restricted Fund Balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State Statute - portion of fund balance that is restricted by State Statute [G.S. 115C-425(a)].

Restricted for Requirements by Grantors – portion of fund balance that can only be used for the specific purposes as specified by the grantors.

Restricted for School Capital Outlay – portion of fund balance that can only be used for School Capital Outlay. [G.S. 159-18 through 22]

Restricted for Individual Schools – revenue sources restricted for expenditures for the various clubs and organizations, athletic events, and various fund raising activities for which they were collected.

Committed Fund Balance – portion of fund balance that can only be used for specific purpose imposed by majority vote by quorum of the Board of Education's governing body (highest level of decision-making authority) and in certain instances approval by the County's governing body is required. Any changes or removal of specific purpose requires majority vote by quorum of the governing bodies that approved the original action.

Committed for Capital Projects – portion of fund balance committed by the Board that can only be used for future capital projects.

Committed for Instructional Staff Development – portion of fund balance committed by the Board that can only be used for future instructional staff development.

Committed for Safety and Security – portion of fund balance committed by the Board that can only be used for safety and security measures.

Assigned fund balance – portion of fund balance that Pitt County Board of Education intends to use for specific purposes.

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The Board body approves the appropriation; however, per Board policy 3.101, the budget ordinance authorizes the Superintendent to transfer the appropriations between sub-functions and objects or expenditures within a function.

Unassigned fund balance – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The general fund is the only fund that reports a positive unassigned fund balance.

The Board has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Chief Financial Officer will use resources in the following hierarchy in conjunction with and within the confines of all applicable state, federal, and local fiscal policies, laws, and regulations: state funds, federal funds, special revenue funds, Board of Education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Board of Education.

10. 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 Position.

The governmental fund Balance Sheet includes a reconciliation between total fund balance of the governmental funds and net position of the governmental activities as reported in the government-wide Statement of Net Position. The net adjustment of \$(151,299,648) consists of several elements as follows:

Description		Amount
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds		
(total capital assets on government-wide statements in the governmental column (Exhibit 1)).	Ś	334,323,595
Less acumulated depreciation	ş	(137,688,039)
Net capital assets		196,635,556
Right to use leased assets used in governmental activities are not financial resources and therefore not reported in		
the funds (total right to uses leased assets on government-wide statements in the governmental column (Exhibit 1)).		492,469
Less acumulated amortization		(190,867)
Net right to use leased assets		301,602
Net OPEB asset		125,934
Pension related deferred outflows of resources		39,965,449
OPEB related deferred outflows of resources		31,205,732
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 statement		
Installment financing		(681,275)
Lease liability		(292,749)
Capital lease		(89,718)
Compensated absences		(12,993,817)
Net pension liability		(40,398,178)
Net OPEB liability		(235,489,543)
Accrued interest		(337)
Pension related deferred inflows of resources		(55,229,220)
OPEB related deferred inflows of resources		(74,359,084)
Total adjustments	\$	(151,299,648)

2. Explanation of certain differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities.

The governmental fund Statement of Revenues, Expenditures, and Changes in Funds Balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. There are several elements of that total adjustment of \$36,935,147 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 9,361,642
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement	
ofactivities but not in the fund statements.	(7,158,115)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the	
on the statement of activities - it affects only the government-wide statement of net position	(419,174)
Principal payments on debt owed are recorded as a use of funds on the fund statement; it has no effect on the	
statement of activities - it affects only the government-wide statement of net position - installments	899,433
Principal payments on debt owed are recorded as a use of funds on the fund statement; it has no effect on the	
statement of activities - it affects only the government-wide statement of net position - leases	199,720
Right to use leased asset capital outlay expenditures which are capitalized	42,027
Less amortization expense on intangible leased assets	(190,867)
Increase (decrease) in accrued interest expense	(341)
Contributions to the pension plan in the current fiscal year are not included on the statement of activities	22,969,136
Contributions to the OPEB plan in the current fiscal year are not included on the statement of activities	8,946,044
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expense in the fund statements.	
Pension expense	(9,329,245)
OPEB revenue	11,535,975
Adjustment due to the use of the consumption method of recording inventory in the government-wide statements	148,464
Compensated absenses are accrued in the government-wide statements but not the fund statements because	
they do not use current resources	(69,552)
Total adjustments	\$ 36,935,147

11. Defined Benefit Pension Plan and OPEB Plans

For purposes of measuring the net pension asset, liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' and State Employees' Retirement System (TSERS), the Retiree Health Benefit Fund (RHBF), and the Disability Income Plan of NC (DIPNC) and additions to/deductions from TSERS, RHBF, and DIPNC's fiduciary net position have been determined on the same basis as they are reported by TSERS, RHBF, and DIPNC. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Board's employer contributions are recognized when due and the Board has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of TSERS, RHBF, and DIPNC. Investments are reported at fair value.

12. Future Accounting Pronouncements

In June 2022, the GASB issued GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting

periods thereafter. Earlier application is encouraged. The Board is currently reviewing this statement to determine the effect on the financial statements.

In June 2022, the GASB issued GASB Statement No. 100, Accounting Changes and Error Corrections. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The Board is currently reviewing this statement to determine the effect on the financial statements.

In April 2022, the GASB issued GASB Statement No. 99, *Omnibus 2022*. This Statement provides guidance on the following:

- Classification and reporting of derivative instruments within the scope of Statement No.
 53, Accounting and Financial Reporting for Derivative Instruments, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument,
- Clarification of provisions in Statement No. 87, Leases, as amended, related to the
 determination of the lease term, classification of a lease as a short-term lease, recognition
 and measurement of a lease liability and a lease asset, and identification of lease
 incentives,
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the PPP term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset,
- Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the SBITA term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability,

- Extension of the period during which the LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt,
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP),
- Disclosures related to nonmonetary transactions,
- Pledges of future revenues when resources are not received by the pledging government,
- Clarification of provisions in Statement No. 34, Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements,
- Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and
- Terminology used in Statement 53 to refer to resource flows statements.

The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The District is currently reviewing this statement to determine the effect on the financial statements.

In May 2020, the GASB issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this

Statement. The Board is currently reviewing this statement to determine the effect on the financial statements.

In March 2020, the GASB issued GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. PPPs should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or if applicable to earlier periods, the beginning of the earliest period restated). The Board is currently reviewing this statement to determine the effect on the financial statements.

In May 2019, the GASB issued GASB Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The Board is currently reviewing this statement to determine the effect on the financial statements. With the issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, the effective date of this statement has been extended by one year.

13. Accounting Pronouncements Implemented

In October 2021, the GASB issued GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its

acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The requirements of this Statement are effective for fiscal years ending after December 15, 2021.

In June 2020, the GASB issued GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement. The Board is currently reviewing this statement to determine the effect on the financial statements.

In March 2020, the GASB issued GASB Statement No. 93, Replacement of Interbank Offered Rates. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with Statement No. 87, Leases, as amended, replacement of the rate on which variable payments depend in a lease contract would

require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable.

The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended

Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Earlier application is encouraged. The exceptions to the existing provisions for hedge accounting termination and lease modifications in this Statement will reduce the cost of the accounting and financial reporting ramifications of replacing IBORs with other reference rates. The reliability and relevance of reported information will be maintained by requiring that agreements that effectively maintain an existing hedging arrangement continue to be accounted for in the same manner as before the replacement of a reference rate. As a result, this Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. With the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the effective date of this statement has been extended by one year. The District has implemented the requirements of the new standard for the year ended June 30, 2022.

In January 2020, the GASB issued GASB Statement No. 92, Omnibus 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statements No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments.

The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2020.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020.

Earlier application is encouraged and is permitted by topic. With the issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, the effective date of this statement has been extended by one year.

In June 2018, the GASB issued GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively. With the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance,* the effective date of this statement was extended by one year. The Board has implemented the requirements of the new standard for the year ended June 30, 2022.

In June 2017, the GASB issued GASB Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. With the issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, the effective date of this statement was postponed by 18 months. The Board has implemented the requirements of the new standard for the year ended June 30, 2022.

II. Detail Notes on All Funds

A. <u>Assets</u>

1. Deposits

All of the 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 Board's agents in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Board, these deposits are considered to be held by the agent in the entity's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report the adequacy of their pooled collateral covering uninsured deposits to the State Treasurer. The State Treasurer does not confirm this information with the Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Board has no policy regarding custodial credit risk for deposits.

At June 30, 2022, the Board had deposits with banks and savings and loans with a carrying amount of \$25,890,458 and with the State Treasurer of \$323,947. The bank balances with the financial institutions and the State Treasurer were \$24,868,627 and \$1,231,174, respectively. Of these balances, \$1,140,311

was covered by federal depository insurance and \$26,547,892 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

2. Investments

At June 30, 2022, the Board's investment balances were as follows:

Valuation	
Measuremen	t

	ivieasurement			
Investment Type	Method	Fair Value	Maturity	Rating
NC Capital Management Trust - Government Portfolio	Fair Value - Level 1	\$ 10,417,322	N/A	AAAmf - Moody's Investor Service and AAAm - S&P
Department of State Treasurer Short Term Investment Fund			Duration of .9	
(STIF)	Fair Value - Level 2	1,789,720	years	Unrated
		\$ 12,207,042		

All investments are measured using the market approach. Debt classified in Level 1 of the fair value hierarchy is valued using prices quoted in active markets for those securities. Investments classified in Level 2 of the fair value hierarchy are valued using prices that are either directly or indirectly observable for an asset or liability. The Board has no policy for managing interest rate risk or credit risk.

3. Accounts Receivable

Receivables at the government-wide level at June 30, 2022, were as follows:

	Due fron	n other				
	governi	636,606 1,089,734 636,606 \$ 1,567,449 623,157 \$ 9,102 623,157 \$ 9,102				Total
Governmental activities:						
General	\$	-	\$	477,715	\$	477,715
Other governmental activities		636,606		1,089,734		1,726,340
Total governmental activities	\$	636,606	\$	1,567,449	\$	2,204,055
Business-type activities						
Food Service Fund	\$	623,157	\$	9,102	\$	632,259
Total business-type activities	\$	623,157	\$	9,102	\$	632,259
Due from other governments consists of t	he following:					
Federal Grants		229,770	Operatir	ng fund from DP	1	
Special Revenue		384,376	Misc rev	enues from NC	and count	:y
Capital Outlay		22,460	Misc rev	enues from the	state	
Total	\$	636,606	=			
Food Service Fund	\$	623,157	Federal	reimbursement	s	

Management has determined from a review of outstanding accounts that amounts presented as receivables are collectible, and that an allowance for doubtful accounts was not considered necessary.

4. <u>Lease Receivable</u>

In July 2014, the Board entered into a lease with American Tower (lessee). Under the lease, the lessee pays the Board \$1,500 per month for twelve months in exchange for operating its business on property owned by the Board. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of .85%, which is the prime interest rate at June 30, 2022. The future lease payments to receive are as follows:

Year Ending June 30,	Principal		Interest	Total
2023	\$ 17,780	\$	220	\$ 18,000
2024	16,428		70	16,498
Total	\$ 34,208	\$	290	\$ 34,498

5. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balances Increas		Increases	Decreases		Ending Balances		
Governmental activities:								
Capital assets not being depreciated:								
Land	\$	5,168,270	\$	-	\$	-	\$	5,168,270
Construction in progress		2,236,637		5,822,937		-		8,059,574
Total capital assets not being depreciated		7,404,907		5,822,937		-		13,227,844
Capital assets being depreciated: Buildings and improvements		285,450,080		2,562,127		-		288,012,207
Equipment and furniture		10,199,069		563,283		467,998		10,294,354
Vehicles		22,527,239		413,295		151,344		22,789,190
Total capital assets being depreciated		318,176,388		3,538,705		619,342		321,095,751
Less accumulated depreciation for:								
Buildings and improvements		103,383,988		5,525,945		-		108,909,933
Equipment and furniture		8,698,294		437,959		467,998		8,668,255
Vehicles		19,066,984		1,194,211		151,344		20,109,851
Total accumulated depreciation		131,149,266		7,158,115		619,342		137,688,039
Total capital assets being depreciated, net		187,027,122				_		183,407,712
Governmental activities capital assets, net	\$	194,432,029					\$	196,635,556

Depreciation expense was charged to governmental functions as follows:				
Regular instructional	\$	74,717		
Special instructional		19,976		
Alternative programs		14,449		
School leadership		9,648		
Co-curricular		3,355		
School based support services		9,243		
Support and development services		75,992		
Special populations		17,679		
Alternative programs		21,518		
Technology support		51,288		
Operational support services		874,008		
Financial and human resources services		115,416		
Accountability services		2,911		
System-wide pupil support		2,871		
Leadership services		43,126		
Community services		46,070		
Non-programmed charges		74,719		
Unallocated depreciation		5,701,129		
Total	\$	7,158,115		

	Begir	Beginning Balances In		Increases	Decreases		Ending Balances	
Business-type activities:								
Capital assets being depreciated:								
Equipment	\$	4,941,318	\$	362,978	\$ 115,060	\$	5,189,236	
Vehicles		85,178		-	-		85,178	
Total capital assets being depreciated		5,026,496		362,978	115,060		5,274,414	
Less accumulated depreciation for:								
Equipment		4,137,272		220,472	115,060		4,242,684	
Vehicles		69,691		4,130	-		73,821	
Total accumulated depreciation		4,206,963		224,602	115,060		4,316,505	
Business-type activities capital assets, net	\$	819,533		_	_	\$	957,909	

6. Right to Use Assets

The Board has recorded the following right to use leased assets. The right to use lease assets are amortized on a straight-line basis over the terms of the related lease. Additional information regarding these right to use assets can be found within the Note II, 2, C. Right to use asset activity for the Board for the year ended June 30, 2022, was as follows:

	Begin	ning Balances	Increases	Decreases	En	ding Balances
Right to use assets						
Building	\$	582,000	\$ -	\$ -	\$	582,000
Equipment		-	42,027	-		42,027
Office equipment		385,500	-	-		385,500
Total capital assets being depreciated		967,500	42,027	-		1,009,527
Less accumulated depreciation for:						
Building		334,662	115,693			450,355
Equipment		-	30	-		30
Office equipment		182,396	75,144	-		257,540
Total accumulated depreciation		517,058	190,867	-		707,925
Right to use assets, net	\$	450,442			\$	301,602

7. Construction Commitments

Pitt County has an active construction project as of June 30, 2022. The project includes construction at A.G. Cox Middle School for the benefit of Pitt County Board of Education. At year-end, the Board's commitments with contractors for school construction is as follows:

						Remaining	
Project	Budget			Spent-to-date		Commitment	
A.G. Cox Middle School	\$	12,254,076	\$	8,059,574	\$	4,194,502	

8. Financing Commitments

Legislation permits the State Board of Education to finance the purchase of replacement school buses through installment purchases. Pitt County Board of Education has entered into an agreement to purchase 4 buses in this manner. The term of the financing cannot exceed three years and the Board must purchase the buses from vendors approved by the Department of Public Instruction. The Department of Public Instruction will make the payments to the lender on behalf of the Pitt County Board of Education out of funds allocated to the Pitt County Board of Education. Because future resources will be used to fund the payments under the installment agreement no encumbrance of fund balance at June 30, 2022, has been recorded.

The payments due in the fiscal year ended June 30, 2023 and thereafter are as follows:

Total purchase price, 9 replacement school buses - \$928,687

Year ended June 30:					
2023	\$	464,343			
2024		232,172			
2025		232,172			
Total	\$	928,687			

B. Liabilities

1. Pension Plan and Other Postemployment Obligations

a. <u>Teachers' and State Employees' Retirement System</u>

Plan Description. The Board is a participating employer in the statewide Teachers' and State Employees' Retirement System (TSERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. TSERS membership is comprised of employees of the State (state agencies and institutions), universities, community colleges, and certain proprietary component units along with the employees of Local Education Agencies and charter schools. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the TSERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members.

The Teachers' and State Employees' Retirement System is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for TSERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases.

TSERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the TSERS Board of Trustees. The Board's contractually required contribution rate for the year ended June 30, 2022, was 16.38% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Board were \$23,497,313 for the year ended June 30, 2022.

Refunds of Contributions – Board employees who have terminated service as a contributing member of TSERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by TSERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the Board reported a liability of \$41,613,339 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating TSERS employers, actuarially determined. At June 30, 2021 and at June 30, 2020, the Board's proportion was 0.889% and 0.919%, respectively.

For the year ended June 30, 2022, the Board recognized pension expense of \$9,543,769. At June 30, 2022, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Defe	Deferred Outflow of Resources		Deferred Inflow of Resources	
Difference between expected and actual experience	\$	2,339,139	\$	945,085	
Change in assumptions		15,609,611		-	
Net difference between projected and actual earnings on					
pension plan investments		-		51,559,445	
Changes in proportion and differences between employer					
contributions and proportionate share of contributions		-		3,959,514	
Employer contributions subsequent to the measurement date		23,497,313		-	
Total	\$	41,446,063	\$	56,464,044	

\$23,497,313 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2023	\$ (6,672,589)
2024	(7,639,923)
2025	(8,389,707)
2026	(15,813,075)
Thereafter	-
Total	\$ (38,515,294)

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Salary increases 3.25 to 8.25 percent, including inflation and productivity factor 3.25 percent

Investment rate of return 6.5 percent, including inflation of 2.5 percent

expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2020 actuarial valuation are based on the experience study prepared December 31, 2019 and adopted by the Board of Trustees on January 28, 2021. Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

		Long-Term Expected Real Rate
Asset Class	Target Allocation	of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2017 asset, liability, and investment policy study for the North Carolina Retirement Systems, including TSERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.5%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Board's proportionate share of the net pension liability to changes in the discount rate. The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

_	1%	6 Decrease (5.50%)	 ount Rate (6.50%)	1% Inc	rease (7.50%)
Board's proportionate share of the net pension liability					
(asset)	\$	139,586,816	\$ 41,613,339	\$	(39,827,181)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report (ACFR) for the State of North Carolina.

b. Other Postemployment Benefits

1. Healthcare Benefits

Plan description. The Retiree Health Benefit Fund (RHBF) has been established as a fund to provide health benefits to retired and disabled employees and their applicable beneficiaries. RHBF is established by General Statute 135-7, Article 1. It is a cost-sharing, multiple-employer, defined benefit healthcare plan, exclusively for the benefit of former employees of the State, the University of North Carolina System, and community colleges. In addition, LEAs, charter schools, and some select local governments also participate.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. RHBF is supported by a percent of payroll contribution from participating employing units. Each year the percentage is set in legislation, as are the maximum per retiree contributions from RHBF to the State Health Plan. The State Treasurer, with the approval of the State Health Plan Board of Trustees, then sets the employer contributions (subject to the legislative cap) and the premiums to be paid by retirees, as well as the health benefits to be provided through the State Health Plan.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at https://www.osc.nc.gov/public-information/reports.

Benefits provided. Plan benefits received by retired employees and disabled employees from RHBF are OPEB. The healthcare benefits for retired and disabled employees who are not eligible for Medicare are the same as for active employees. The plan options change when former employees become eligible for Medicare. Medicare retirees have the option of selecting one of two fully-insured Medicare Advantage/Prescription Drug Plan (MA-PDP) options of the self-funded Traditional 70/30 preferred Provider Organization plan option that is also offered to non-Medicare members. If the Traditional

70/30 Plan is selected by a Medicare retiree, the self-funded State Health Plan coverage is secondary to Medicare.

Those former employees who are eligible to receive medical benefits from RHBF are long-term disability beneficiaries of the Disability Income Plan of North Carolina (DIPNC) and retirees of the TSERS, the Consolidated Judicial Retirement System (CJRS), the Legislative Retirement System (LRS), the University Employees' Optional Retirement Program (ORP), and a small number of local governments, with five or more years of contributory membership service in their retirement system prior to disability or retirement, with the following exceptions: for employees first hired on or after October 1, 2006, and members of the General Assembly first taking office on or after February 1, 2007, future coverage as retired employees and retired members of the General Assembly is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on or after October 1, 2006 and members of the General Assembly first taking office on or after February 1, 2007 with 10 but less than 20 years of retirement service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan's noncontributory premium.

Section 35.21 (c) and (d) of Session Law 2017-57 repeals retiree medical benefits for employees first hired January 1, 2021. The new legislation amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in TSERS (or in an allowed local system unit), CJRS, or LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021 will not be eligible to receive retiree medical benefits.

RHBF's benefit and contribution provisions are established by Chapter 135-7, Article 1 and Chapter 135, Article 3B of the General Statutes and may be amended only by the North Carolina General Assembly. RHBF does not provide for automatic post-retirement benefit increases.

Contributions. By General Statute, accumulated contributions from employers to RHBF and any earnings on those contributions shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. By statute, contributions to RHBF are irrevocable. Also by law, fund assets are dedicated to providing benefits to retired and disabled employees and their applicable beneficiaries and are not subject to the claims of creditors of the employers making contributions to RHBF. However, RHBF assets may be used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state—supported retired employees' health benefits. Contribution rates to RHBF, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis are determined by the General Assembly in the Appropriations Bill. For the current fiscal year, the Board contributed 6.29% of covered payroll which amounted to \$9,022,860.

