

**TYRRELL COUNTY, NORTH CAROLINA**

**FINANCIAL REPORT**

**June 30, 2014**



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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Commissioners  
Tyrrell County, North Carolina

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Tyrrell County, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tyrrell County ABC Board. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Tyrrell County ABC Board, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Tyrrell County ABC Board were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Tyrrell County, North Carolina, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Other Post-Employment Benefit Schedules of Funding Progress and Employer Contributions on pages 11 – 18 and 63 – 64, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Tyrrell County, North Carolina's basic financial statements. The combining and individual fund financial schedules, and other schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State*



*Single Audit Implementation Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund financial schedules, other 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 Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2015 on our consideration of Tyrrell County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Tyrrell County's internal control over financial reporting and compliance.

*Carly Riggs & Ingram, L.L.C.*

Goldsboro, North Carolina  
May 29, 2015

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## Tyrrell County, North Carolina Management's Discussion and Analysis

As management of Tyrrell County "the County", we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2014. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

### Note II. Financial Highlights

- The assets of the County exceeded its liabilities at the close of the fiscal year by \$17,972,202 (net position).
- The government's total net position increased by \$2,038,714, primarily due to capital contributions from other entities to finance the construction of water and sewer projects partially offset by the decrease in operating grants and contributions from other governments and the decrease in expenditures in the governmental funds and the increase in water/sewer fund expenditures.
- As of the close of the current fiscal year, the County's governmental funds reported ending fund balance of \$3,051,372 a decrease of \$2,184 in comparison with the prior year. Approximately 84.70% of this total amount, or \$2,170,581, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,170,581 or 34.30% of total general fund expenditures for the fiscal year.

### Note II. Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of the following three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the County.

### Basic Financial Statements

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

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the

## Tyrrell County, North Carolina Management's Discussion and Analysis

governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

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

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

### **Government-wide Financial Statements**

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the total of the County's assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

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

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

### **Note II.**

#### **Note II. Fund Financial Statements**

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

## Tyrrell County, North Carolina Management's Discussion and Analysis

**Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

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

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County has three fiduciary funds, which are presented as agency funds.

**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 start on page 31 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 63 of this report.

## Tyrrell County, North Carolina Management's Discussion and Analysis

### Note II. Government-Wide Financial Analysis

Tyrrell County North Carolina  
Condensed Statement of Net Position  
As of June 30,

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Current assets	\$ 4,027,032	\$ 3,677,585	\$ 983,324	\$ 2,311,665	\$ 5,010,356	\$ 5,989,250
Capital assets	3,098,413	3,261,321	18,531,323	16,013,506	21,629,736	19,274,827
<b>Total assets</b>	<b>7,125,445</b>	<b>6,938,906</b>	<b>19,514,647</b>	<b>18,325,171</b>	<b>26,640,092</b>	<b>25,264,077</b>
Current liabilities	572,180	325,692	105,278	1,237,646	677,458	1,563,338
Long-term liabilities	4,292,263	4,019,108	3,698,169	3,732,410	7,990,432	7,751,518
<b>Total liabilities</b>	<b>4,864,443</b>	<b>4,344,800</b>	<b>3,803,447</b>	<b>4,970,056</b>	<b>8,667,890</b>	<b>9,314,856</b>
Net investment in capital assets	2,313,940	2,436,904	15,047,759	12,489,506	17,361,699	14,926,410
Restricted	769,666	901,289	171,067	162,055	940,733	1,063,344
Unrestricted	(822,604)	(744,087)	492,374	687,822	(330,230)	(56,265)
<b>Total net position</b>	<b>\$ 2,261,002</b>	<b>\$ 2,594,106</b>	<b>\$ 15,711,200</b>	<b>\$ 13,339,383</b>	<b>\$ 17,972,202</b>	<b>\$ 15,933,489</b>

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the County exceeded liabilities by \$17,972,202 as of June 30, 2014. The County's net position increased by \$2,038,714 for the fiscal year ended June 30, 2014. However, 96.60%, or \$17,361,699 reflects the County's investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment); less any related debt still outstanding that was issued to acquire those items. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the County's net position, 5.23% or \$940,733 represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$330,230) is unrestricted.

Several key aspects of the County's financial operations are as follows:

- A capital contribution from other governments to fund water capital projects.
- Community Development Block Grants to fund various community improvement projects.
- An overall increase in expenditures for both governmental and business-type