At June 30, 2022, Board reported a liability of \$241,874,724 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. The total OPEB liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB liability was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2021 and June 30, 2020, the Board's proportion was 0.782% and 0.811%, respectively.

\$9,022,860 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	
2023	\$ (30,327,674)
2024	(13,789,654)
2025	(4,174,526)
2026	(6,395,928)
2027	844,785
Thereafter	=
Total	\$ (53,842,997)

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation 3.00%

Salary increases based on service 3.50% to 7.55%, including inflation and productivity factor

Discount rate 2.21%

Healthcare cost trend rates

Medical 6.50% grading down to 5.00% by 2024 for non-MA and MA coverage

Prescription drug 9.50% grading down to 5.00% by 2029

Administrative costs 3.009

Post-Retirment Mortality Rates RP-2014 Healthy Annuitant Mortality Rate Table for males and females,

adjusted for Collar for some Participants, further adjusted with scaling factors varying before and after age 78, and projected for mortality

improvement using Scale MP-2015

Discount rate. The discount rate used to measure the total OPEB liability for the RHBF was 2.21% at June 30, 2021 compared to 3.50% at June 30, 2020. The projection of cash flow used to determine the discount rate assumed that contributions from employers would be made at the current statutorily determined contribution rate. Based on the above assumptions, the plan's fiduciary net position was not projected to be available to make projected future benefit payments of current plan members. As a result, a municipal bond rate of 2.21% was used as the discount rate used to measure the total OPEB liability. The 3.50% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2021.

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage point higher (3.21 percent) than the current discount rate:

	;	1% Decrease				
		(1.21%)		(2.21%)	1%	Increase (3.21%)
Net OPEB liability	\$	287,706,468	\$	241,874,724	\$	204,756,167

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the healthcare trend rates. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

		Healthcare Trend Rates						
		Current Trend Rates (6.50% Medical,						
	1	% Decrease in	9.5	50% RX, 3.00%	1% increase in			
		Trend Rates		Administrative)		Trend Rates		
Net OPEB liability	\$	195,877,733	\$	241,874,724	\$	302,893,964		

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ACFR for the State of North Carolina.

2. Disability Benefits

Plan description. Short-term and long-term disability benefits are provided through the Disability Income Plan of North Carolina (DIPNC), a cost-sharing, multiple-employer defined benefit plan, to the eligible members of TSERS which includes employees of the State, the University of North Carolina System, community colleges, certain Local Education Agencies, and ORP.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at https://www.osc.nc.gov/public-information/reports.

Benefits Provided. Long-term disability benefits are payable as an OPEB from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later, for as long as an employee is disabled. An employee is eligible to receive long-term disability benefits provide the following requirements are met: (1) the employee has five or more years of contributing membership service in TSERS or ORP, earned within 96 months prior to the end of the short-term disability period or cessation of salary continuation payments, whichever is later; (2) the employee must make application to receive long-term benefits within 180 days after the conclusion of the short-term disability period or after salary continuation payments cease or after monthly payments for Workers' Compensation cease (excluding monthly payments for permanent partial benefits), whichever is later; (3) the employee must be certified by the Medical Board to be mentally or physically disabled for the

further performance of his/her usual occupation; (4) the disability must have been continuous, likely to be permanent, and incurred at the time of active employment; (5) the employee must not be eligible to receive an unreduced retirement benefit from TSERS after (1) reaching the age of 65 and completing 5 years of membership service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of service at any age.

For employees who had five or more years of membership service as of July 31, 2007, during the first 36 months of the long-term disability period, the monthly long-term disability benefit is equal to 65% of one-twelfth of an employee's annual base rate of compensation last payable to the participant or beneficiary prior to the beginning of the short-term disability period, plus the like percentage of one-twelfth of the annual longevity payment and local supplements to which the participant or beneficiary would be eligible. The monthly benefits are subject to a maximum of \$3,900 per month reduced by any primary Social Security disability benefits and by monthly payments for Workers' Compensation to which the participant or beneficiary may be entitled, but the benefits payable shall be no less than \$10 a month. After the first 36 months of the long-term disability, the long-term benefit is calculated in the same manner as described above except the monthly benefit is reduced by an amount equal to a monthly primary Social Security disability benefit to which the participant or beneficiary might be entitled had Social Security disability benefits been awarded. When an employee qualifies for an unreduced service retirement allowance from the TSERS, the benefits payable from DIPNC will cease, and the employee will commence retirement under the Teachers' and State Employees' Retirement System or the University Employees' Optional Retirement Program.

For employees who had less than five years of membership service as of July 31, 2007, and meet the requirements for long-term disability on or after August 1, 2007, during the first 36 months of the long-term disability period, the monthly long-term benefit shall be reduced by an amount equal to the monthly primary Social Security retirement benefit to which the employee might be entitled should the employee become age 62 during the first 36 months. This reduction becomes effective as of the first day of the month following the month of initial entitlement to Social Security benefits. After the first 36 months of the long-term disability, no further benefits are payable under the terms of this section unless the employee has been approved and is in receipt of primary Social Security disability benefits.

Contributions. Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The plan does not provide for automatic post-retirement benefit increases. Disability income benefits are funded by actuarially determined employer contributions that are established in the Appropriations Bill by the General Assembly and coincide with the State fiscal year. For the fiscal year ended June 30, 2022, employers made a statutory contribution of 0.09% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$129,103 for the year ended June 30, 2022.

The contributions cannot be separated between the amounts that relate to other postemployment benefits and employment benefits for active employees. Those individuals who are receiving extended short-term disability benefit payments cannot be separated from the number of members currently eligible to receive disability benefits as another postemployment benefit.

OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources of Related to OPEB

At June 30, 2022, Board reported an asset of \$129,548 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020. The total OPEB asset was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB asset was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2021 and June 30, 2020, the Board's proportion was .793% and 0.816%, respectively.

\$129,548 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB asset in the year ending June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	
2023	\$ 80,317
2024	53,335
2025	70,515
2026	34,476
2027	11,650
Thereafter	40,039
Total	\$ 290,332

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	3.00%
Salary increases	3.25% to 8.05%, includes inflation
	and productivity factor of 3.25%
Investment rate of return	3.00%, includes inflation of 2.50%
	including inflation

Sensitivity of the Board's proportionate share of the net OPEB asset to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage point higher (4.00 percent) than the current discount rate:

	1	% Decrease Discount Rate				
		(2.00%)	(3.00%)		1% Increase (4.00	
Net OPEB asset	\$	81,794	\$	129,548	\$	173,725

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the healthcare trend rates. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current discount rate:

	1%	Decrease	Dis	count Rate	1	l% Increase	
Initial Trend Rate		5% - 8.5%		6% - 9%	7% -10.5%		
Ultimate Trend Rate		4%		5%		6%	
Net OPEB asset	\$	136,353	\$	129,548	\$	121,070	

Common actuarial assumptions for both OPEB plans. The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2020 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The total OPEB liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. The update procedures incorporated the actuarial assumptions used in the valuation. The entry age normal cost method was utilized.

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. teacher, general, law enforcement officer), and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used for the December 31, 2020 actuarial valuation are based on the experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

DIPNC is primarily invested in the Bond Index Investment Pool as of June 30, 2021. The long-term expected rate of return was determined based on the combination of expected future real rates of return and expected inflation. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2021 is 1.2%. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

		Long-Term Expected Real Rate
Asset Class	Target Allocation	of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Opportunistic Fixed Income	7.0%	6.0%
Inflation Sensitive	6.0%	4.0%
Total	100%	

Total OPEB Expense, OPEB Liabilities, and Deferred Outflows and Inflows of Resources of Related to OPEB

Following is information related to the proportionate share and pension expense:

	RHBF	DIPNC	Total
OPEB (Revenue) Expense	\$ (10,664,204)	\$ 280,413	\$ (10,383,791)
OPEB Liability (Asset)	241,874,724	(129,548)	241,745,176
Proportionate share of the net OPEB liability (asset)	0.782%	0.793%	
Deferred of Outflows of Resources			
Differences between expected and actual experience	1,427,993	330,311	1,758,304
Changes of assumptions	19,783,270	22,746	19,806,016
Net difference between projected and actual earnings on plan			
investments	-	12,642	12,642
Changes in proportion and differences between Board			
contributions and proportionate share of contributions	1,245,115	8,358	1,253,473
Board contributions subseqent to the measurement date	9,022,860	129,103	9,151,963
Total Deferred of Outflows of Resources - OPEB	\$ 31,479,238	\$ 503,160	\$ 31,982,398
Deferred of Inflows of Resources			
Differences between expected and actual experience	\$ 4,502,415	\$ -	\$ 4,502,415
Changes of assumptions	58,780,816	47,032	58,827,848
Net difference between projected and actual earnings on plan			
investments	123,729	-	123,729
Changes in proportion and differences between Board			
contributions and proportionate share of contributions	12,892,416	36,694	12,929,110
Total Deferred of Inflows of Resources - OPEB	\$ 76,299,376	\$ 83,726	\$ 76,383,102

2. Accounts Payable

Accounts payable as of June 30, 2022, were as follows:

	Vendors		s and Benefits	Total	
Governmental activities:					
General	\$ 1,091,811	\$	983,170	\$	2,074,981
Other governmental activities	324,350		-		324,350
Total governmental activities	\$ 1,416,161	\$	983,170	\$	2,399,331
Business-type activities:					
Food Service Fund	\$ 13,165	\$	-	\$	13,165
Total business-type activities	\$ 13,165	\$	-	\$	13,165

3. Unearned Revenues

The balance in unearned revenues as of June 30, 2022 for business-type activities is composed of the following:

	Unearne	ed Revenue
Business-type activities:		
Prepaid meals	\$	85,685
Total	\$	85,685

4. Deferred Outflows and Inflows of Resources

The balance in deferred outflows and inflows of resources as of June 30, 2022 is composed of the following elements:

	Deferred	Deferred Inflow of			
	Res	Resources			
Governmental activities					
Sales tax refunds receivable (State Public School Fund)	\$	-	\$	2,418	
Sales tax refunds receivable (Federal Grants Fund)		-		225,386	
Lease receivable (Federal Grants Fund)		-		34,088	
Total	\$	-	\$	261,892	

5. Risk Management

The Board is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board participates in the North Carolina School Boards Trust (the Trust), a member funded risk management program administered by the North Carolina School Boards Association. Through the Trust, the Board maintains general liability and errors and omissions coverage of \$1 million per claim. The Trust has an annual aggregate limit for general liability of \$2,550,000 and an annual aggregate limit of \$2,550,000 for errors and omissions claims. The Trust is reinsured through commercial companies for losses in excess of \$150,000 per claim for errors and omissions and general liability. Workers' Compensation coverage is purchased up to the statutory limits for employees to the extent they are paid from Federal and Local funds. The State of North Carolina provides workers' compensation for employees to the extent they are paid from State funds. The Board also participates in the Public School Insurance Fund (Insurance Fund), a voluntary, self-insured risk control and risk financing fund administered by the North Carolina Department of Insurance. The Insurance Fund insures the tangible property assets of the Board. Coverage is provided on an "all risk" perils contract. Buildings and contents are insured on a replacement cost basis. The Fund purchases excess reinsurance to protect the assets of the Fund in the event of a catastrophic event. The Fund maintains a self-insured retention of \$10 million. Excess reinsurance is purchased through commercial insurers. A limit of \$5 million per occurrence is provided on Flood, Earthquake, Business Interruption and Extra Expense. \$10 million per occurrence is provided on Increased Cost of Construction.

The Board also participates in the Teachers' and State Employees' Comprehensive Major Medical Plan, a self-funded risk financing pool of the State administered by Blue Cross and Blue Shield of North Carolina. Through the Plan, permanent full-time employees of the Board are eligible to receive health care benefits. The Board pays the full cost of coverage for employees enrolled in the Comprehensive Major Medical Plan.

In accordance with G.S. 115C-442, the Board's employees who have custody of the Board's monies at any given time of the Board's funds are performance bonded through a commercial surety bond. The finance officer is bonded for \$250,000. The remaining employees that have access to funds are bonded under a blanket bond for \$175,000.

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

6. Contingent Liabilities

At June 30, 2022, the Board was a defendant to various lawsuits. In the opinion of the Board's management and the Board's attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Board's financial position.

7. Long-Term Obligations

A. Installment Purchase

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, section 7.25 authorized the State Board of Education to allot monies for the payments on financing contracts entered into pursuant to G.S. 115C-528. The State has accepted the bid to purchase Thomas Built and Blue Bird Buses through a special third party financing arrangement by Banc of America Public Capital Corp at total payments less than the purchase price. In the fiscal years listed below the Board entered in a direct placement installment purchase contract to finance the purchase of the school buses. The buses are pledged as collateral for the debt while the debt is outstanding. The financing contract requires only principal payments shown below for the contract year.

The future minimum payments of all installment purchases as of June 30, 2022 are as follows:

Initial contract year													
		FYE 2021		FYE 2022		Totals							
Total buses purchased		21		4		25							
Total purchase price	\$	1,970,823	\$	377,147	\$	2,347,970							
Total payments 2022-2023	\$	492,703	\$	94,286	\$	586,989							
Total payments 2023-2024		-		94,286		94,286							
Total remaining payments	\$	492,703	\$	188,572	\$	681,275							

B. Capital Leases

During the fiscal year ended June 30, 2019, the Board entered into an agreement to lease a modular classroom complex. The lease agreement qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of the inception. The agreement requires 60 monthly payments of \$5,913 and title passes to the Board at the end of the lease term.

During the fiscal year ended June 30, 2019, the Board entered into two agreements to lease activity buses. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The first agreement requires four annual payments of \$69,302. The second agreement requires four annual payments of \$70,136. For both of these leases, title passes to the Board at the end of the lease term.

The following is an analysis of the assets recorded under capital leases at June 30, 2022:

	Accumulated											
Classes of Property	Cost	De	epreciation	Net Book Value								
Buildings	\$ 382,176	\$	28,025	\$	354,151							
Vehicles	530,498		316,824		213,674							
Total	\$ 912,674	\$	344,849	\$	567,825							

Future minimum lease obligation and the net present value of these minimum lease payments as of June 30, 2022 is as follows:

Year Ending June 30,	
2023	\$ 71,251
2024	23,391
Total minimum lease payments	94,642
Less: amount representing interest	4,924
Present value of the minimum lease payments	\$ 89,718

C. Right to Use Assets

The Board has entered into three agreements to lease certain property and equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. Additional information regarding the right to use assets and restatement as a result of implementing GASB 87 are disclosed in more detail in the Right to Use Assets Note II, 5 and Change in Accounting Principal and Restatement Note IV.

The first agreement was executed on August 20, 2018, to lease a building and requires annual payments of \$116,400, including interest. There are no variable payment components of the lease. A lease liability of \$247,136, measured at a discount rate of .59%, was recorded in connection with the implementation of GASB 87.

The second agreement was executed on February 15, 2019, to lease office equipment and requires annual payments of \$77,100, including interest. There are no variable payment components of the lease. A lease liability of \$203,306, measured at a discount rate of .85%, was recorded in connection with the implementation of GASB 87.

The third agreement was executed on November 25, 2021, to lease equipment and requires annual payments of \$8,598, including interest. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 1.15%. As a result of the lease, the Board has recorded a right to use asset liability of \$42,027 at June 30, 2022.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Year Ending June 30,	Principal	Interest	Total			
2023	\$ 200,545	\$ 1,553	\$	202,098		
2024	75,240	401		75,641		
2025	8,445	153		8,598		
2026	8,519	79		8,598		
Total	\$ 292,749	\$ 2,186	\$	294,935		

D. Long-Term Obligation Activity

The following is a summary of changes in the Board's long-term obligations for the fiscal year ended June 30, 2022:

	Beginning						Ending	Current
		Balance		Increases D		Decreases	Balance	Portion
Governmental activities:								
Installment purchases	\$	1,007,193	\$	377,147	\$	703,065	\$ 681,275	\$ 586,989
Capital leases		286,086		-		196,368	89,718	66,367
Right to use assets		450,442		42,027		199,720	292,749	200,545
Net pension liability		108,222,520		-		67,824,342	40,398,178	-
Net OPEB liability		218,973,455		16,516,088		-	235,489,543	-
Compensated absences		12,924,265		11,411,318		11,341,766	12,993,817	3,248,457
Total	\$	341,863,961	\$	28,346,580	\$	80,265,261	\$ 289,945,280	\$ 4,102,358
Business-type activities:								
Compensated absences	\$	208,731	\$	274,018	\$	277,281	\$ 205,468	\$ 51,367
Net pension liability		2,774,786		-		1,559,625	1,215,161	-
Net OPEB liability		6,005,015		380,166		-	6,385,181	-
Total	\$	8,988,532	\$	654,184	\$	1,836,906	\$ 7,805,810	\$ 51,367

Compensated absences, net pension liabilities, and net OPEB liabilities are typically liquidated by the General and other governmental funds.

E. Inter-fund Balances and Activity

The following inter-fund transfers represent transfers from the State Public School Fund to the School Food Service Fund for administrative costs and transfers from the General Fund and Special Revenue Fund to the Capital:

	Transfer	Transfer			
Fund	from	to	Net		
State Public School Fund	\$ 52,701	\$ -	\$	52,701	
School Food Service Fund	-	52,701		(52,701)	
General Fund	3,000,000	-		3,000,000	
Special Revenue Fund	3,000,000	-		3,000,000	
Capital Outlay Fund	-	6,000,000		(6,000,000)	
Total	\$ 6,052,701	\$ 6,052,701	\$	-	

F. Fund Balance

The Board has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Assistant Superintendent of Finance will use resources in the following hierarchy in conjunction with and within the confines of all applicable state, federal, and local fiscal policies, laws, and regulations: state funds, federal funds, special revenue funds, Board of Education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Board of Education.

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

Total fund balance- General Fund	\$ 10,050,340
Less:	
Inventories	540,138
Stabilization by state statute:	
Accounts receivable	477,715
Total stabilization by state statute	477,715
Restricted for school capital projects	466,776
Committed for:	
Capital projects	4,154,051
Instructional staff development	250,000
Saftey and security	50,000
Total committed fund balance	4,454,051
Assigned for:	
Subsequent years expenditures	590,063
Total assigned fund balance	 590,063
Remaining Fund Balance - Unassigned	\$ 3,521,597

III. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The Board 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.

IV. Change in Accounting Principal and Restatement

For 2022, the Board implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

These changes were incorporated into the Board's 2022 financial statements and had an effect on the beginning net position of the Governmental Activities. The Board recognized \$450,442 in net book value for the intangible right to use assets and a lease liability of \$450,442. In addition, the Board recognized \$51,873 in lease receivable and \$51,873 in deferred inflows – leases at July 1, 2021. Additional information relating to these leases can be found at Note I, 4; II, 4; and II, 7, C.

The implementation of GASB Statement No. 87 had the following effect on net position as reported June 30, 2021:

Governmental											
		Activities	General Fund								
Net position/fund balance, June 30, 2021	\$	(159,638,618)	11,599,906								
Adjustments:											
Lease receivable		51,873	51,873								
Deferred inflows - leases		(51,873)	(51,873)								
Net book value lease assets		450,442	450,442								
Lease liability		(450,442)	(450,442)								
Restated net position/fund balance, June 30, 2021	\$	(159,638,618) \$	11,599,906								

V. <u>Uncertainties</u>

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, certain operations of the Board have been affected. In response to this event, in the spring of 2020, the Board closed its schools and moved towards a remote or virtual learning environment. Many funding sources of the Board have been affected by this pandemic, and new funding sources have emerged from federal and state legislation. The Board is actively seeking to address the operational and financial effects of this event, however, continued effects of the pandemic may result in uncertainties and a negative impact on operating

activities and results of the Board. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

VI. Subsequent Events

Management has evaluated subsequent events through December 22, 2022, the date on which the financial statements were available to be issued.

Pitt County Board of Education, North Carolina Schedule of Proportionate Share of Net Pension Liability for Teachers' and State Employees' Retirement System* Last Nine Fiscal Years

	2022 2021		2020	020 2019		2017	2016	2015	2014
Board's proportion of the net pension liability (asset) Board's proportionate share of the net pension	0.919%	0.919%	0.920%	0.902%	0.899%	0.916%	0.921%	0.903%	0.837%
liability (asset) Board's covered payroll	\$ 41,613,339 \$ 135,030,898	\$ 110,997,306 \$ 132,527,888	\$ 95,411,252 \$ 130,294,426	\$ 89,828,813 \$ 122,969,623	\$ 71,369,503 \$ 120,580,267	\$ 84,161,369 \$ 116,932,875	\$ 33,936,251 \$ 118,144,306	\$ 10,587,079 \$ 112,418,528	\$ 9,758,714 \$ 113,334,124
Board's proportionate share of the net pension liability (asset) as a percentage of its covered									
payroll Plan fiduciary net position as a percentage of the	30.82%	83.75%	73.23%	73.05%	59.19%	71.97%	28.72%	9.42%	8.61%
total pension liability	92.01%	92.01%	91.89%	89.51%	87.32%	94.64%	98.24%	90.60%	90.60%

Notes to Schedule:

There were no significant changes in benefit terms or changes in assumptions noted. Information regarding changes in benefit terms and changes of assumptions for the Teachers' and State Employees' Retirement System as well as the State of North Carolina's most recent ACFR and valuation reports are available at https://www.myncretirement.com/governance/valuations-and-acfrs.

This schedule is intended to show information for ten years, and the additional years' information will be displayed as it becomes available.

^{*} The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Pitt County Board of Education, North Carolina Schedule of the Board Contributions to Teachers' and State Employees' Retirement System Last Nine Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution Contributions in relation to the contractually	\$ 23,497,313	\$ 19,964,502	\$ 17,110,533	\$ 16,096,344	\$ 13,317,872	\$ 11,811,200	\$ 10,699,353	\$ 10,810,204	\$ 9,758,714
required contribution Contribution deficiency (excess)	\$ 23,497,313	\$ 19,964,502 -	\$ 17,110,533	\$ 16,096,344	\$ 13,317,872	\$ 11,811,200	\$ 10,699,353	\$ 10,810,204	\$ 9,758,714
Board's covered payroll	\$ 149,344,068	\$ 135,030,898	\$ 132,527,888	\$ 130,294,426	\$ 122,969,623	\$ 120,580,267	\$ 116,932,875	\$ 118,144,306	\$ 112,418,528
Contributions as a percentage of covered payroll	15.73%	14.79%	12.91%	12.35%	10.83%	9.80%	9.15%	9.15%	8.68%

Notes to Schedule:

This schedule is intended to show information for ten years, and the additional years' infomration will be displayed as it becomes available.

Pitt County Board of Education, North Carolina Schedule of Proportionate Share of Net OPEB Liability Retiree Health Benefit Fund Last Six Fiscal Years*

	2022	2021	2020	2019	2018	2017
Board's proportion of the net OPEB liability	0.782%	0.811%	0.809%	0.808%	0.827%	0.807%
Board's proportionate share of the net OPEB liability	\$ 241,874,724 \$	224,978,470	\$ 255,933,196	\$ 230,082,539	\$ 271,053,859	\$ 351,275,528
Board's covered payroll	\$ 135,030,898 \$	132,527,888	\$ 130,294,426	\$ 122,969,623	\$ 120,580,267	\$ 116,932,875
Board's proportionate share of the net OPEB liability as a						
percentage of its covered payroll	179.13%	169.76%	196.43%	187.11%	224.79%	300.41%
Plan fiduciary net position as a percentage of the total OPEB liability	6.92%	4.40%	3.52%	3.52%	2.41%	2.41%

Notes to Schedule:

There were no significant changes in benefit terms or changes in assumptions noted. Information regarding changes in benefit terms and changes of assumptions for the Teachers' and State Employees' Retirement System as well as the State of North Carolina's most recent ACFR and valuation reports are available at https://www.myncretirement.com/governance/valuations-and-acfrs.

This schedule is intended to show information for ten years, and the additional years' information will be displayed as it becomes available.

^{*} The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Pitt County Board of Education, North Carolina Schedule of the Board Contributions to Retiree Health Benefit Fund Last Ten Fiscal Years

	2021	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution Contributions in relation to the contractually	\$ 9,022,860	\$ 9,023,198	\$ 8,535,440	\$ 8,211,882	\$ 7,474,316	\$ 7,258,932	\$ 6,548,241	\$ 6,511,772	\$ 6,079,794	\$ 6,006,709
required contribution Contribution deficiency (excess)	\$ 9,022,860	\$ 9,023,198	\$ 8,535,440 -	\$ 8,211,882	\$ 7,474,316	\$ 7,258,932	\$ 6,548,241	\$ 6,511,772	\$ 6,079,794	\$ 6,006,709
Board's covered payroll	\$ 149,344,068	\$ 135,030,898	\$ 132,527,888	\$ 130,294,426	\$ 122,969,623	\$ 120,580,267	\$ 116,932,875	\$ 118,144,306	\$ 112,418,528	\$ 113,334,091
Contributions as a percentage of covered payroll	6.04%	6.68%	6.44%	6.30%	6.08%	6.02%	5.60%	5.51%	5.41%	5.30%

Pitt County Board of Education, North Carolina Schedule of Proportionate Share of Net OPEB Asset Disability Income Plan of North Carolina Last Six Fiscal Years*

	2022	2021	2020	2019	2018	2017
Board's proportion of the net OPEB asset	0.793%	0.816%	0.822%	0.810%	0.805%	0.828%
Board's proportionate share of the net OPEB asset	\$ 129,548	\$ 401,241	\$ 354,844	\$ 245,998	\$ 492,181	\$ 513,915
Board's covered payroll	\$ 135,030,898	\$ 132,527,888	\$ 130,294,426	\$ 122,969,623	\$ 120,580,267	\$ 116,932,875
Board's proportionate share of the net OPEB asset as a						
percentage of its covered payroll	0.10%	0.30%	0.27%	0.20%	0.41%	0.44%
Plan fiduciary net position as a percentage of the total OPEB asset	105.18%	115.57%	116.37%	116.23%	116.06%	117.06%

There were no significant changes in benefit terms or changes in assumptions noted. Information regarding changes in benefit terms and changes of assumptions for the Teachers' and State Employees' Retirement System as well as the State of North Carolina's most recent ACFR and valuation reports are available at https://www.myncretirement.com/governance/valuations-and-acfrs.

This schedule is intended to show information for ten years, and the additional years' information will be displayed as it becomes available.

^{*} The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Pitt County Board of Education, North Carolina Schedule of the Board Contributions to Disability Income Plan of North Carolina Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution Contributions in relation to the contractually	\$ 129,548	\$ 121,570	\$ 131,924	\$ 183,359	\$ 172,959	\$ 651,133	\$ 479,425	\$ 486,307	\$ 495,391	\$ 498,670
required contribution Contribution deficiency (excess)	\$ 129,548	\$ 121,570	\$ 131,924	\$ 183,359	\$ 172,959	\$ 651,133	\$ 479,425 -	\$ 486,307	\$ 495,391	\$ 498,670
Board's covered payroll	\$ 149,344,068	\$ 135,030,898	\$ 132,527,888	\$ 130,294,426	\$ 122,969,623	\$ 120,580,267	\$ 116,932,875	\$ 118,144,306	\$ 112,418,528	\$ 113,334,091
Contributions as a percentage of covered payroll	0.09%	0.09%	0.10%	0.14%	0.14%	0.54%	0.41%	0.41%	0.44%	0.44%

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund For the Fiscal Year Ended June 30, 2022 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021) Schedule 1

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	2022	2022		2021
	Budget	Actual	Variance	Actual
Revenues				
Pitt County:				
Appropriation from general revenues	\$ 43,283,624	\$ 43,283,624	\$ - \$	41,497,811
Total	43,283,624	43,283,624	-	41,497,811
Other				
Fines and forfeitures	2,050,000	2,033,455	(16,545)	1,800,783
Interest	-	14,761	14,761	18,371
Miscellaneous	300,000	279,449	(20,551)	106,368
Total	2,350,000	2,327,665	(22,335)	1,925,522
Total revenues	45,633,624	45,611,289	(22,335)	43,423,333
Expenditures				
Instructional programs				
Regular				
Salaries and employee benefits		8,088,509		8,087,983
Purchased services		3,460,337		2,243,716
Supplies and materials		1,525,087		1,702,152
Capital outlay		68,007		68,145
Total	18,037,535	13,141,940	4,895,595	12,101,996
Special				
Salaries and employee benefits		1,124,339		1,105,247
Purchased services		213,139		-
Total	1,376,662	1,337,478	39,184	1,105,247
Alternative programs				
Salaries and employee benefits		422,845		455,526
Purchased services		19,369		-
Total	444,853	442,214	2,639	455,526
School leadership				
Salaries and employee benefits		5,227,300		4,838,816
Purchased services		133,917		81,294
Supplies and materials		53,332		50,732
Total	5,996,178	5,414,549	581,629	4,970,842
Co-curricular				
Salaries and employee benefits		1,004,931		536,326
Purchased services		304,609		511,908
Supplies and materials		 23,331	 	<u>-</u>
Total	1,332,863	1,332,871	(8)	1,048,234

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund For the Fiscal Year Ended June 30, 2022 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021) Schedule 1

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	2022	2022		2021
	Budget	Actual	Variance	Actual
School based support	-			
Salaries and employee benefits		576,131		512,869
Purchased services		59,176		58,727
Supplies and materials		24,451		41,781
Total	829,267	659,758	169,509	613,377
Total instructional programs	28,017,358	22,328,810	5,688,548	20,295,222
System wide support services				
Support and development				
Salaries and employee benefits		713,791		644,944
Purchased services		117,331		172,628
Supplies and materials		3,420		1,240
Total	936,597	834,542	102,055	818,812
Special populations				
Salaries and employee benefits		22,075		7,071
Total	23,065	22,075	990	7,071
Alternative programs				
Salaries and employee benefits		63,357		107,517
Total	63,467	63,357	110	107,517
Technology support				
Salaries and employee benefits		1,185,901		1,043,359
Purchased services		125,892		135,426
Total	1,317,965	1,311,793	6,172	1,178,785
Operational support				
Salaries and employee benefits		3,861,786		3,576,711
Purchased services		4,934,901		4,256,123
Supplies and materials		4,175,931		6,629,244
Capital outlay		1,864,002		118,818
Total	15,967,058	14,836,620	1,130,438	14,580,896
Financial and human resources				
Salaries and employee benefits		1,591,927		1,268,675
Purchased services		2,101,700		2,120,502
Supplies and materials		88,145		59,158
Total	3,776,327	3,781,772	(5,445)	3,448,335
Accountability				
Salaries and employee benefits		101,394		111,339
Total	101,553	101,394	159	111,339
System wide pupil support				
Salaries and employee benefits		11,786		27,462
Total	11,914	11,786	128	27,462

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund For the Fiscal Year Ended June 30, 2022 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021) Schedule 1

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				. 486 6 6. 6
	2022	2022		2021
	Budget	Actual	Variance	Actual
Leadership services				
Salaries and employee benefits		500,056		492,656
Purchased services		309,878		207,912
Supplies and materials		43,375		43,480
Total	880,587	853,309	27,278	744,048
Total system wide support services	23,078,533	21,816,648	1,261,885	21,024,265
Ancillary services				
Community services				
Salaries and employee benefits		45,361		25,027
Nutritional services				
Salaries and employee benefits		=		1,293
Total ancillary services	45,380	45,361	19	26,320
Debt service				
Principal		191,122		_
Interest		2,378		_
Total debt service	195,878	193,500	2,378	-
Total expenditures	51,337,149	44,384,319	6,952,830	41,345,807
Revenues over (under) expenditures	(5,703,525)	1,226,970	6,930,495	2,077,526
Other financing sources (uses)	()	(0.000.000)		(0.000
Transfers to other funds	(3,000,000)	(3,000,000)	-	(2,500,000)
Insurance recovery	1,200,000	75,000	(1,125,000)	2,283,262
Fund balance appropriated	7,503,525	(2.025.000)	(7,503,525)	(24.6.720)
Total other financing sources (uses)	5,703,525	(2,925,000)	(8,628,525)	(216,738)
		(4.500.000)	4 (4 (00 000)	4 050 700
Net change in fund balance	<u> </u>	(1,698,030)	\$ (1,698,030)	1,860,788
Fund balances - beginning		11,599,906		9,715,276
Increase in reserve for inventories	-	148,464		23,842
Fund balances - ending	<u>-</u>	\$ 10,050,340	<u>-</u>	\$ 11,599,906
	-		•	

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Revenue Fund For the Fiscal Year Ended June 30, 2022 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

Schedule 2
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								Page 1
		2022 Budget		2022 Actual		Variance		2021 Actual
Revenues		8						
US Government								
ROTC	\$	350,000	\$	356,770	\$	6,770	\$	336,49
Plasma games pilot program	Ą	330,000	Ţ	330,770	Ţ	0,770	Ţ	144,000
TIF Grant		1,711,284		1,337,255		(374,029)		3,945,02
TSL Grant		5,381,205		665,951		(4,715,254)		3,343,02
IFSE Grant		10,558		9,990		(568)		_
MAKO Grant		1,629,842		957,967		(671,875)		_
Medicaid Administration Outreach Program		1,000,000		1,368,387		368,387		1,323,30
Total		10,082,889		4,696,320		(5,386,569)		5,748,83
State of North Carolina:		-,,		, , -		(=,===,===,		-, -,
		2 500 156		2 525 256		25 100		2 450 96
NC Pre-K Program		3,500,156		3,525,256		25,100		3,459,86
COVID child care payments		422 500		-		- (16.403)		56,59
Reimbursements Total		432,598 3,932,754		416,115 3,941,371		(16,483) 8,617		250,94 3,767,40
		3,332,734		3,341,3/1		0,017		3,707,40
Other		200 000		162 100		(27.002)		222.20
Sales tax		200,000		162,108		(37,892)		222,26
Tuition and fees		835,000		696,887		(138,113)		319,98
Interest		-		18,953		18,953		12,65
Indirect costs		3,072,800		3,375,545		302,745		1,220,13
Other local sources		434,645		421,982		(12,663)		437,17
Miscellaneous		766,250		585,732		(180,518)		606,07
Total		5,308,695		5,261,207		(47,488)		2,818,28
Total revenues		19,324,338		13,898,898		(5,425,440)		12,334,51
Expenditures								
Instructional programs								
Regular								
Salaries and employee benefits				963,738				2,684,18
Purchased services				221,144				22,68
Supplies and materials				317,587				474,21
Total		12,424,226		1,502,469		10,921,755		3,181,08
Special								
Salaries and employee benefits				187,398				186,23
Purchased services				149,605				90,95
Supplies and materials				172,380				120,04
Total		1,221,799		509,383		712,416		397,22
Alternative programs								
Salaries and employee benefits				1,762,665				1,832,77
Purchased services				1,396,253				1,223,77
Supplies and materials				113,987				121,88
Capital outlay				38,881				-
Total		4,019,319		3,311,786		707,533		3,178,43
School leadership								
Salaries and employee benefits				630,873				314,10
Total		1,076,273		630,873		445,400		314,10
Co-Curricular				•		•		, -
Contracted services				9,179				
				· ·				
···		9 100				(22.281)		
Supplies and materials Total		9,100		22,202 31,381		(22,281)		

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Revenue Fund For the Fiscal Year Ended June 30, 2022 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

Schedule 2 Page 2 of 3

	2022 Budget	2022 Actual	Variance	2021 Actual
School based support	Budget	Actual	variante	ACIUdi
Salaries and employee benefits		610,617		202,749
Purchased services		533,214		46,858
Supplies and materials		315,896		89,247
Total	2,367,101	1,459,727	907,374	338,854
Total instructional programs	21,117,818	7,445,619	13,672,197	7,409,704
System wide support services				
Support and development				
Salaries and employee benefits		636,328		731,794
Purchased services		384,394		301,828
Supplies and materials		139,525		16,955
Total	3,560,922	1,160,247	2,400,675	1,050,577
Special populations		000 400		
Salaries and employee benefits		233,162		225,773
Purchased services	A	4,880		1,738
Total	249,440	238,042	11,398	227,511
Alternative programs Salaries and employee benefits		190,453		183,252
Total	190,693	190,453	240	183,252
	150,055	130,433	240	103,232
Technology support Capital outlay				
Total	152,383		152,383	
Operational support				
Purchased services		190,858		-
Total	200,000	190,858	9,142	-
Financial and human resources				
Salaries and employee benefits		37,101		140,478
Purchased services		-		300
Total	57,355	37,101	20,254	140,778
Accountability services				
Salaries and employee benefits		9,000		-
Total	9,000	9,000	-	-
Leadership services		2 2 2 2		
Salaries and employee benefits	2.000	2,352	240	-
Total	2,600	2,352	248	1 602 440
Total system wide support services	4,422,393	1,828,053	2,441,957	1,602,118
Ancillary services				
Community services				
Salaries and employee benefits		717,346		549,584
Purchased services		112,243		66,973
Supplies and materials		106,488		82,101
Nutrition services		40.670		
Supplies and materials	1 170 625	10,679	221 070	
Total	1,178,635	946,756	231,879	698,658
Non-Programmed charges Indirect costs		217,307		400.450
Total	1,502,901	217,307	1,285,594	400,450 400,450
Total ancillary services	2,681,536	1,164,063	1,517,473	1,099,108
•				
Total expenditures	28,221,747	10,437,735	17,631,627	10,110,930

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Revenue Fund For the Fiscal Year Ended June 30, 2022

(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

Schedule 2

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				0
	2022	2022		2021
	Budget	Actual	Variance	Actual
Revenues over (under) expenditures	(8,897,409)	3,461,163	12,206,187	2,223,588
Other financing sources (uses)				
Transfers to other funds	(3,000,000)	(3,000,000)	-	(350,000)
Fund balance appropriated	11,897,409	-	(11,897,409)	-
Total other financing sources (uses)	8,897,409	(3,000,000)	(11,897,409)	(350,000
Net change in fund balance	\$ -	461,163	\$ 308,778	1,873,588
Fund balances - beginning		10,853,443		8,979,855
Fund balances - ending		\$ 11,314,606		\$ 10,853,443

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Outlay Fund For the Fiscal Year Ended June 30, 2022 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021) Schedule 3

	2022 Budget	2022 Actual	Variance	2021 Actual
	Budget	Actual	variance	Actual
REVENUES				
State of North Carolina				
Public School Building Capital Fund- lottery	\$ 2,000,000	\$ 1,867,520	\$ (132,480)	\$ 1,419,849
State appropriations - buses	1,665,000	703,066	(961,934)	1,266,974
Pitt County, North Carolina				
Appropriation from County	18,503,392	6,822,938	(11,680,454)	3,236,638
Restricted portion of sales tax	10,624,661	7,580,917	(3,043,744)	678,091
Other revenues				
Unrestricted portion of sales tax	-	14,225	14,225	8,236
Other local revenue	71,300	167,751	96,451	71,251
Investment earnings	5,000	10,266	5,266	2,582
Total revenues	32,869,353	17,166,683	(15,702,670)	6,683,621
EXPENDITURES				
Capital outlay				
System wide support services				
Operational support		-		6,782
Financial & human resources		12,203		4,006
Improvements to existing sites		13,445,047		3,028,186
Furniture and equipment		5,004,426		1,073,524
Buses and motor vehicles		385,497		2,003,404
On-behalf payment to County for repayment of debt		1,867,520		1,419,849
Total	43,109,237	20,714,693	20,377,424	7,535,751
B. Li				
Debt service				
Principal		899,433		1,454,439
Interest	4 005 000	14,322	004.245	23,224
Total debt service	1,805,000	913,755	891,245	1,477,663
Total expenditures	44,914,237	21,628,448	21,268,669	9,013,414
Excess of revenues over expenditures	(12,044,884)	(4,461,765)	7,583,119	(2,329,793)
Other financing sources				
Installment purchase obligations issued	2,050,000	377,147	(1,672,853)	1,970,823
Transfers from other funds	6,000,000	6,000,000	-	2,850,000
Appropriated fund balance	3,994,884	-	(3,994,884)	-
Total other financing sources	12,044,884	6,377,147	(5,667,737)	4,820,823
Net change in fund balance	\$ =	1,915,382	\$ 1,915,382	2,491,030
Fund balances - beginning		3,993,878		1,502,848
Fund balances - ending		\$ 5,909,260		\$ 3,993,878

Pitt County Board of Education, North Carolina Schedule of Revenues, Expenditures – Budget and Actual – Food Service Fund For the Fiscal Year Ended June 30, 2022 (With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021) Schedule 4

	2022 Budget	2022 Actual	Variance	2021 Actual
Operating revenues, food sales	\$ 1,308,000	\$ 501,836	\$ (806,164)	\$ 232,216
Operating expenses				
Nutritional services				
Purchase of food	7,170,000	6,140,833	1,029,167	3,108,414
Salaries and benefits	5,958,000	5,393,429	564,571	3,866,125
Indirect cost	750,000	432,829	317,171	318,723
Purchased services	138,000	90,498	47,502	61,294
Repairs and maintenance	385,000	339,331	45,669	81,375
Materials and supplies	102,000	(12,016)	114,016	44,163
Equipment purchases	810,000	397,390	412,610	198,277
Total operating expenses	15,313,000	12,782,294	2,530,706	7,678,371
Operating loss	(14,005,000)	(12,280,458)	1,724,542	(7,446,155)
Nonoperating revenues				
Federal reimbursements	13,050,000	14,287,858	(1,237,858)	5,832,697
Federal commodities	800,000	1,098,951	(298,951)	813,641
State reimbursements	15,000	-	15,000	-
Investment earnings	60,000	12,483	47,517	6,931
Total nonoperating revenues	13,925,000	15,399,292	1,474,292	6,653,269
Excess of revenues over (under) expenses				
before other financing sources	(80,000)	3,118,834	3,198,834	(792,886)
Other financing sources:				
Transfers in	80,000	52,701	(27,299)	45,417
Excess of revenues and other sources				
over (under) expenditures	\$ -	3,171,535	\$ 3,171,535	(747,469)
Reconciliation of modified accrual to full accrual basis:	 			
Reconciling items:				
Depreciation		(224,602)		(234,300)
Increase (decrease) in net OPEB asset		(6,113)		752
(Increase) decrease in net pension liability		1,559,625		(252,494)
(Increase) decrease in net OPEB liability		(380,166)		501,467
Increase (decrease) in deferred outflows - pension		(15,095)		81,497
(Increase) decrease in deferred inflows - pension		(1,230,880)		(3,944)
Increase (decrease) in deferred outflows - OPEB		213,327		(46,052)
(Increase) decrease in deferred inflows - OPEB		644,405		(141,999)
Capital outlay		362,978		184,796
Increase (decrease) in inventory		127,786		116,090
(Increase) decrease in compensated absences payable		3,263		64,282
Change in net position (full accrual)		\$ 4,226,063		\$ (477,374)



STATISTICAL SECTION

Pitt County Board of Education, North Carolina Statistical Section

<u>Financial Trends:</u>	<u>Table</u>
These schedules contain trend information to help the reader understand how the Board's financial	
performance and well-being have changed over time.	
Pitt County Board of Education – Net Position By Component	1
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Pitt County Board of Education – Changes in Net Position	3
Pitt County, NC – Changes in Net Position	4
Pitt County Board of Education – Fund Balances – Governmental Funds	5
Pitt County NC – Fund Balances – Governmental Funds	6
Revenue Capacity:	
These schedules contain information to help the reader assess the Board's revenues.	
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Pitt County NC – Governmental Fund Revenues	8
Pitt County Board of Education – Governmental Fund Expenditures and Net Change in Fund Balances	9
Pitt County NC – Governmental Fund Expenditures and Net Change in Fund Balances	10
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Debt Capacity:	
Since the Board of Education has no tax-levying or debt issuing authority, the County of Pitt provides	
significant funding to the school system. Fiscal data from the County of Pitt has been included to help the	
reader assess the affordability of Pitt County's current levels of outstanding debt and Pitt County's ability to	
issue additional debt in the future.	
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Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment	
within which the Board's financial activities take place. Information on the County of Pitt is also included.	
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Pitt County Board of Education, North Carolina Statistical Section

Operating Information:	
These schedules contain service and capital asset data to help the reader understand how the information in	
the Board's financial report relates to the services the Board provides and the activities it performs	
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Sources – Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) of the Pitt County Board of Education and Pitt County, North Carolina

Pitt County Board of Education, North Carolina Net Position by Component – Last Ten Fiscal Years (Accrual Basis of Accounting) Unaudited Table 1

		2013	2014	2015	2016		2017	2018	2019		2020		2021	2022
Government Activities														
Net investment in capital assets	\$ 2	05,455,036	\$ 199,405,257	\$ 194,348,779	\$ 191,040,719 \$	1	97,290,630	\$ 201,690,551 \$	198,770,60	7 \$	195,915,978	\$	193,138,750	\$ 195,873,416
Restricted		5,571,803	4,894,713	4,166,144	4,778,356		5,504,675	7,638,711	7,500,43	3	6,857,492		7,586,331	7,793,032
Unrestricted (deficit)		(1,020,175)	(577,373)	(30,398,260)	(32,150,243)	(34,828,040)	(382,041,091)	(373,919,77	9)	(374,261,448)	((360,363,699)	(325,030,446)
Total governmental activities net position (deficit)	\$ 2	10,006,664	\$ 203,722,597	\$ 168,116,663	\$ 163,668,832 \$	1	67,967,265	\$ (172,711,829) \$	(167,648,73	4) \$	(171,487,978)	\$ ((159,638,618)	\$ (121,363,998)
Business-type activities														
Net investment in capital assets	\$	347,130	\$ 389,330	\$ 352,833	\$ 427,325 \$		318,378	\$ 389,342 \$	440,31	3 \$	869,036	\$	819,533	\$ 957,909
Restricted		-	-	-	-		-	12,600	6,56	9	8,975		9,727	3,614
Unrestricted (deficit)		4,898,123	4,827,806	3,632,695	3,995,768		4,443,856	(4,110,146)	(3,904,12	3)	(2,820,142)		(3,248,764)	845,036
Total business-type activities net position (defict)	\$	5,245,253	\$ 5,217,136	\$ 3,985,528	\$ 4,423,093 \$		4,762,234	\$ (3,708,204) \$	(3,457,23	5) \$	(1,942,131)	\$	(2,419,504)	\$ 1,806,559
Primary government														
Net investment in capital assets	\$ 2	05,802,166	\$ 199,794,587	\$ 194,701,612	\$ 191,468,044 \$	1	97,609,008	\$ 202,079,893 \$	199,210,92	5 \$	196,785,014	\$	193,958,283	\$ 196,831,325
Restricted		5,571,803	4,894,713	4,166,144	4,778,356		5,504,675	7,651,311	7,507,00	7	6,866,467		7,596,058	7,796,646
Unrestricted (deficit)		3,877,948	4,250,433	(26,765,565)	(28,154,475)	(30,384,184)	(386,151,237)	(377,823,90	2)	(377,081,590)	((363,612,463)	(324,185,410)
Total primary government net position (deficit)	\$ 2	15,251,917	\$ 208,939,733	\$ 172,102,191	\$ 168,091,925 \$	1	72,729,499	\$ (176,420,033) \$	(171,105,97	0) \$	(173,430,109)	\$ ((162,058,122)	\$ (119,557,439)

Pitt County, North Carolina
Net Position by Component – Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited
Table 2

	 2013	2014	2015	2016	2017		2018		2019	2020	2021	2022
Government Activities												
Net investment in capital assets	\$ 2,947,086	\$ 8,363,163	\$ 7,404,524	\$ 17,210,123	\$ 82,314,633	\$	95,084,397	\$	94,736,490	\$ 38,822,258	\$ 50,961,545	\$ 59,494,188
Restricted	12,335,800	17,176,068	14,785,094	16,678,816	15,971,134		16,908,623		20,035,629	10,928,339	13,704,651	17,602,986
Unrestricted	9,777,730	7,074,844	14,440,586	14,575,156	(59,397,402)	(109,730,455)		(99,870,347)	(25,104,183)	(13,798,811)	3,206,252
Total governmental activities net position	\$ 25,060,616	\$ 32,614,075	\$ 36,630,204	\$ 48,464,095	\$ 38,888,365	\$	2,262,565	\$	14,901,772	\$ 24,646,414	\$ 50,867,385	\$ 80,303,426
Business-type activities												
Net investment in capital assets	\$ 3,563,524	\$ 3,770,246	\$ 3,740,050	\$ 4,187,094	\$ 4,170,609	\$	5,851,954	\$	5,628,944	\$ 5,049,956	\$ 5,178,369	\$ 6,707,941
Unrestricted	2,895,804	2,500,256	2,355,498	2,255,919	1,797,584		(1,132,958)		(2,499,644)	(2,871,150)	(3,076,703)	(3,207,014)
Total business-type activities net position	\$ 6,459,328	\$ 6,270,502	\$ 6,095,548	\$ 6,443,013	\$ 5,968,193	\$	4,718,996	\$	3,129,300	\$ 2,178,806	\$ 2,101,666	\$ 3,500,927
Primary government												
Net investment in capital assets	\$ 6,510,610	\$ 12,133,409	\$ 11,144,574	\$ 21,397,217	\$ 86,485,242	\$	100,936,351	\$:	100,365,434	\$ 43,872,214	\$ 56,139,914	\$ 66,202,129
Restricted	12,335,800	17,176,068	14,785,094	16,678,816	15,971,134		16,908,623		20,035,629	10,928,339	13,704,651	17,602,986
Unrestricted	12,673,534	9,575,100	16,796,084	16,831,075	(57,599,818)	(110,863,413)	(:	102,369,991)	(27,975,333)	(16,875,514)	(762)
Total primary government net position	\$ 31,519,944	\$ 38,884,577	\$ 42,725,752	\$ 54,907,108	\$ 44,856,558	\$	6,981,561	\$	18,031,072	\$ 26,825,220	\$ 52,969,051	\$ 83,804,353

Source: County of Pitt Annual Comprehensive Financial Report for the year ended June 30, 2022

Pitt County Board of Education, North Carolina Changes in Net Position – Last Ten Fiscal Years (Accrual Basis of Accounting) Unaudited Table 3

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
Instructional programs	\$ 164,210,102	\$ 159,653,060 \$	155,131,854	\$ 158,877,916 \$	169,406,325 \$	\$ 184,599,923	\$ 179,789,552 \$	191,573,195 \$	190,074,834	\$ 191,100,714
Supporting services	33,702,640	34,959,103	32,156,564	35,116,216	35,943,020	41,691,204	40,384,987	40,427,637	42,504,111	53,771,563
Community services	1,331,656	1,259,186	1,090,587	1,099,274	1,331,209	1,113,119	999,981	1,594,966	2,066,378	1,678,655
Repayment of debt issuance	1,520,868	1,520,868	2,174,016	1,600,000	1,600,000	2,000,000	2,110,661	1,759,876	1,419,849	1,867,520
Non-programmed charges	-	-	-	379,965	283,694	229,885	481,237	514,970	429,725	292,026
Interest expense	-	-	-	1,134	2,001	1,006	17,423	31,625	23,224	17,037
Unallocated depreciation expense	1,920,258	1,056,326	1,025,378	5,310,942	5,527,730	5,310,191	5,479,290	5,720,120	5,708,665	5,701,129
Total governmental activities expenses	202,685,524	198,448,543	191,578,399	202,385,447	214,093,979	234,945,328	229,263,131	241,622,389	242,226,786	254,428,644
Business-type activities:										
School food service	11,242,514	11,589,796	11,280,624	11,432,648	10,772,726	10,959,869	11,122,647	10,832,403	7,408,275	11,727,766
Total business-type activities	11,242,514	11,589,796	11,280,624	11,432,648	10,772,726	10,959,869	11,122,647	10,832,403	7,408,275	11,727,766
Total primary government expenses	\$ 213,928,038	210,038,339 \$	202,859,023	\$ 213,818,095 \$	224,866,705 \$	\$ 245,905,197	\$ 240,385,778 \$	252,454,792 \$	249,635,061	\$ 266,156,410
Program Revenues										
Governmental activities:										
Charges for services:										
Instructional programs	\$ 1,822,983	1,862,420 \$	-	\$ - \$	- \$	\$ -	\$ - \$	- \$	725,684	\$ 931,979
Operating grants and contributions	153,175,541	149,552,150	158,918,373	158,180,232	156,981,476	167,080,945	181,834,387	186,710,961	199,603,999	225,867,972
Capital grants and contributions	2,414,292	1,795,949	-	3,448,614	2,558,123	3,134,996	3,080,270	2,708,561	4,106,672	2,570,586
Total governmental activities program revenues	157,412,816	153,210,519	158,918,373	161,628,846	159,539,599	170,215,941	184,914,657	189,419,522	204,436,355	229,370,537
Business-type activities:										
Charges for services	2,949,144	2,760,616	2,089,961	1,788,677	1,481,042	1,299,271	1,223,441	986,186	232,216	501,836
Operating grants and contributions	8,460,927	8,665,961	9,069,675	9,563,820	9,529,955	9,856,435	9,986,460	10,936,379	6,646,338	15,386,809
Total business-type activities program revenues	11,410,071	11,426,577	11,159,636	11,352,497	11,010,997	11,155,706	11,209,901	11,922,565	6,878,554	15,888,645
Total primary government program revenues	\$ 168,822,887	164,637,096 \$	170,078,009	\$ 172,981,343 \$	170,550,596 \$	\$ 181,371,647	\$ 196,124,558 \$	201,342,087 \$	211,314,909	\$ 245,259,182
Net (Expense)/Revenue										
	4 ((45 330 034) 6	(32,660,026)	\$ (40,756,601) \$	(54,554,380) \$	\$ (64,729,387)	\$ (44,348,474) \$	(52,202,867) \$	(37,790,431)	\$ (25,058,107)
Governmental activities	\$ (45,272,708) \$	\$ (45,238,024) \$	(32,000,020)	\$ (4U,/30,0U1) \$	(34,334,360)	7 (07,123,301)	7 (77,370,777) 7			
Governmental activities Business-type activities	\$ (45,272,708) \$ 167,557	(45,238,024) \$ (163,219)	(120,988)	(80,151)	238,271	195,837	87,254	1,090,162	(529,721)	4,160,879

Pitt County Board of Education, North Carolina Changes in Net Position – Last Ten Fiscal Years (Accrual Basis of Accounting) Unaudited Table 3

Canaral Bayanuas and Other Changes in Not Desitio														
General Revenues and Other Changes in Net Position Governmental activities:	II .													
General Revenues:														
State of North Carolina	\$ 1,126,016	\$ 479	380 \$ 2,6	53,262 \$	2,016,258	¢	2,802,758	¢	140,632 \$	215,893	\$ 18,435 \$	_	¢	703,066
Pitt County	35,796,133		. ,	82,996	38,921,377	Y	50,476,365	Y	50,762,562	43,141,366	43,186,208	45,412,540	Y	57,687,479
Federal grants	33,730,133	30,743,	-	-	30,321,377		1,497,052		2,030,188	85,604	194,967	1,659,801		1,725,157
Investment earnings	39,668	38	815	40,836	60,026		81,233		114,578	197,400	145,046	33,646		44,041
Other	2,125,412	,		06,341	2,966,880		4,060,896		4,910,154	5,848,282	5,184,615	2,579,221		3,225,685
Transfers	(118,036		,	20,547)	(69,078)		(65,491)		(72,428)	(76,976)	(365,648)	(45,417)		(52,701)
Total governmental activities	38,969,193	, , ,		62,888	43,895,463		58,852,813		57,885,686	49,411,569	48,363,623	49,639,791		63,332,727
Business-type activities:	,,	,,	-,-	,	-,,		,,-		- ,,	-, ,	-,,-	-,,		,,
General Revenues:														
Investment earnings	15,722	16,	532	19,757	25,181		35,379		51,300	86,738	59,295	6,931		12,483
Transfers	118,036	118,	569 1	20,547	69,078		65,491		72,428	76,976	365,648	45,417		52,701
Total business-type activities:	133,758	135,	101 1	40,304	94,259		100,870		123,728	163,714	424,943	52,348		65,184
Total primary government revenues	\$ 39,102,951	\$ 39,089,	058 \$ 41,1	03,192 \$	43,989,722	\$	58,953,683	\$	58,009,414 \$	49,575,283	\$ 48,788,566 \$	49,692,139	\$	63,397,911
Change in Net Position														
Governmental activities	\$ (6,303,515) \$ (6.284.	067) \$ 8,3	02,862 \$	3,138,862	Ś	4,298,433	Ś	(6,843,701) \$	5,063,095	\$ (3,839,244) \$	11,849,360	Ś	38,274,620
Business-type activities	301,315			19,316	14,108	•	339,141	•	319,565	250,968	1,515,105	(477,373)	•	4,226,063
Total primary government	\$ (6,002,200			22,178 \$	3,152,970	\$	4,637,574	\$	(6,524,136) \$	5,314,063	\$ (2,324,139) \$	11,371,987	\$	42,500,683
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Pitt County, North Carolina
Changes in Net Position – Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited
Table 4

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 16,297,756	18,833,804	16,508,916	\$ 15,016,731 \$	13,681,634	\$ 19,638,344	\$ 20,985,890 \$	\$ 15,898,263 \$	27,691,892	\$ 20,534,972
Public safety	42,976,133	39,562,880	40,105,903	42,525,254	48,042,994	44,749,789	48,637,520	50,939,881	52,984,556	55,026,004
Economic and physical development	10,116,946	7,068,054	3,630,825	54,011	16,552,198	18,516,340	9,091,992	7,347,857	6,627,061	9,016,531
Environmental protection	200,253	216,114	186,589	285,467	282,750	247,086	319,329	245,419	323,228	336,909
Human Services	38,623,179	36,848,621	40,654,477	44,531,856	47,835,102	39,694,998	39,757,063	41,335,177	41,952,958	44,396,964
Cultural and recreation	590,667	606,785	679,571	664,949	822,133	745,971	735,016	819,601	794,853	988,507
Education	33,948,819	45,338,884	46,080,991	49,421,608	53,841,094	45,124,628	50,055,019	53,531,473	53,506,611	62,630,501
Interest on long term debt	6,952,420	8,605,897	7,251,638	6,444,049	4,915,136	6,584,012	5,535,726	5,386,308	3,997,678	4,577,711
Total governmental activities	149,706,173	157,081,039	155,098,910	158,943,925	185,973,041	175,301,168	175,117,555	175,503,979	187,878,837	197,508,099
Business-type activities:										
Solid Waste	7,763,554	8,357,565	8,462,330	8,239,791	9,626,750	9,567,945	11,017,190	10,420,725	13,397,683	13,526,245
Total business-type activities	7,763,554	8,357,565	8,462,330	8,239,791	9,626,750	9,567,945	11,017,190	10,420,725	13,397,683	13,526,245
Total primary government expenses	\$ 157,469,727	165,438,604	163,561,240	\$ 167,183,716 \$	195,599,791	\$ 184,869,113	\$ 186,134,745	\$ 185,924,704 \$	201,276,520	\$ 211,034,344
Program Revenues	-									
Governmental activities:										
Charges for services:										
General government	\$ 5,635,527	3 4,971,244	4,546,258	6,208,910 \$	6,058,408	\$ 5,241,296	\$ 5,747,291	\$ 5,081,761 \$	6,786,332	\$ 8,742,844
Public safety	9,987,128	6,607,559	7,307,031	7,606,744	6,681,784	7,841,621	7,075,521	7,483,752	9,390,196	8,352,007
Economic and physical development	168,709	59,294	569,379	47,827	64,955	76,913	112,248	157,168	827,242	807,274
Environmental protection	38,004	65,453	-	97,089	92,189	73,988	121,651	104,743	107,432	93,341
Human Services	5,169,120	4,946,415	2,345,008	4,574,034	5,663,557	5,682,654	5,928,238	6,421,394	6,551,400	6,188,157
Operating grants and contributions:	3,103,120	4,540,415	2,545,000	4,374,034	3,003,337	3,002,034	3,320,230	0,421,334	0,331,400	0,100,137
General government	8,501	1,410	149,781	(5)	21,836	315,232	316,582	320,133	7,452,628	2,057,120
Public safety	228,750	2,230,832	674,984	2,156,752	2,207,523	2,677,977	2,511,588	3,641,061	2,669,809	2,311,166
Economic and physical development	3,514,654	3,759,697	4,659,192	2,679,943	3,486,757	3,827,227	4,108,630	4,376,983	3,916,242	2,311,100
Environmental protection	3,314,034	3,733,037	-,033,132	2,073,343	5,400,757	5,027,227	-,100,030	379,141	364,294	182,403
Human Services	20,505,352	20,465,760	28,041,057	24,299,521	25,512,425	17,486,874	17,670,380	17,122,893	20,021,512	22,155,891
Education	600,706	20,403,700	20,041,037	24,233,321	25,512,425	245,412	85,134	17,122,055	20,021,512	26,881
Capital grants and contributions:	000,700					243,412	05,154			20,001
General government	_	_	_	_	75,160	_	_	_	_	_
Public safety	16,758	190,314	_	_	73,100	_	_	_	_	_
Economic and phycial development	40,680	303,311	1,318,696	1,215,545	2,668,269	4,040,588	2,088,793	331,785	161,874	5,008,423
Environmental protection	65,977	303,311	1,310,030	1,213,343	2,000,209	4,040,366	2,000,793	-	101,674	5,000,425
Education	1,418,346	1,533,622	_	1,623,271	2,625,917	2,783,252	2,209,661	1,858,876	1,419,849	1,867,520
Social services	1,410,340	19,049	-	1,023,271	2,023,317	2,703,232	2,203,001	1,030,070	1,413,043	
Total governmental activities program revenues	47,398,212	45,153,960	49,611,386	50,509,631	55,158,780	50,293,034	47,975,717	47,279,690	59,668,810	57,793,027
Total Boverinnental activities program revenues	77,330,212	43,133,300	45,011,500	30,303,031	33,130,700	30,233,034	71,313,111	41,213,030	33,000,010	31,133,021

Business-type activities:

Pitt County, North Carolina Changes in Net Position – Last Ten Fiscal Years (Accrual Basis of Accounting) Unaudited Table 4

Capital grants and contributions - Solid Waste		700,247		79,728		13,411		16,811		34,620		26,297		11,128		10,414		-		87,987
Total business-type activities program revenues	8	3,966,635		8,474,041		8,557,259		8,781,765		9,104,842		9,172,175		9,807,865		9,866,486	1	.3,785,157		14,188,219
Total primary government program revenues	\$ 56	,364,847	\$ 5	53,628,001	\$	58,168,645	\$	59,291,396	\$	64,263,622	\$	59,465,209	\$	57,783,582	\$	57,146,176 \$	5 7	3,453,967	\$	71,981,246
Net (Expense)/Revenue																				
Governmental activities		2,307,961)	\$ (11	11,927,079)	Ş ((105,487,524)	Ş	(108,434,294)	\$	(130,814,261)	\$	(125,008,134)	\$	(127,141,838)	\$	(128,224,289) \$	(12		\$ (139,715,072)
Business-type activities		,203,081		116,476		94,929		541,974		(521,908)		(395,770)		(1,209,325)		(554,239)		387,474		661,974
Total primary government net expense	\$ (101	,104,880)	\$ (11	11,810,603)	\$ ((105,392,595)	\$	(107,892,320)	\$	(131,336,169)	\$	(125,403,904)	\$	(128,351,163)	\$	(128,778,528) \$	(12	7,822,553)	\$ (139,053,098)
General Revenues and Other Changes in Net Posit	ion																			
Governmental activities:																				
Property taxes	\$ 81	,542,495	\$ 8	84,456,744	\$	84,354,263	\$	86,795,644	\$	90,552,468	\$	93,081,325	\$	95,377,311	\$	101,877,780 \$	10	9,993,357	\$	115,550,585
Local option sales tax	15	,401,125	2	23,118,577		26,698,824		28,843,710		30,412,717		31,316,187		34,320,168		33,275,692	4	1,053,392		45,845,463
Payment in lieu of taxes and other taxes	11	,493,571		2,118,654		2,186,843		2,220,734		2,264,174		3,103,121		2,413,962		2,530,996		2,456,079		2,550,754
Interest earned on investments		89,550		2,036,371		1,648,230		2,013,878		985,633		1,233,001		7,184,375		2,465,169		96,308		2,109,821
Loss on disposal of capital assets		-		-		-		-		-		-		-		-		-		-
Transfers		-		-		-		102,980		132,691		(1,323,725)		485,228		477,070		469,569		3,094,490
Gain on Bond Defeasance		-		7,423,910		-		-		-		-		-		-		-		-
Total governmental activities	108	3,526,741	11	19,154,256		114,888,160		119,976,946		124,347,683		127,409,909		139,781,044		140,626,707	15	4,068,705		169,151,113
Business-type activities:																				
Investment earnings		18,889		20,980		14,295		44,598		43,652		42,552		104,857		80,815		4,955		(44,265)
Transfers		-		-		-		(102,980)		(132,691)		1,323,725		(485,228)		(477,070)		(469,569)		781,552
Total business-type activities:		18,889		20,980		14,295		(58,382)		(89,039)		1,366,277		(380,371)		(396,255)		(464,614)		737,287
Total primary government revenues	\$ 108	3,545,630	\$ 11	19,175,236	\$	114,902,455	\$	119,918,564	\$	124,258,644	\$	128,776,186	\$	139,400,673	\$	140,230,452 \$	15	3,604,091	\$	169,888,400
Change in Nat Parities																				
Change in Net Position				7 007 477	_	0.400.505	_	44 540 650	_	(6.466.570)	_	2 404 775	_	40.500.005	_	40 400 440 4				20.425.044
Governmental activities		5,218,780	\$	7,227,177	Ş	9,400,636	Ş	11,542,652	\$	(6,466,578)	Ş	2,401,775	\$	12,639,206	\$	12,402,418 \$	> 2	5,858,678	\$	29,436,041
Business-type activities		,221,970		137,456		109,224		483,592		(610,947)	,	970,507	,	(1,589,696)	,	(950,494)		(77,140)	,	1,399,261
Total primary government	\$ 7	,440,750	Ş	7,364,633	Ş	9,509,860	Ş	12,026,244	\$	(7,077,525)	\$	3,372,282	Ş	11,049,510	\$	11,451,924 \$	5 2	5,781,538	\$	30,835,302

Source: County of Pitt Annual Comprehensive Financial Report for the year ended June 30, 2022

Pitt County Board of Education, North Carolina
Fund Balances, Governmental Funds – Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited
Table 5

	 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted	\$ 1,196,971	\$ 645,616	\$ 102,880	\$ 529,270	\$ 544,865	\$ 1,374,046 \$	997,976	\$ 889,418	\$ 784,323	\$ 944,491
Nonspendable	-	-	-	-	-	356,286	344,637	367,832	391,674	540,138
Committed	1,680,399	1,606,500	1,185,496	1,543,000	1,623,000	1,562,313	2,720,815	4,116,997	5,806,820	4,454,051
Assigned	740,355	1,681,577	726,513	575,016	645,336	620,297	431,060	555,551	957,055	590,063
Unassigned	1,983,912	514,122	1,820,397	792,821	1,404,611	1,724,776	2,821,722	3,785,478	3,660,034	3,521,597
Total general funds	\$ 5,601,637	\$ 4,447,815	\$ 3,835,286	\$ 3,440,107	\$ 4,217,812	\$ 5,637,718 \$	7,316,210	\$ 9,715,276	\$ 11,599,906	\$ 10,050,340
All Other Governmental Funds										
Restricted										
State statute	\$ 591,688	\$ 870,998	\$ 217,586	\$ 300,842	\$ 348,573	\$ 127,467 \$	603,769	\$ 546,996	\$ 277,953	\$ 1,089,734
Grantor requirements	1,203,244	763,881	1,145,034	1,093,983	1,096,276	994,423	1,252,298	1,540,724	2,344,115	2,537,916
Individual schools	1,597,121	1,565,392	1,656,872	1,745,546	1,776,121	1,984,273	2,023,782	2,031,637	2,000,486	2,661,444
Capital outlay	982,779	1,048,826	1,025,113	1,108,715	1,738,840	2,678,920	2,383,184	1,502,848	1,787,940	433,513
Committed										
Capital outlay	-	-	-	-	-	-	-	-	2,200,000	5,475,747
Assigned										
Subsequent years expenditure	5,572,273	6,846,425	7,496,578	6,787,191	5,752,070	7,636,515	5,806,261	6,892,135	8,237,313	7,686,956
Unassigned	-	-	-	-	1,660,751	-	-	-	-	-
Total all other governmental funds	\$ 9,947,105	\$ 11,095,522	\$ 11,541,183	\$ 11,036,277	\$ 12,372,631	\$ 13,421,598 \$	12,069,294	\$ 12,514,340	\$ 16,847,807	\$ 19,885,310
Total governmental funds	\$ 15,548,742	\$ 15,543,337	\$ 15,376,469	\$ 14,476,384	\$ 16,590,443	\$ 19,059,316 \$	19,385,504	\$ 22,229,616	\$ 28,447,713	\$ 29,935,650

Pitt County, North Carolina
Fund Balances, Governmental Funds – Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited
Table 6

	 2013	2014	2015	2016	2017	2018		2019	2020	2021	2022
General Fund											
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-		-	-	-	-
Nonspendable- prepaid items	150,981	194,008	171,896	289,553	253,963	119,578		116,179	114,632	317,111	307,980
Leases	-	-	-	-	-	-		-	-	-	1,052
Restricted	7,872,485	9,064,048	9,826,214	11,351,974	5,960,868	10,328,244		14,466,785	7,684,849	8,444,785	10,496,937
Assigned	2,288,000	2,786,466	2,871,466	2,871,466	5,855,639	4,234,581		4,610,192	3,612,043	16,555,158	4,903,179
Unassigned	16,997,017	23,805,248	26,585,766	26,604,345	25,143,213	26,232,157		23,612,026	29,556,375	35,346,230	52,707,795
Total general fund	\$ 27,308,483	\$ 35,849,770	\$ 39,455,342	\$ 41,117,338	\$ 37,213,683	\$ 40,914,560	\$	42,805,182	\$ 40,967,899	\$ 60,663,284	\$ 68,416,943
All Other Governmental Funds											
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-	\$ -	\$ -	\$ -
Unreserved											
Undesignated/(deficit)											
Special revenue funds	-	-	-	-	-	-		-	-	-	-
Debt service funds	-	-	-	-	-	-		-	-	-	-
Capital projects fund	-	-	-	-	-	-		-	-	-	-
Nonspendable- prepaid items	139,920	84,668	153,579	183,018	147,785	160,295		163,340	115,869	107,284	9,193
Restricted	14,297,247	9,921,816	8,004,372	8,667,226	24,447,486	11,376,139		11,947,618	5,104,511	17,071,829	10,908,829
Committed	7,427,612	9,822,537	7,460,390	24,130,049	15,447,427	14,886,566		16,870,161	20,455,011	17,338,500	23,831,057
Assigned	1,505,723	1,647,750	1,411,986	1,364,137	1,604,679	1,031,037		567,844	558,715	11,540,633	12,392,615
Unassigned	(265,605)	(2,191,980)	(246,910)	(1,089,227)	(62,063)	(1,303,665)		(4,129,782)	(982,365)	(692,364)	(603,015)
Total all other governmental funds	23,104,897	19,284,791	16,783,417	33,255,203	41,585,314	26,150,372		25,419,181	25,251,741	45,365,882	46,538,679
Total governmental funds	\$ 50,413,380	\$ 55,134,561	\$ 56,238,759	\$ 74,372,541	\$ 78,798,997	\$ 67,064,932	Ś	68,224,363	\$ 66,219,640	\$ 106,029,166	\$ 114,955,622

Source: County of Pitt Annual Comprehensive Financial Report for the year ended June 30, 2022

Pitt County Board of Education, North Carolina Governmental Fund Revenues – Last Ten Fiscal Years (Modified Accrual Basis of Accounting) Unaudited Table 7

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Federal sources:										
Federal grants, sales tax, and other	\$ 21,744,137	\$ 17,774,145	\$ 18,646,711	\$ 19,873,595	\$ 16,973,341	\$ 20,057,241	\$ 22,788,653	\$ 22,776,819	\$ 36,991,845	\$ 49,827,932
Total federal sources	21,744,137	17,774,145	18,646,711	19,873,595	16,973,341	20,057,241	22,788,653	22,776,819	36,991,845	49,827,932
State sources:										
State Public School Fund, and sales tax	123,170,760	123,106,477	129,530,622	130,494,970	135,769,148	140,957,518	151,278,725	156,833,526	156,526,386	169,123,578
Public School Building Lottery Fund	1,520,868	1,520,868	1,600,000	1,600,000	1,600,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
State Grants and other	3,692,428	2,915,735	3,161,672	3,061,767	3,760,881	4,180,937	4,286,785	4,166,973	4,454,231	4,511,957
Total state sources	128,384,056	127,543,080	134,292,294	135,156,737	141,130,029	147,138,455	157,565,510	163,000,499	162,980,617	175,635,535
Local sources:										
Pitt County	34,938,837	36,226,571	37,182,996	38,222,086	50,476,365	50,762,562	43,141,366	43,186,208	45,412,540	57,687,479
Pitt County Certificates of Participation	17,582	-	-	-	-	-	-	-	-	-
Interest earnings	39,668	38,815	40,841	60,026	81,233	114,578	197,400	145,046	33,645	44,041
Contributions and donations	6,556,842	6,643,427	6,095,524	6,245,918	5,752,427	6,064,739	5,784,965	4,723,419	2,409,744	4,906,351
Fines and forfeitures	839,714	517,098	594,746	567,290	568,429	1,671,208	2,028,486	1,882,144	1,800,783	2,033,455
Sales tax	279,750	248,690	171,853	223,666	234,529	218,074	240,036	237,897	267,828	176,333
Indirect cost revenues	793,803	977,807	1,066,979	1,137,206	826,133	1,117,819	1,420,600	1,386,937	1,220,131	3,375,545
Tuition and fees	1,029,180	884,613	833,911	868,013	822,328	823,199	842,040	615,290	325,234	709,637
Other	2,125,412	1,810,662	1,568,921	1,638,849	1,593,089	1,110,403	1,356,843	1,090,232	1,215,615	1,442,164
Total local sources	46,620,788	47,347,683	47,555,771	48,963,054	60,354,533	61,882,582	55,011,736	53,267,173	52,685,520	70,375,005
Total revenues	\$ 196,748,981	\$ 192,664,908	\$ 200,494,776	\$ 203,993,386	\$ 218,457,903	\$ 229,078,278	\$ 235,365,899	\$ 239,044,491	\$ 252,657,982	\$ 295,838,472

Pitt County, North Carolina Governmental Fund Revenues – Last Ten Fiscal Years (Modified Accrual Basis of Accounting) Unaudited Table 8

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Taxes:										
Property	\$ 81,339,280 \$	85,735,784 \$	84,891,802 \$	86,949,292 \$	90,613,945 \$	93,148,258 \$	95,409,222 \$	101,898,373 \$	110,023,049 \$	115,429,587
Sales	15,677,039	13,809,165	16,638,841	17,635,460	18,831,700	19,034,077	21,056,307	20,536,825	25,715,221	28,759,559
Other	11,217,657	11,428,066	12,246,826	13,428,984	13,845,191	15,385,231	15,677,823	15,269,863	17,794,250	19,636,658
Total taxes	108,233,976	110,973,015	113,777,469	118,013,736	123,290,836	127,567,566	132,143,352	137,705,061	153,532,520	163,825,804
Intergovernmental	32,355,138	32,239,169	36,042,326	35,140,590	39,455,051	35,520,979	33,862,995	33,727,002	42,515,131	40,139,981
Sales & Services / Permits & Fees	11,976,737	10,832,855	11,204,558	11,588,782	10,937,435	11,810,949	11,132,162	10,692,625	13,538,622	13,270,262
Interest	83,754	451,726	110,704	304,345	458,660	877,645	1,489,327	1,102,239	92,408	(629,592)
Miscellaneous	 1,566,417	1,679,320	1,891,679	2,331,536	4,199,918	2,336,373	2,306,918	2,364,253	2,578,774	2,520,705
Total revenues	\$ 154,216,022 \$	156,176,085 \$	163,026,736 \$	167,378,989 \$	178,341,900 \$	178,113,512 \$	180,934,754 \$	185,591,180 \$	212,257,455 \$	219,127,160

Source: County of Pitt Annual Comprehensive Financial Report for the year ended June 30, 2022

Pitt County Board of Education, North Carolina Governmental Fund Expenditures and Net Change in Fund Balances Last Ten Fiscal Years (Modified Accrual Basis of Accounting) Unaudited Table 9

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instructional programs:	\$ 158,240,026	\$ 154,673,342	\$ 162,239,824 \$	166,113,909 \$	166,294,634	\$ 173,169,725 \$	186,474,987	\$ 188,173,795 \$	197,575,591 \$	221,363,958
Support services:	32,221,018	33,394,240	33,044,895	33,509,105	34,281,112	37,493,870	38,371,735	38,113,955	41,128,572	47,001,789
Ancillary services:	1,278,433	1,213,309	1,117,409	1,103,977	994,584	1,037,697	996,275	1,530,984	2,064,197	1,813,666
Non-programmed charges	248,936	381,863	422,898	396,507	276,859	582,236	853,016	805,756	901,408	2,942,716
On-behalf payment to County for repayment of debt	1,520,868	1,520,868	1,600,000	1,600,000	1,600,000	2,000,000	2,110,661	1,759,876	1,419,849	1,867,520
Debt service:										
Principal	893,424	275,081	563,319	478,272	1,040,194	1,218,062	1,139,124	1,127,749	1,454,439	1,099,153
Interest	-	-	-	1,134	2,001	1,006	17,423	31,625	23,224	16,700
Capital outlay:										
Real property and buildings	623,948	409,807	856,709	986,536	11,263,024	10,671,656	3,839,359	2,405,674	3,028,186	13,445,047
Furniture and equipment	323,693	577,331	696,043	634,950	484,397	719,012	1,069,445	1,908,510	1,073,524	5,004,426
Buses and motor vehicles	121,186	194,856	906,163	501,032	2,710,037	1,039,107	166,205	-	2,003,404	385,497
Total expenditures	195,471,532	192,640,697	201,447,260	205,325,422	218,946,842	227,932,371	235,038,230	235,857,924	250,672,394	294,940,472
Excess of revenue over (under) expenditures	1,277,449	24,211	(952,484)	(1,332,036)	(488,939)	1,145,907	327,669	3,186,567	1,985,588	898,000
Other Financing Sources (Uses)										
Installment purchase obligations issued	_	88,953	906,163	501,032	2,668,488	1,039,107	87,144	_	1,970,823	377,147
Other transfers in (out)	(118,036)	(118,569)	(120,547)	(69,078)	(65,491)	(72,428)	(76,976)	(365,648)	(45,417)	(52,701)
Lease financing issued	-	-		-	-	-	-	-	-	42,027
Insurance recovery		-	-	-	-	-	-	-	2,283,262	75,000
Net change in fund balances	\$ 1,159,413	\$ (5,405)	\$ (166,868) \$	(900,082) \$	2,114,058	\$ 2,112,586 \$	337,837	\$ 2,820,919 \$	6,194,256 \$	1,339,473
Debt service as a percentage of noncapital expenditures	0.46%	0.14%	0.28%	0.24%	0.51%	0.57%	0.50%	0.50%	0.60%	0.40%

Pitt County, North Carolina
Governmental Funds Expenditures and Net Change in Fund Balance - Last Ten Fiscal Years
Unaudited
Table 10

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	\$ 12,178,377 \$	14,855,647 \$	12,914,832 \$	12,398,418 \$	13,732,350	\$ 15,541,812 \$	14,472,409 \$	19,380,216 \$	23,122,902 \$	20,058,014
Public Safety	39,894,354	37,939,525	38,790,924	40,489,226	45,837,911	47,285,798	45,798,091	47,707,308	48,875,805	53,122,941
Environmental Protection	200,253	216,114	248,599	260,578	256,163	271,431	284,118	290,729	304,473	320,600
Economic Development	9,469,340	6,916,650	5,485,544	5,009,774	19,902,032	18,963,496	9,568,287	7,104,881	6,402,187	9,119,204
Human Services	37,486,478	37,911,830	40,505,222	43,744,551	46,210,880	38,962,154	38,846,194	39,472,323	39,490,075	45,697,306
Culture and Recreation	590,667	606,785	679,571	664,949	822,133	745,971	735,016	819,601	794,853	988,507
Education	40,720,188	42,996,018	45,001,927	47,669,432	57,094,539	50,937,215	49,047,015	50,757,770	53,597,072	66,062,413
Debt Service:										
Principal	10,656,994	11,372,680	10,611,931	12,069,612	10,993,356	15,069,231	14,090,238	13,906,196	13,166,375	14,123,321
Interest	7,105,713	6,967,738	8,018,483	6,258,736	6,703,806	5,390,349	6,085,159	5,964,696	5,533,108	5,277,877
Total expenditures	 158,302,364	159,782,987	162,257,033	168,565,276	201,553,170	193,167,457	178,926,527	185,403,720	191,286,850	214,770,183
Excess of revenue over										
(under) expenditures	 (4,086,342)	(3,606,902)	769,703	(1,186,287)	(23,211,270)	(15,053,945)	2,008,227	187,460	20,970,605	4,356,977
Other Financing Sources (Uses)										
Transfers in	(18,911,293)	(18,948,152)	(22,912,919)	(23,179,553)	(26,469,826)	(27,951,538)	(21,499,990)	(22,029,014)	(41,407,378)	(45,189,929)
Transfers out	17,960,898	18,237,483	21,776,816	21,101,953	25,681,106	27,391,418	20,351,799	21,439,944	39,609,435	44,330,086
Insurance Proceeds	, , , ₋	20,489	139,235	-	15,363	, , -	(605)	, , , <u>-</u>	11,325	, , , <u>-</u>
Sale of capital assets	-	· -	-	-	-	-	-	-	2,000,000	_
Payment to bondholders, bond redemption	_	(54,372,710)	_	-	_	-	_	_		_
Payment to refunding escrow agent	-	-	-	-	-	-	-	-	-	_
Payment to escrow agent, debt refunding pmt	-	-	(39,421,164)	-	(55,709,200)	-	-	-	(16,178,178)	_
Payment from escrow agent	-	61,796,620	-	-	-	-	-	-	-	-
Debt Obligation issued	6,025,835	1,594,353	35,135,000	19,250,000	63,690,000	3,880,000	300,000	1,054,663	31,660,000	500,000
Lease Liabilities Issued	-	-	-	-	-	-	-	-	-	1,036,935
Installment Debt Issued	-	-	893,828	877,242	10,177,000	-	-	-	-	, , , <u>-</u>
Premium received from issuance of debt	 -	-	4,723,699	979,187	10,253,283	-	-	-	2,781,424	-
Total other financing sources (uses)	 5,075,440	8,328,083	334,495	19,028,829	27,637,726	3,319,880	(848,796)	465,593	18,476,628	677,092
Special Item										
Transfers of Net Assets from Pitt Co Dev Comm	 -	-	-	-	-	-	-	-	-	3,892,387
Net change in fund balances	\$ 989,098 \$	4,721,181 \$	1,104,198 \$	17,842,542 \$	4,426,456	\$ (11,734,065) \$	1,159,431 \$	653,053 \$	39,447,233 \$	8,926,456
Debt service as a percentage of noncapital										
expenditures	11.89%	11.83%	11.82%	11.27%	9.41%	11.49%	11.49%	11.07%	10.06%	9.66%

Pitt County, North Carolina Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years Unaudited Table 11

		Real Proper	rtv					Total Taxable	Total Direct	Estimated Actual	Assessed Value
Fiscal Year	Residential Property	nmercial roperty	Ind	ustrial operty	sent-use /alue	Personal Property	Public Service Companies	 Assessed Value	Tax Rate	Taxable Value	as a % of Actual Value
2013	\$ 9,113,031,060	\$ -	\$	_	\$ -	\$ 2,266,724,289	\$ 104,234,635	\$ 11,483,989,984	0.68000	\$ 11,598,829,884	99.0%
2014	9,206,945,276	-		-	-	2,643,301,152	101,041,838	11,951,288,266	0.68000	12,070,801,149	99.0%
2015	9,410,339,621	-		-	-	2,285,610,536	103,039,401	11,798,989,558	0.68000	11,916,979,454	99.0%
2016	9,449,775,738	-		-	-	2,454,881,901	170,452,100	12,075,109,739	0.68600	12,195,860,836	99.0%
2017	9,762,032,415	-		-	-	2,437,716,258	152,480,080	12,352,228,753	0.69600	12,475,751,041	99.0%
2018	9,761,433,643	-		-	-	2,550,757,485	180,058,529	12,492,249,657	0.69600	12,617,172,154	99.0%
2019	10,110,870,674	-		-	-	2,704,582,036	102,150,893	12,917,603,603	0.72100	13,046,779,639	99.0%
2020	10,547,400,173	-		-	-	2,922,170,420	178,903,063	13,648,473,656	0.67970	13,784,958,393	99.0%
2021	11,652,069,432	-		-	-	3,375,938,269	190,018,883	15,218,026,584	0.68410	15,370,206,850	99.0%
2022	11,900,169,244	-		-	-	3,520,138,003	205,434,245	15,625,741,492	0.68410	15,781,998,907	99.0%

Source: Pitt County Annual County Report of Valuation and Property Tax Levies

Pitt County, North Carolina
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years
Unaudited
Table 12

	2013	2014		2015	2016	2017	2018	20	19	2020	20	021	2022
Pitt County	\$ 0.6800	\$ 0.680	5 0	0.6800	\$ 0.6860	\$ 0.6960	\$ 0.6960	S	0.7210	\$ 0.6797	\$	0.6841	\$ 0.6841
Municipality Rates:													
Town of Ayden	0.5400	0.540	0	0.5400	0.5400	0.5400	0.5400		0.5400	0.5400		0.5400	0.5400
Town of Bethel	0.6600	0.660	0	0.6600	0.6600	0.6600	0.6600		0.6600	0.6600		0.6600	0.6600
Town of Falkland	0.4500	0.450	0	0.4500	0.4500	0.4500	0.4600		0.4600	0.4600		0.4600	0.4800
Town of Farmville	0.4900	0.490	0	0.4900	0.4900	0.4900	0.4900		0.4900	0.4900		0.4900	0.4900
Town of Fountain	0.6000	0.600	0	0.6000	0.5875	0.5875	0.5875		0.5875	0.5875		0.5875	0.587
City of Greenville	0.5200	0.520	0	0.5300	0.5200	0.5200	0.5200		0.5200	0.4945		0.4945	0.494
Town of Grifton	0.6000	0.600	0	0.6300	0.6300	0.6300	0.6300		0.6300	0.6300		0.6300	0.6300
Town of Grimesland	0.4800	0.480	0	0.4800	0.4800	0.4800	0.4800		0.4800	0.4800		0.4800	0.480
Village of Simpson	0.4500	0.450	0	0.4500	0.4500	0.4500	0.4500		0.4500	0.4500		0.4500	0.450
Town of Winterville	0.4750	0.475	0	0.4750	0.4750	0.4750	0.4750		0.4750	0.4750		0.4750	0.475
Fire Districts:													
Ayden Fire District	0.0475	0.047	5	0.0599	0.0599	0.0724	0.0799		0.0799	0.0799		0.0799	0.079
Bell Arthur Fire District	0.0885	0.088	5	0.0885	0.0885	0.0885	0.0885		0.0885	0.0885		0.0885	0.088
Belvoir Fire District	0.0189	0.022	5	0.0225	0.0225	0.0225	0.0225		0.0250	0.0250		0.0375	0.037
Bethel Fire District	0.0675	0.067	5	0.0675	0.0675	0.0675	0.0675		0.0675	0.0675		0.0675	0.067
Black Jack Fire District	0.0740	0.074	0	0.0740	0.0740	0.0740	0.0740		0.0790	0.0890		0.0890	0.094
Clarks Neck Fire District	0.0450	0.045	0	0.0450	0.0450	0.0450	0.0450		0.0450	0.0450		0.0450	0.045
Eastern Pines Fire District	0.0500	0.050	0	0.0500	0.0500	0.0500	0.0500		0.0775	0.0775		0.0775	0.077
Falkland Fire District	0.0600	0.060	0	0.0800	0.0800	0.0800	0.0800		0.0800	0.0800		0.0800	0.080
Farmville Fire District	0.0389	0.038	9	0.0400	0.0500	0.0500	0.0600		0.0600	0.0600		0.0600	0.060
Fountain Fire District	0.0500	0.067	5	0.0675	0.0875	0.0875	0.0875		0.0875	0.0875		0.0875	0.090
Garndersville Fire District	0.0940	0.094	0	0.0940	0.0940	0.0940	0.0940		0.0940	0.0940		0.0940	0.094
Grifton Fire District	0.0599	0.059	9	0.0599	0.0599	0.0599	0.0649		0.0649	0.0649		0.0649	0.064
Grimesland Fire District	0.0700	0.070	0	0.0700	0.0750	0.0750	0.0750		0.0750	0.0750		0.0750	0.075
Pactolus Fire District	0.0425	0.062	5	0.0625	0.0625	0.0625	0.0925		0.0925	0.0925		0.0925	0.092
Red Oak Fire District	0.0700	0.070	0	0.0700	0.0700	0.0700	0.0700		0.0700	0.0950		0.0950	0.095
Sharp Point Fire District	0.0600	0.060	0	0.0600	0.0600	0.0600	0.0600		0.0600	0.0600		0.0800	0.080
Simpson Fire District	0.0650	0.065	0	0.0650	0.0650	0.0650	0.0650		0.0650	0.0665		0.0665	0.066
Staton House Fire District	0.0275	0.027	5	0.0275	0.0290	0.0290	0.0290		0.0290	0.0290		0.0290	0.030
Stokes Fire District	0.0700	0.070	0	0.0700	0.0700	0.0700	0.0700		0.0700	0.0700		0.0700	0.070
Winterville Fire District	0.0440	0.044	0	0.0440	0.0440	0.0440	0.0440		0.0624	0.0624		0.0624	0.087
EMS District	0.0460	0.046	0	0.0460	0.0460	0.0460	0.0460		0.0460	0.0595		0.0595	0.059

Source: Pitt County Tax Assessor

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

Pitt County, North Carolina Principal Property Tax Payers – Current and Five Prior Years Unaudited Table 13

		Fiscal	Year 202	22		Fiscal Ye	ear 202	1		Fiscal Ye	ar 202	0	Fiscal Y	ear 201	19		Fiscal Ye	ar 201	8	Fiscal Ye	ar 2017	7
				%				%				%			%				%			%
				of Total				of Total				of Total			of Total				of Total			of Total
		Assessed		Assessed		Assessed		Assessed		Assessed		Assessed	Assessed		Assessed		Assessed		Assessed	Assessed		Assessed
Taxpayer	Type of Business	Valuation	Rank	Valuation	_	Valuation	Rank	Valuation		Valuation	Rank	Valuation	Valuation	Rank	Valuation	_	Valuation	Rank	Valuation	 Valuation	Rank	Valuation
Patheon Manufacturing Services, LLC	Manufacturer	\$ 577,408,899	1	3.70%	\$	405,417,851	1	2.67%	\$	367,987,484	1	2.43%	\$ 438,841,687	1	3.22%	\$	281,066,878	1	2.18%	\$ 262,435,545	1	2.10%
DSM Protective Materials, LLC	Manufacturer	184,462,067	2	1.18%	\$	138,430,077	2	9.10%														
DSM Dyneema, LLC	Manufacturer					43,000,434	8	0.28%		184,313,498	2	1.22%	159,204,045	2	1.17%		168,966,357	2	1.31%	175,263,183	2	1.40%
Carolina Telephone	Communications																					
Asmo	Manufacturer												83,029,035	3	0.61%		78,797,637	3	0.61%	81,378,706	4	0.65%
Weyerhauser Company	Manufacturer	58,706,110	6	0.38%		55,912,512	6	0.37%		58,591,141	6	0.39%	69,207,040	6	0.51%		52,938,672	6	0.41%	51,898,139	6	0.42%
RPI Greenville Mall, LP	Mall	43,741,374	8	0.28%		43,741,374	7	0.29%		43,741,374	7	0.29%	45,601,022	8	0.33%		44,614,187	8	0.35%	44,614,187	8	0.36%
Copper Beach Townhome Comm	Apartments									37,150,841	10	0.25%	38,466,338	10	0.28%		38,203,386	9	0.30%	37,505,180	9	0.30%
Attends Healthcare	Manufacturer	71,900,910	4	0.46%		75,205,791	5	0.50%		90,257,207	3	0.60%	75,890,952	5	0.56%		77,671,652	4	0.60%	85,746,840	3	0.69%
Denso Manufacturing NC LLC	Manufacturer	70,074,816	5	0.45%		82,122,643	3	0.54%		87,423,893	4	0.58%										
Wal Mart Real Estate Business Trust	Retail	38,469,708	9	0.25%		38,469,708	9	0.25%		38,469,708	8	0.25%	45,728,077	7	0.34%		46,565,229	7	0.36%	46,951,953	7	0.38%
Pep Core NCC LLC (I&II)	Apartments																			57,603,990	5	0.46%
Pep ECU LLC	Apartments																34,059,395	10	0.26%	34,038,022	10	0.27%
401 Moye Boulevard Realty Dist	Builder	37,357,114	10	0.24%		37,357,114	10	0.25%		37,357,114	9	0.25%										
Taft Ward ECU Campus Edge Apts LLC	Apartments												41.937.241	9	0.31%							
JRR Ventures LLC	Apartments	49,843,134	7	0.32%																		
Metrics/Mayne Pharma	Manufacturer	81,205,030		0.52%		77,800,177	4	0.51%		81,329,606	5	0.54%	76,048,960	_ 5	0.56%		74,228,030	5	0.54%			
Totals		\$ 1,213,169,162	<u>.</u>	7.76%	\$	997,457,681	_	6.58%	\$ 1	1,026,621,866		7.52%	\$ 1,073,954,397	_	8.31%	\$	897,111,423		7.18%	\$ 877,435,745		7.12%

Source: Pitt County Tax Assessor

Note: The principal property tax payers is presented for the current period and the prior five years. Information prior to this timeframe is not available.

Pitt County, North Carolina
Property Tax Levies and Collections – Last Ten Fiscal Years
Unaudited
Table 14

					Collected W	ithin the Fiscal Year	of the Levy			
Fiscal Year	Taxes Levied for the Fiscal Year(Original Levy)	Δdius	tments	Total Adjusted Levy	Total Amount	Percentage of Original Levy	Percentage of Adjusted Levy	 ections for ior Years	otal Amount Collected	Total Percentage Collected
- TCai	Levy	Aujus	tilicitis	LCVY	Total Amount	Original Levy	Adjusted Levy	 TOT TCUTS	 Conceted	Conceted
2013	\$ 77,910,953	\$ (685,609)	\$ 77,225,344	\$ 73,415,329	94.23%	95.07%	\$ 2,116,475	\$ 75,531,804	96.95%
2014	81,273,137	(437,679)	80,835,458	78,657,337	96.78%	97.31%	2,018,752	80,668,314	99.26%
2015	80,239,327	(610,817)	79,628,510	77,964,973	97.17%	97.91%	1,668,821	79,633,794	99.25%
2016	82,109,809		93,722	82,203,531	80,665,237	98.24%	98.13%	1,099,227	81,764,464	99.58%
2017	84,725,527	1,	076,224	85,801,751	84,305,375	99.50%	98.26%	983,837	85,289,212	100.67%
2018	86,936,284		977,361	87,913,645	86,442,625	99.43%	98.33%	607,959	87,050,584	100.13%
2019	89,902,231	(479,496)	89,422,735	88,888,299	98.87%	99.40%	1,020,512	89,000,307	99.00%
2020	98,420,004	(2,	795,819)	95,624,185	95,113,036	96.64%	99.47%	670,564	95,783,600	97.32%
2021	103,441,619	(1,	893,301)	101,548,318	100,999,073	97.64%	99.46%	589,040	101,588,113	98.21%
2022	106,896,725	(102,745)	106,793,980	106,171,825	99.32%	99.42%	602,414	106,774,239	99.89%

Source: Audited financial reports of Pitt County Government and Pitt County's Tax Assessor and Tax Collector.

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

Pitt County, North Carolina Ratios of Outstanding Debt by Type – Last Ten Fiscal Years Unaudited Table 15

	Governmental Activities								siness-type Act	ivities			
Fiscal Year	General Obligation Bonds	COPs	LOBs		QSCBs	Notes Payable	Ol	General oligation Bonds	Revenue Bonds	Installment Loans	Total Primary Government	Per Capita	Percentage of Personal Income
2013	\$ -	\$ 92,715,000	\$ 54,705,000	\$	5,252,206	\$ 11,761,922	\$	-	\$ -	\$ -	\$ 166,818,658	967	2.80%
2014	-	86,225,000	51,965,000		4,902,059	13,089,040		-	-	-	158,285,788	910	2.55%
2015	-	43,210,000	84,365,000		4,551,912	12,140,084		-	-	=	150,953,205	865	2.32%
2016	19,250,000	37,875,000	80,310,000		4,201,765	10,687,861		-	-	-	159,554,612	909	2.37%
2017	18,235,000	17,590,000	109,270,000		3,851,618	14,851,652		-	-	=	180,221,044	1,025	2.52%
2018	17,220,000	15,240,000	102,455,000		3,501,471	15,253,063		-	-	750,000	169,781,813	962	2.38%
2019	16,205,000	13,830,000	94,785,000		3,151,324	12,050,230		-	-	607,742	154,931,080	868	1.98%
2020	15,190,000	12,420,000	87,035,000		2,801,177	9,723,844		-	-	462,793	140,874,103	777	1.70%
2021	14,175,000	1,385,000	108,505,000		2,451,030	3,498,418		-	-	313,280	144,168,510	796	1.57%
2022	13,160,000	-	99,235,000		2,100,883	2,082,619		-	-	159,068	129,658,036	753	N/A

Source: County of Pitt Annual Comprehensive Financial Report for the year ended June 30, 2022

Note: N/A = not available

Pitt County, North Carolina
Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years
Unaudited
Table 16

		General	Bonded De	bt Outstan	ding				
	'		Less: A	Amounts				Percentage	
	Ge	neral	Rest	tricted			Percentage	of Actual	
Fiscal	Obli	gation	to Re	epaying			of Personal	Taxable Value	Per
Year	Вс	onds	Principal Total			otal	Income	of Property	Capita
2013	\$	-	\$	-	\$	_	0.00	% 0.0000	0% 0
2014		-		-		-	0.00	% 0.0000	0%
2015		-		-		-	0.00	% 0.0000	0%
2016	19,2	250,000		-	19	,250,000	0.29	% 0.1594	4% 110
2017	18,2	235,000		-	18,	,235,000	0.26	% 0.1476	5% 104
2018	17,2	220,000		-	17,	,220,000	0.24	% 0.1378	3% 98
2019	16,2	205,000		-	16	,205,000	0.21	% 0.1254	4% 91
2020	15,3	190,000		-	15,	,190,000	0.18	% 0.1113	3% 84
2021	14,3	175,000		-	14,	,175,000	0.15	% 0.0933	1% 78
2022	13,	160,000		-	13,	,160,000	N/	A 0.8420	76

Source: County of Pitt Annual Comprehensive Financial Report for the year ended June 30, 2022

Note: N/A = not available

Pitt County, North Carolina Legal Debt Margin Information – Last Ten Fiscal Years (dollars in thousands) Unaudited Table 17

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed Value of Property	\$ 11,483,990	\$ 11,951,288	\$ 11,798,990	\$ 12,075,110	\$ 12,317,578	\$ 12,492,250	\$ 12,917,604	\$ 13,648,474	\$ 15,156,475	\$ 15,625,741
Debt Limit, 8% of Assessed Value (Statutory Limitation)	918,719	956,103	943,919	966,009	985,406	999,380	1,033,408	1,091,878	1,212,518	1,250,059
Amount of Debt Applicable to Limit										
Gross debt	164,434	156,181	144,267	152,325	163,798	154,420	154,931	140,874	144,169	129,658
Less: Amount available for repayment of general obligation bonds	-	=	=	-	-	-	=	-	=	=
Debt outstanding serviced by Enterprise Fund (solid waste)	=	=	-	=	=	750	608	463	313	159
Revenue bonds	92,715	86,225	43,210	37,875	17,590	15,240	13,830	12,420	1,385	-
Total net debt applicable to limit	71,719	69,956	101,057	114,450	146,208	138,430	140,493	127,991	142,471	129,499
Legal Debt Margin	\$ 847,000	\$ 886,147	\$ 842,862	\$ 851,559	\$ 839,198	\$ 860,950	\$ 892,915	\$ 963,887	\$ 1,070,047	\$ 1,120,560
	7.040/	7.000/	40 740/	44.05%	44044	42.050/	40.500/	44 700/	44.750/	40.000/
Total net debt applicable to the limit as a percentage of debt limit	7.81%	7.32%	10.71%	11.85%	14.84%	13.85%	13.60%	11.72%	11.75%	10.36%

Source: County of Pitt Annual Comprehensive Financial Report for the year ended June 30, 2022

Pitt County Board of Education, North Carolina Outstanding Debt – Installment Purchase Agreements Future Minimum Payments Unaudited Table 18

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, section 7.25 authorized the State Board of Education to allot monies for the payments on financing contracts entered into pursuant to G.S. 115C-528. The State has accepted the bid to purchase Thomas Built Buses through a special third party financing arrangement with State approved vendors at total payments less than the purchase price. The future minimum payments of all installment purchases as of June 30, 2022 are as follows:

		Init	ial contract year	r	
	FYE 2021		FYE 2022		Totals
Total buses purchased	21		4		25
Total purchase price	\$ 1,970,823	\$	377,147	\$	2,347,970
Total payments 2022-2023	\$ 492,706	\$	94,285	\$	586,991
Total payments 2023-2024	-		94,284		94,284
Total payments	\$ 492,706	\$	188,569	\$	681,275

Pitt County Board of Education, North Carolina
Long-Term Debt Obligations – Installment Purchase and Capital Lease Agreements – Last Ten Fiscal Years
Unaudited
Table 19

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:											
Installment purchases and											
capital lease obligations:											
Beginning balance	\$	1,399,108 \$	505,684 \$	319,556 \$	414,325 \$	520,024 \$	2,230,383 \$	2,134,494 \$	1,904,644 \$	776,895 \$	1,293,279
Increase		-	88,953	574,016	501,033	2,668,482	1,039,107	909,274	=	1,970,823	377,147
Decrease		(893,424)	(275,081)	(479,247)	(395,334)	(958,123)	(1,134,996)	(1,139,124)	(1,127,749)	(1,454,439)	(899,433)
Ending Balance	\$	505,684 \$	319,556 \$	414,325 \$	520,024 \$	2,230,383 \$	2,134,494 \$	1,904,644 \$	776,895 \$	1,293,279 \$	770,993
Leases:											
Beginning balance	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	967,500 \$	450,442
Increase		-	-	-	-	-	-	-	-	-	42,027
Decrease		-	-	-	-	-	-	-	-	(517,058)	(199,720)
Ending Balance	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	450,442 \$	292,749
	-										
Debt outstanding as %											
of personal income		0.811%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: N/A = Information not yet available

Pitt County, North Carolina
Principal Employers – Most Current Year and Nine Years Ago
Unaudited
Table 20

	20	21-2022	(1)	2012-2013 (2)				
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment		
Vidant Medical Center	6,760	1	7.83%	6,857	1	8.42%		
East Carolina University	5,672	2	6.57%	5,392	2	6.65%		
Pitt County Schools	3,699	3	4.28%	2,754	3	3.40%		
Thermo Fisher Scientific	1,790	4	2.07%					
Hyster-Yale	1,226	5	1.42%	1,000	5	1.23%		
City of Greenville	1,132	6	1.31%	764	10	0.94%		
Pitt Community College	1,100	7	1.27%	953	6	1.18%		
County of Pitt	1,073	8	1.24%	914	7	1.13%		
Denso Manufacturing of NC	722	9	0.84%					
Mayne Pharma	615	10	0.71%					
DSM				1,250	4	1.54%		
Alliance One				850	8	1.05%		
Wal Mart				795	9	0.98%		

Source: (1) Pitt County Industrial Development Commission

(2) 2012 Pitt County ACFR Financial Services Department

Pitt County Board of Education, North Carolina
Full-Time-Equivalent Board Employees by Type – Last Ten Fiscal Years
Unaudited
Table 21

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Percent Change 2013-2022
Supervisory											
Senior Administrators	17	16	16	15	16	16	18	18	20	20	17.65%
Principals	34	33	32	35	36	36	37	35	36	35	2.94%
Assistant Principals	42	46	48	44	44	48	44	45	46	47	11.90%
Total Supervisory	93	95	96	94	96	100	99	98	102	102	9.68%
Instruction											
Elementary Teachers	733	748	745	732	726	730	772	780	787	786	7.23%
Secondary Teachers	361	353	357	362	365	351	364	363	366	371	2.77%
Other Teachers	455	445	460	467	451	420	398	409	410	412	-9.45%
Teacher Assistants	425	414	409	392	366	352	354	364	348	381	-10.35%
Total Instructional	1,974	1,960	1,971	1,953	1,908	1,853	1,888	1,916	1,911	1,950	-1.22%
Student Services											
Guidance	65	69	68	68	69	65	68	67	69	70	7.69%
Psychological	14	10	7	8	10	10	8	9	9	6	-57.14%
Librarians	35	33	34	35	35	35	33	34	35	34	-2.86%
Other Professionals	82	83	76	74	82	67	89	92	90	92	12.20%
Total Student Services	196	195	185	185	196	177	198	202	203	202	3.06%
Support and Administration											
Technicians	14	14	14	14	14	13	15	14	14	19	35.71%
Clerical, Secretarial	162	158	162	158	161	160	162	162	155	153	-5.56%
Service Workers	310	301	329	325	313	289	293	295	270	257	-17.10%
Skilled Crafts	45	43	42	43	39	38	38	36	37	36	-20.00%
Laborers, Unskilled	20	23	21	19	17	15	13	15	20	17	-15.00%
Total Support and Admin	551	539	568	559	544	515	521	522	496	482	-12.52%
Total	2,814	2,789	2,820	2,791	2,744	2,645	2,706	2,738	2,712	2,736	-2.77%

Source: North Carolina Public Schools, Statistical Profile

Pitt County Board of Education Finance department

Pitt County, North Carolina
Full-Time-Equivalent County Government Employees by Function – Last Ten Fiscal Years
Unaudited
Table 22

				Full-time	Equivalent Em	ployees as of J	une 30			
Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	123.00	123.00	122.00	121.50	121.50	121.00	121.00	121.00	121.00	130.00
Public safety	382.50	389.00	393.25	406.38	409.37	413.75	420.50	422.50	422.50	435.50
Social services	226.30	258.00	259.00	271.50	276.50	283.50	291.50	292.50	292.50	312.00
Economic and physical development	30.60	30.60	24.35	23.98	22.98	24.85	25.85	25.85	25.85	21.60
Environmental protection	25.25	26.25	26.25	27.00	27.00	27.00	28.00	28.00	28.00	29.00
Health	120.65	119.65	121.65	125.40	128.65	127.40	130.20	132.20	132.20	142.95
Veteran's Services	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Total	910.30	948.50	949.50	978.76	989.00	1,000.50	1,020.05	1,025.05	1,025.05	1,074.05

Source: Pitt County Finanical Services Department

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

Pitt County Board of Education, North Carolina Pupils in Membership by Ethnic Origin and Sex – Last Ten Fiscal Years Unaudited Table 23

Year																								
Ended	Am	erican In	dian	Hav	waiian Pa	cific		Asian			Hispanic			Black			White		1	Multi-Raci	al		Total	
June 30,	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
2013	27	21	48	5	3	8	153	155	308	1,183	1,126	2,309	5,730	5,503	11,233	4,687	4,201	8,888	349	355	704	12,134	11,364	23,498
2014	24	25	49	15	3	18	174	165	339	1,328	1,227	2,555	5,731	5,619	11,350	4,571	4,188	8,759	400	404	804	12,243	11,631	23,874
2015	25	26	51	7	6	13	156	186	342	1,310	1,246	2,556	5,815	5,610	11,425	4,581	4,069	8,650	417	387	804	12,311	11,530	23,841
2016	23	26	49	5	6	11	168	180	348	1,337	1,272	2,609	5,744	5,571	11,315	4,402	3,924	8,326	428	388	816	12,107	11,367	23,474
2017	25	26	51	11	7	18	173	180	353	1,396	1,323	2,719	5,628	5,403	11,031	4,405	3,969	8,374	472	414	886	12,110	11,322	23,432
2018	25	24	49	12	11	23	178	183	361	1,406	1,306	2,712	5,541	5,403	10,944	4,452	3,969	8,421	518	442	960	12,132	11,338	23,470
2019	29	19	48	15	10	25	182	168	350	1,505	1,391	2,896	5,245	5,101	10,346	4,371	3,960	8,331	802	711	1,513	12,149	11,360	23,509
2020	30	16	46	16	12	28	191	189	380	1,442	1,346	2,788	5,410	5,305	10,715	4,427	3,954	8,381	549	499	1,048	12,065	11,321	23,386
2021	27	21	48	17	12	29	199	171	370	1,455	1,401	2,856	5,290	5,193	10,483	4,194	3,824	8,018	616	551	1,167	11,798	11,173	22,971
2022	25	24	49	15	11	26	188	169	357	1,504	1,425	2,929	5,430	5,296	10,726	4,188	3,800	7,988	642	585	1,227	11,992	11,310	23,302

Source: North Carolina Public Schools, Statistical Profile

Pitt County Board of Education Student Services department

Note: This schedule represents school membership reported by race/ethnic origin as of the end of the first school month which is the only

month this data is collected. These figures should not be confused with average daily membership (ADM).

Pitt County Board of Education, North Carolina Teacher Salaries – Last Ten Fiscal Years Unaudited Table 24

	Fiscal						
_	Year	N	linimum		1aximum_	A	verage
_							
	2013	\$	30,800	\$	68,050	\$	41,186
	2014		30,800		68,050		41,681
	2015		33,000		69,452		43,342
	2016		35,000		66,000		44,299
	2017		35,000		67,716		47,143
	2018		35,000		65,006		49,594
	2019		35,000		63,530		47,028
	2020		35,000		72,300		48,975
	2021		35,000		63,530		46,444
	2022		35,460		64,330		46,575

Source: Pitt County Board of Education Finance department

State of North Carolina teacher salary schedule

Note: Teacher salary information presented above does not include

North Carolina longevity for years of service or locally paid

teacher supplement

Pitt County, North Carolina
Demographic and Economic Statistics – Last Ten Calendar Years
Unaudited
Table 25

			Personal		Per		
			Income		Capita	Public	
Calendar		(1	thousands	Р	ersonal	School	Unemployment
Year	Population (a)	of	dollars) (b)	In	come (b)	Enrollment(c)	Rate (d)
2013	172,569	\$	5,965,589	\$	34,216	22,981	6.5%
2014	173,938		6,209,314		35,410	23,369	6.3%
2015	174,424		6,513,624		37,042	23,613	5.7%
2016	175,532		6,724,276		37,943	23,239	5.3%
2017	175,885		7,143,838		39,900	23,224	4.1%
2018	176,424		7,143,838		39,900	23,461	4.2%
2019	178,440		7,830,577		43,325	23,301	3.9%
2020	181,301		8,262,413		45,169	23,343	7.3%
2021	181,005		9,159,356		53,200	22,951	6.8%
2022	172,169		N/A		N/A	23,235	4.6%

Sources: (a) Provided by the North Carolina Office of State Budget and Management.

(b) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year

(c) N.C. Department of Public Instruction, Final Month Average Daily Membership

(d) N. C. Employment Security Commission, Annual Average for prior calendar year.

Note: N/A = Information not yet available

Pitt County Board of Education, North Carolina Operating Statistics – Last Ten Fiscal Years Unaudited Table 26

Fiscal	Final	Percentage Change in Final	Operating Expenditures	Cost per	Δ.,	State	Teaching	Pupil- Teacher	Students Receiving Free or Reduced Meals	Transportation of Pupils- Public School Buses Number of Student Riders(b)	Transportation of Pupils- Public School Buses Number of
Year	ADM(a)	ADM	 expenditures	 Pupil	AV	erage(b)	Staff(b)	Ratio	IVIEdIS	Student Riders(b)	Miles Transported(b)
2013	22,981	0.68%	\$ 197,491,879	\$ 8,594	\$	8,514	1,549	14.84	13,828	12,739	2,687,564
2014	23,369	1.69%	194,852,475	8,338		8,605	1,546	15.12	14,020	12,803	2,714,440
2015	23,613	1.04%	208,668,969	8,837		8,776	1,562	15.12	13,945	12,848	2,701,919
2016	23,239	-1.58%	213,035,552	9,167		8,776	1,548	15.01	14,848	12,794	2,964,147
2017	23,224	-0.06%	204,910,197	8,823		9,172	1,542	15.06	15,039	12,688	2,859,759
2018	23,259	0.15%	213,189,099	9,166		9,478	1,501	15.50	12,507	12,992	2,902,807
2019	23,228	-0.13%	220,889,379	9,510		10,179	1,534	15.14	13,094	12,958	2,843,701
2020	23,286	0.25%	223,883,292	9,615		9,951	1,552	15.00	11,359	12,468	2,158,125
2021	22,466	-3.52%	239,218,044	10,648		10,527	1,563	14.37	10,331	6,276	2,704,559
2022	22,967	2.23%	269,024,543	11,714		N/A	1,569	14.64	10,379	8,239	2,641,200

Source:

(a) North Carolina Public Schools, Statistical Report final ADM
Pitt County Board of Education Student Services department

Note:

Operating expenditures exclude Individual Schools Fund and Capital Outlay Fund as well as School Food Service Fund.

⁽b) North Carolina Public Schools, Statistical Profile
Pitt County Board of Education Finance department

Pitt County Board of Education, North Carolina
Governmental and Proprietary Funds Expenditures by Function – Last Ten Fiscal Years
Unaudited
Table 27

Fiscal					Non-				
Year Ended	Instructional	Supporting	Ancillary	Pr	ogrammed	Capital	Child	Debt	
June 30	Programs	Services	Services		Charges	Outlay	Nutrition	Service	Total
2013	\$ 151,607,554	\$ 32,221,018	\$ 1,278,433	\$	248,936	\$ 1,068,827	\$ 11,242,514	\$ 893,424	\$ 198,560,706
2014	147,998,186	33,394,240	1,213,309		381,863	1,181,994	11,589,796	275,081	196,034,469
2015	162,239,824	33,044,895	1,117,409		422,898	2,458,915	11,280,624	563,319	211,127,884
2016	166,113,909	33,509,105	1,103,977		396,507	2,122,518	11,432,648	479,406	215,158,070
2017	160,572,515	34,281,112	994,584		276,859	14,457,458	10,772,726	1,042,195	222,397,449
2018	167,312,745	37,493,870	1,037,697		582,236	12,429,775	10,959,869	1,219,068	231,035,260
2019	180,728,879	38,371,735	996,275		853,016	5,075,009	11,122,647	1,156,547	238,304,108
2020	183,457,831	38,113,955	1,530,984		805,756	4,314,184	10,832,403	1,159,374	240,214,487
2021	195,134,655	41,128,572	2,064,197		901,408	6,105,114	7,408,275	1,477,663	254,219,884
2022	217,085,075	47,001,789	1,813,666		2,942,716	18,834,970	11,727,766	1,107,255	300,513,237

Note: Excludes Individual Schools Fund and on behalf payments to the County

Pitt County Board of Education, North Carolina Food Service Revenues – Last Ten Fiscal Years Unaudited Table 28

	Opera	Operating Revenue Nonoperating Revenue												
Fiscal	Food Sales		Federal Reimbursements			Federal		State		nvestment	•	Total	Re	venue
Year					Со	mmodities	Rei	imbursements		Earnings	Revenues		per Pupil	
2013	\$	2,949,144	\$	7,884,280	\$	562,321	\$	14,326	\$	15,722	\$	11,425,793	\$	497
2014		2,760,616		8,032,470		618,432		15,059		16,532		11,443,109		490
2015		2,089,961		8,433,372		622,830		13,473		19,757		11,179,393		473
2016		1,788,677		8,834,777		715,499		13,544		25,181		11,377,678		490
2017		1,481,042		8,765,225		754,017		10,713		35,379		11,046,376		476
2018		1,299,271		9,087,874		758,535		10,026		51,300		11,207,006		478
2019		1,223,441		9,260,623		719,152		6,685		86,738		11,296,639		485
2020		986,186		10,146,639		783,795		5,945		59,295		11,981,860		513
2021		232,216		5,832,697		813,641		-		6,931		6,885,485		300
2022		501,836		14,287,858		1,098,951		-		12,483		15,901,128		684

Source: Pitt County Board of Education Finance department

Pitt County Board of Education, North Carolina
Food Service Revenues Rates – For the Current Fiscal Year
Unaudited
Table 29

					Rates per	Person				
Revenue Source	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Student Meals										
Breakfast Paid	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Breakfast Reduced	0.30	0.30	-	-	-	-	-	-	-	-
Lunch Paid	2.25	2.25	2.25	2.25	2.25	2.25	2.35	2.35	2.35	2.35
Lunch Reduced	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Catered Meals										
Entree	7.00 - 8.50	7.00 - 8.50	7.00 - 8.50	7.00 - 8.50	7.00 - 8.50	7.00 - 8.50	7.00 - 8.50	7.00 - 8.50	7.00 - 8.50	Market Price
Entrée accompaniments (choice of two)	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	Market Price
Dessert (choice of one)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Market Price
Beverage	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	Market Price
Catered Reception and Snack Menu										
Heavy Hors D'oervres	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Market Price
Sweet and salty	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	Market Price
Fruit and vegetables	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Market Price
Beverage	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	Market Price
Catered Breakfast										
Entrée	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	Market Price
Accompaniments (choice of two)	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	Market Price
Pastries	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	Market Price
Beverage	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	.50 - 1.25	Market Price

Source: Pitt County Schools Food Service department

Pitt County Board of Education, North Carolina School Building Information – For the Current Fiscal Year Unaudited Table 30

	Square	Modular			% of
School	Feet(a)	Classrooms	Capacity	Enrollment(b)	Capacity
Elementary					
Ayden	96,731	0	620	593	95.65%
Belvoir	57,044	1	457	382	83.59
Bethel	76,368	0	276	255	92.39
Chicod	161,501	1	880	924	105.00
Creekside	84,649	5	540	585	108.33
Eastern	86,405	2	678	751	110.77
Elmhurst	50,773	0	444	439	98.87
Falkland	41,584	1	294	230	78.23
G.R. Whitfield	91,628	1	432	506	117.13
Grifton	83,716	1	501	378	75.45
H.B. Sugg	91,777	0	430	347	80.70
Northwest	94,176	6	794	773	97.36
Pactolus	82,288	0	475	358	75.37
Ridgewood	79,719	2	596	637	106.88
Lakeforest	97,638	3	645	732	113.49
Sadie Saulter	70,581	0	344	378	109.88
Sam Bundy	37,453	0	435	361	82.99
South Greenville	67,745	2	283	285	100.71
Stokes	46,747	0	293	197	67.24
Wahl-Coates	59,891	4	414	436	105.31
W.H. Robinson	78,383	0	640	585	91.41
Wintergreen Intermediate	83,530	1	786	765	97.33
Wintergreen Primary	98,836	3	622	718	115.43
Middle					
A.G. Cox	107,273	2	950	902	94.95
Ayden	64,906	0	436	377	86.47
C.M. Eppes	137,734	1	658	675	102.58
E.B. Aycock	120,218	0	814	680	83.54
Farmville	81,752	0	706	684	96.88
Норе	111,432	1	873	881	100.92
Wellcome	75,357	0	504	438	86.90
High School					
Ayden Grifton	150,064	4	830	614	73.98
D.H. Conley	234,838	1	1,464	1,633	111.54
Early College	-	0	325	311	95.69
Farmville Central	167,334	0	889	777	87.40
J.H. Rose	276,245	0	1,853	1,371	73.99
Innovation Early College	-	0	210	192	91.43
North Pitt	172,428	1	1,199	793	66.14
South Central	280,824	0	1,649	1,622	98.36
	3,799,568	43	25,239	23,565	93.37

Source: (a) Hite Associates architecture

⁽b) 2021-22 School Year Day 20 Enrollment Numbers



COMPLIANCE SECTION



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INDEPENDENT AUDITORS' 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 Education Pitt County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Pitt County Board of Education, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Pitt County Board of Education, North Carolina's basic financial statements, and have issued our report thereon dated December 22, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Pitt County Board of Education, North Carolina's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pitt County Board of Education, North Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pitt County Board of Education, North Carolina's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pitt County Board of Education, North Carolina's financial statements are free from 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 financial statements. 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*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CARR, RIGGS & INGRAM, P.L.L.C.

Carr, Riggs & Ungram, P.L.L.C.

Goldsboro, North Carolina December 22, 2022



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTION ACT

To the Board of Education Pitt County, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Pitt County Board of Education, North Carolina's compliance with the types of compliance requirements identified as subject to audit in the OMB *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 the Pitt County Board of Education, North Carolina's major federal programs for the year ended June 30, 2022. The Pitt County Board of Education, North Carolina's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Pitt County Board of Education, North Carolina complied, in all material respects, with the types of 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, 2022.

Basis for Opinion on Each Major Federal Program

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Pitt County Board of Education, North Carolina and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Pitt County Board of Education, North Carolina's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Pitt County Board of Education, North Carolina's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Pitt County Board of Education, North Carolina's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Pitt County Board of Education, North Carolina's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design
 and perform audit procedures responsive to those risks. Such procedures include examining, on a
 test basis, evidence regarding the Pitt County Board of Education, North Carolina's compliance with
 the compliance requirements referred to above and performing such other procedures as we
 considered necessary in the circumstances.
- Obtain an understanding of the Pitt County Board of Education, North Carolina's internal control
 over compliance relevant to the audit in order to design audit procedures that are appropriate in the
 circumstances and to test and report on internal control over compliance in accordance with the
 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Pitt
 County Board of Education, North Carolina's internal control over compliance. Accordingly, no such
 opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CARR, RIGGS & INGRAM, P.L.L.C.

Carr, Riggs & Ungram, P.L.L.C.

Goldsboro, North Carolina December 22, 2022



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTION ACT

To the Board of Education Pitt County, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Pitt County Board of Education, North Carolina, compliance with the types of compliance requirements described in the OMB *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 the Pitt County Board of Education, North Carolina's major State programs for the year ended June 30, 2022. The Pitt County Board of Education, North Carolina's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Pitt County Board of Education, North Carolina complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pitt County Board of Education, North Carolina and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of the Pitt County Board of Education, North Carolina's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Pitt County Board of Education, North Carolina's State programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Pitt County Board of Education, North Carolina's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Pitt County Board of Education, North Carolina's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Pitt County Board of Education, North Carolina's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Pitt County Board of Education, North Carolina's internal control
 over compliance relevant to the audit in order to design audit procedures that are appropriate in the
 circumstances and to test and report on internal control over compliance in accordance with the
 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Pitt
 County Board of Education, North Carolina's internal control over compliance. Accordingly, no such
 opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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. A significant deficiency in internal control over

compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CARR, RIGGS & INGRAM, P.L.L.C.

Carr, Riggs & Ungram, P.L.L.C.

Goldsboro, North Carolina December 22, 2022

Pitt County Board of Education, North Carolina Schedule of Findings and Questioned Costs For the Fiscal Year Ended June 30, 2022

No

Section I Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Significant deficiency(s) identified that are not considered to be

material weaknesses? None noted

Noncompliance material to financial statements noted?

Federal Awards:

Type of auditors' report issued on compliance for major federal programs: Unmodified

Internal control over major federal programs:

Material weakness(es) identified?

Significant deficiency(s) identified that are not considered to be $\label{eq:considered} \begin{picture}(10,0) \put(0,0){\line(0,0){100}} \put(0,0){$

material weaknesses? None noted

Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR Part 200.516(a)

Identification of major federal programs

<u>Assistance Listing Number</u> Name of Federal Program

84.010 Title I Grants to Local Educational Agencies (Title I, Part Aof ESEA)

84.425 C & D COVID-19 Education Stabilization Fund

21.027 Coronavirus State and Local Fiscal Recovery Funds

93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

Dollar threshold used to distinguish between Type A and Type B programs: \$2,101,768

Auditee qualified as low-risk auditee?

Pitt County Board of Education, North Carolina Schedule of Findings and Questioned Costs For the Fiscal Year Ended June 30, 2022

No

State Awards

Internal control over major State programs:

Type of auditors' report issued on compliance for major State programs: Unmodified

Material weakness(es) identified?

Significant deficiency(s) identified that are not considered to be

material weaknesses? None noted

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act

Identification of major State programs

Name of State Program
State Public School Fund
Vocational Education - State Months of Employment
NC Pre-Kindergarten Program

Pitt County Board of Education, North Carolina Schedule of Findings and Questioned Costs For the Fiscal Year Ended June 30, 2022

Section II	Financial Statement Findings
None Repor	rted
Section III	Federal Awards Findings and Questioned Costs
None Repor	rted
Section IV	State Awards Findings and Questioned Costs

None Reported

Pitt County Board of Education, North Carolina Corrective Action Plan For the Fiscal Year Ended June 30, 2022

Section II	Financial Statement Findings
None Repo	rted
Section III	Federal Awards Findings and Questioned Costs
None Repo	rted
Section IV	State Awards Findings and Questioned Costs

None Reported

Pitt County Board of Education, North Carolina Summary Schedule of Prior Audit Findings For the Fiscal Year Ended June 30, 2022

Section II	Financial Statement Findings	
2021-01	Corrected	
Section III	Federal Awards Findings and Questioned Costs	
None Repor		

None Reported

Pitt County Board of Education, North Carolina Schedule of Expenditures of Federal and State Awards For the Fiscal Year Ended June 30, 2022

Page 1 of 3

Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Grantor and Number	Pitt County Board of Education Expenditures	Subrecipient Expenditures
FEDERAL AWARDS:	Listing Number	rumber	Experiances	Expenditures
United States Department of Agriculture				
Child Nutrition Cluster				
Non-cash assistance:				
		N.C. Department of		_
National School Lunch Program	10.555	Agriculture, PRC 035	\$ 1,098,951 1,098,951	\$ -
Total non-cash assistance Child Nutrition Cluster:			1,098,951	-
Cilia Natrition Cluster.		N.C. Department of		
National School Lunch Program	10.555	Agriculture, PRC 035	13,901,120	-
Ç		N.C. Department of	, ,	
Summer Food Service Program for Children	10.559	Agriculture, PRC 035	299,887	-
Total Child Nutrition Cluster		0 ,	15,299,958	-
Fresh Fruit and Vagetable Dreams				
Fresh Fruit and Vegetable Program		N.C. Department of		
Fresh Fruit and Vegetable Program	10.582	Agriculture, PRC 035	86,851	
Trestitiuit and vegetable Frogram	10.382	Agriculture, FIC 033	80,831	
Total United States Department of Agriculture			15,386,809	_
United States Department of Defense				
Reserve Officer Training Corps	12.U01		356,770	-
Total United States Department of Defense			356,770	-
<u>United States Department of Education</u> Title I Grants to Local Educational Agencies				
		N.C. Department of Public		
Title I Grants to Local Educational Agencies	84.010	Instruction,PRC 050	8,486,504	-
Total Title I Grants to Local Educational Agencies			8,486,504	-
Special Education Cluster				
Special Education_Grants to States				
openial Education_orania to states		N.C. Department of Public		
Special Education_Grants to States	84.173	Instruction,PRC 049	119,432	-
		N.C. Department of Public	-,	
Special Education_Grants to States	84.173	Instruction,PRC 119	1,475	-
		N.C. Department of Public		
Special Education_Grants to States	84.027	Instruction,PRC 118	8,283	-
		N.C. Department of Public		
Special Education_Grants to States	84.027	Instruction,PRC 060 N.C. Department of Public	5,813,732	-
Special Education_Grants to States	84.027	Instruction,PRC 114	479,903	-
Total Special Education_Grants to States			6,422,825	-
Total Special Education Cluster			6,422,825	-
Career and Technical Education Basic Grants to States				
Career and recrimed Education Basic Grants to States		N.C. Department of Public		
Career and Technical Education Basic Grants to States	84.048	Instruction, PRC 017	479,481	-
		, , , , , , , , , , , , , , , , , , , ,		
Special Education - State Personnel Development		N.C. Donartment of Bublic		
Special Education - State Personnel Development	84.323	N.C. Department of Public Instruction, PRC 082	26,116	_
	04.323	mon uchon, PNC UOZ	20,110	-
English Language Acquisition State Grants				
		N.C. Department of Public	_	
English Language Acquisition State Grants	84.365	Instruction, PRC 111	201	-
Facilish Language Association State County	04.365	N.C. Department of Public	04.333	
English Language Acquisition State Grants	84.365	Instruction,PRC 104	94,323 94,524	-
Total English Language Acquisition State Grants			94,524	-

Pitt County Board of Education, North Carolina Schedule of Expenditures of Federal and State Awards For the Fiscal Year Ended June 30, 2022 Page 3 of 3

	Federal Assistance	Pass-through Grantor and	Pitt County Board of Education	Subrecipient
Grantor/Program or Cluster Title	Listing Number	Number	Expenditures	Expenditures
FEDERAL AWARDS: Supporting Effective Instruction State Grants				
Supporting Effective instruction state Grants		N.C. Department of Public		
Supporting Effective Instruction State Grants	84.367	Instruction,PRC 103	1,066,376	-
Teacher and School Leader Incentive Grants				
Teacher and School Leader Incentive Grants	84.374		2,003,206	-
		N.C. Department of Public		
Student Support and Academics Enrichment Program	84.424	Instruction,PRC 108	643,994	-
Education Stabilization Fund				
		N.C. Department of Public		
COVID-19 - K-12 Emergency Relief Fund - ESSER I - CARES Act	84.425D	Instruction, PRC 163	1,881,251	-
COVID-19 - K-12 Emergency Relief Fund - ESSER I - CARES Act	84.425D	N.C. Department of Public Instruction, PRC 166	77,462	
COVID 13 K 12 Emergency Relief Fund ESSERT CARES ACC	04.4230	N.C. Department of Public	77,402	
COVID-19 - ESSER III - K-12 Emergency Relief Fund - ARPA	84.425D	Instruction,PRC 181	15,856,082	-
		N.C. Department of Public		
COVID-19 - ESSER I - Exceptional Children Grants- CARES Act	84.425D	Instruction, PRC 167 N.C. Department of Public	138,393	-
COVID-19 - GEER I - Supplemental - Instructional Services - CARES Act	84.425C	Instruction, PRC 170	344,727	-
COVID-19 - GEER I - Specialized Instructional Support Personnel for COVID-	0	N.C. Department of Public	475.000	
19 Response - CARES Act	84.425C	Instruction, PRC 169 N.C. Department of Public	475,339	-
COVID-19 - K-12 Emergency Relief Fund - ESSER II - CRRSA	84.425D	Instruction,PRC 171 N.C. Department of Public	6,768,783	-
COVID-19 - ESSER II - Instructional Support Contract - CRRSA	84.425D	Instruction, PRC 173	11,665	-
COVID-19 - School Nutrition COVID Support - ESSER II - CRRSA	84.425D	N.C. Department of Public Instruction,PRC 174	163,819	-
COVID-19 - Summer Career Accelerator Program - ESSER II - CRRSA	84.425D	N.C. Department of Public Instruction,PRC 177	37,268	-
COVID-19 - Competency-Based Assessment - ESSER II - CRRSA	84.425D	N.C. Department of Public Instruction,PRC 178	137,598	-
00//ID 40 /ID54 544 0	04.4050	N.C. Department of Public	405.000	
COVID-19 - IDEA 611 Grants to States - ESSER III - ARPA	84.425D	Instruction,PRC 185 N.C. Department of Public	136,329	-
COVID-19 - IDEA Preschool Grants - ESSER III - ARPA	84.425D	Instruction, PRC 186	16,954	_
COVID 15 IDEXT CONTOUR CIVILID ESSENTIA VIII.V	0235	N.C. Department of Public	10,55 .	
COVID-19 - Teacher Bonuses - ESSER III - ARPA	84.425D	Instruction,PRC 203	1,861,212	-
Total Education Stabilization Fund			27,906,882	-
Research in Special Education				
		East Carolina		
December to Constal Education	04.224	University,(84.324A) AWD-	0.000	
Research in Special Education	84.324	21-003-S004-A01	9,990	-
Total United States Department of Education			47,139,898	-
United States Department of Health and Human Services				
Medicaid Cluster Medical Assistance Program				
Medical Assistance Program - Medicaid Cluster	93.778	N.C. Department of Health and Human Services,PRC 305	1,368,387	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - CDC DHHS COVID Screening	93.323	N.C. Department of Health and Human Services, PRC 350	957,967	-
Duniock ANNADE / Advancing Wollings and Decilionarin Education Control		N.C. Donoutmont of Hardel		
Project AWARE (Advancing Wellness and Resiliency in Education) State Education Agency Grants	93.243	N.C. Department of Health and Human Services,PRC 102	4,910	-
Total United States Department of Health and Human Services			2 221 264	
Total United States Department of Health and Human Services			2,331,264	-

Pitt County Board of Education, North Carolina Schedule of Expenditures of Federal and State Awards For the Fiscal Year Ended June 30, 2022 Page 3 of 3

FEDERAL AWARDS:	Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Grantor and Number	Pitt County Board of Education Expenditures	Subrecipient Expenditures
COVID-19 Coronavirus Relief Fund Coronavirus State and Local Fiscal Recovery Funds - ARP-SFRF-Employee Bonuses NC Department of Public Instruction, PRC 141 4,844,204 - Total United States Department of Treasury 4,844,204 - Total Expenditures of Federal Awards 70,058,945 - STATE AWARDS: Cash assistance: North Carolina Department of Public Instruction State Public School Fund XXXX 155,866,651 - Driver Training - SPSF PRC 012 413,325 - School Technology Fund - SPSF PRC 015 106,467 - Feminine Hygiene Products Program PRC 088 5,000 - Vocational Education PRC 013 7,420,800 - - State Months of Employment PRC 013 7,420,800 - - Program Support Funds PRC 014 467,131 - Total State Public School Fund PRC 044 117,371 - EC Data Manager Grant PRC 464 117,371 - K12 Athletic Facilities Grant PRC 461 146,361 - Values Gr					
Coronavirus State and Local Fiscal Recovery Funds - ARP-SFRF-Employee Bonuses 21.027 Instruction, PRC 141 4,844,204 - Total United States Department of Treasury 4,844,204 - Total Expenditures of Federal Awards 70,058,945 - Total Expenditures of Federal Awards 5TATE AWARDS: Cash assistance: North Carolina Department of Public Instruction State Public School Fund XXXX 155,866,651 - Driver Training - SPSF PRC 012 413,325 - School Technology Fund - SPSF PRC 012 143,325 - Feminine Hygiene Products Program PRC 015 106,467 - Feminine Hygiene Products Program PRC 016 PRC 018 5,000 State Months of Employment Products Program PRC 018 7,420,800 State Public School Fund PRC 014 467,131 Program Support Funds PRC 014 467,131 Program Support Funds PRC 014 164,279,374 - EC Data Manager Grant PRC 464 117,371 - EC Data Manager Grant PRC 464 117,371 - EC Data Manager Grant PRC 460 152,383 Autism Grant PRC 461 146,361 Total North Carolina Department of Public Instruction Passed-through Pitt County: Public School Building Capital Fund PRC 076 1,867,520 - North Carolina Department of Health and Human Services NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064					
Bonuses 21.027 Instruction, PRC 141 4,844,204 - Total United States Department of Treasury 4,844,204 - Total Expenditures of Federal Awards 70,058,945 - STATE AWARDS: Cash assistance: State Public School Fund XXXX 155,866,651 - Driver Training - SPSF PRC 012 413,325 - School Technology Fund - SPSF PRC 015 106,467 - Feminine Hygiene Products Program PRC 088 5,000 - Vocational Education PRC 088 5,000 - - State Months of Employment PRC 013 7,420,800 - - Program Support Funds PRC 014 467,131 - - Program Support Funds PRC 014 467,131 - - Program Support Funds PRC 014 467,131 - - Total State Public School Fund PRC 464 117,371 - EC Data Manager Grant PRC 460 152,383 - Autism Grant PRC 461 146,361 - Total North Carolina Department of Public Instruction PRC 461 146,361 - Total North Carolina Department of Health and Human Services PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064			NC Department of Public		
Total United States Department of Treasury	,	21 027		4 844 204	_
Total Expenditures of Federal Awards 70,058,945	Donases	21.027	moti detion, i ne 141	4,044,204	
STATE AWARDS:	Total United States Department of Treasury			4,844,204	-
Cash assistance: North Carolina Department of Public Instruction State Public School Fund Driver Training - SPSF School Technology Fund - SPSF School Technology Fund - SPSF School Technology Fund - SPSF Feminine Hygiene Products Program PRC 088 School Technology Fund - SPSF Feminine Hygiene Products Program PRC 088 School Technology Fund - SPSF Feminine Hygiene Products Program PRC 088 School Technology Fund - SPSF Feminine Hygiene Products Program PRC 088 School Technology Fund - SPSF Feminine Hygiene Products Program PRC 013 7,420,800 - Tetal State Public School Fund PRC 014 PRC 014 PRC 014 164,79,374 - Tetal State Public School Fund PRC 464 117,371 - Tetal State Public School Fund PRC 461 PRC 461 117,371 - Tetal State Public Instruction PRC 461 PRC 461 146,361 - Total North Carolina Department of Public Instruction PRC 076 North Carolina Department of Health and Human Services NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Total Expenditures of State Awards 170,791,331 1,391,064	Total Expenditures of Federal Awards			70,058,945	-
North Carolina Department of Public Instruction XXXXX 155,866,651 - State Public School Fund XXXXX 155,866,651 - Driver Training - SPSF PRC 012 413,325 - School Technology Fund - SPSF PRC 015 106,467 - Feminine Hygiene Products Program PRC 088 5,000 - Vocational Education - - - State Months of Employment PRC 013 7,420,800 - - Program Support Funds PRC 014 467,131 - - Program Support Funds PRC 014 467,131 - Total State Public School Fund PRC 044 117,371 - K12 Athletic Facilities Grant PRC 440 152,383 - K12 Athletic Facilities Grant PRC 440 152,383 - Autism Grant PRC 461 146,361 - Total North Carolina Department of Public Instruction PRC 076 1,867,520 - North Carolina Department of Health and Human Services PRC 413 3,525,256 1,391,064	STATE AWARDS:				
State Public School Fund XXXX 155,866,651 - Driver Training - SPSF PRC 012 413,325 - School Technology Fund - SPSF PRC 015 106,467 - Feminine Hygiene Products Program PRC 088 5,000 - Vocational Education - - - State Months of Employment PRC 013 7,420,800 - - Program Support Funds PRC 014 467,131 - - Program Support Funds PRC 014 467,131 - Total State Public School Fund PRC 014 164,279,374 - EC Data Manager Grant PRC 464 117,371 - K12 Athletic Facilities Grant PRC 440 152,383 - Autism Grant PRC 461 146,361 - Total North Carolina Department of Public Instruction PRC 076 1,867,520 - Passed-through Pitt County: PRC 413 3,525,256 1,391,064 Nor-cash assistance: Nor-cash assistance: Nor-cash assistance: Nor-cash assistance: Nor-cash assistance:	Cash assistance:				
Driver Training - SPSF PRC 012 413,325 - School Technology Fund - SPSF PRC 015 106,467 - Feminine Hygiene Products Program PRC 088 5,000 - Vocational Education PRC 013 7,420,800 - - State Months of Employment PRC 013 7,420,800 - - Program Support Funds PRC 014 467,131 - Total State Public School Fund PRC 014 467,131 - EC Data Manager Grant PRC 464 117,371 - K12 Athletic Facilities Grant PRC 440 152,383 - Autism Grant PRC 461 146,361 - Total North Carolina Department of Public Instruction PRC 461 164,695,489 - Public School Building Capital Fund PRC 076 1,867,520 - Non-cash assistance: PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction PRC 120 703,066 - North Carolina Department of Public Instruction PRC 120	North Carolina Department of Public Instruction				
School Technology Fund - SPSF PRC 015 106,467 - Feminine Hygiene Products Program PRC 088 5,000 - Vocational Education PRC 013 7,420,800 - - State Months of Employment PRC 013 7,420,800 - - Program Support Funds PRC 014 467,131 - Total State Public School Fund PRC 464 117,371 - EC Data Manager Grant PRC 464 117,371 - K12 Athletic Facilities Grant PRC 440 152,383 - K12 Athletic Facilities Grant PRC 461 146,361 - Total North Carolina Department of Public Instruction 164,695,489 - Passed-through Pitt County: PRC 076 1,867,520 - Public School Building Capital Fund PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction PRC 120 703,066 - North Carolina Department of Public Instruction PRC 120 703,066 - North Carolina Department of Public Instruction PRC 120 703,066 - North Carolina D	State Public School Fund				-
Feminine Hygiene Products Program	Driver Training - SPSF			413,325	-
Vocational Education			PRC 015	106,467	-
- State Months of Employment	Feminine Hygiene Products Program		PRC 088	5,000	-
- Program Support Funds Total State Public School Fund EC Data Manager Grant K12 Athletic Facilities Grant R12 Athletic Facilities Grant Autism Grant PRC 464 PRC 400 PRC 401 PRC 402 PRC 403	Vocational Education				-
Total State Public School Fund EC Data Manager Grant K12 Athletic Facilities Grant Autism Grant PRC 464 PRC 460 PRC 461 PRC 4	- State Months of Employment		PRC 013	7,420,800	-
EC Data Manager Grant PRC 464 117,371 - K12 Athletic Facilities Grant PRC 440 152,383 - Autism Grant PRC 461 146,361 - Total North Carolina Department of Public Instruction 164,695,489 - Passed-through Pitt County: Public School Building Capital Fund PRC 076 1,867,520 - North Carolina Department of Health and Human Services NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064	- Program Support Funds		PRC 014	467,131	-
K12 Athletic Facilities Grant Autism Grant PRC 440 152,383 - Total North Carolina Department of Public Instruction Passed-through Pitt County: Public School Building Capital Fund PRC 470 PRC	Total State Public School Fund			164,279,374	-
K12 Athletic Facilities Grant Autism Grant PRC 440 152,383 - Total North Carolina Department of Public Instruction Passed-through Pitt County: Public School Building Capital Fund PRC 470 PRC	EC Data Manager Grant		DDC 464	117 271	
Autism Grant Total North Carolina Department of Public Instruction Passed-through Pitt County: Public School Building Capital Fund North Carolina Department of Health and Human Services NC Pre-Kindergarten Program Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064	•				
Passed-through Pitt County: Public School Building Capital Fund PRC 076 1,867,520 - North Carolina Department of Health and Human Services NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064					-
Passed-through Pitt County: Public School Building Capital Fund PRC 076 1,867,520 - North Carolina Department of Health and Human Services NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064			PRC 401		
Public School Building Capital Fund PRC 076 1,867,520 - North Carolina Department of Health and Human Services NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064	Total North Carolina Department of Public Instruction			104,093,469	-
North Carolina Department of Health and Human Services NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064					
NC Pre-Kindergarten Program PRC 413 3,525,256 1,391,064 Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064	Public School Building Capital Fund		PRC 076	1,867,520	-
Non-cash assistance: North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064	North Carolina Department of Health and Human Services				
North Carolina Department of Public Instruction School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064	NC Pre-Kindergarten Program		PRC 413	3,525,256	1,391,064
School Buses Appropriation PRC 120 703,066 - Total Expenditures of State Awards 170,791,331 1,391,064	Non-cash assistance:				
Total Expenditures of State Awards 170,791,331 1,391,064	North Carolina Department of Public Instruction				
	School Buses Appropriation		PRC 120	703,066	-
Total Expenditures of Federal and State Awards \$ 240,850,276 \$ 1,391,064	Total Expenditures of State Awards			170,791,331	1,391,064
	Total Expenditures of Federal and State Awards			\$ 240,850,276	\$ 1,391,064

Pitt County Board of Education, North Carolina Notes to the Schedule of Expenditures of Federal and State Awards For the Fiscal Year Ended June 30, 2022

Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Pitt County Board of Education, North Carolina under the programs of the federal government and the State of North Carolina for the year ended June 30, 2022. The information in this SEFSA is presented in accordance with the requirements of Title 2 US *Code of Federal* Regulations Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Pitt County Board of Education, North Carolina, it is not intended to and does not present the financial position, changes in net position, or cash flows of Pitt County Board of Education, North Carolina.

Summary of Significant Accounting Policies

Basis of Accounting: Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate: Pitt County Board of Education, North Carolina has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Loans: Pitt County Board of Education, North Carolina did not expend federal or State awards related to loans or loan guarantees during the fiscal year ended June 30, 2022.

Noncash Assistance: Pitt County Board of Education, North Carolina did receive commodities for the fiscal year ended June 30, 2022 from the US Department of Agriculture CFDA# 10.555 in the amount of \$1,098,951. The value of noncash assistance is the fair value of the noncash items as established by the grantor.

Federally Funded Insurance: Pitt County Board of Education, North Carolina has no federally funded insurance.

Clusters: The following are clustered by the NC Department of Public Instruction and are treated separately for state audit requirement purposes:

- School Nutrition Cluster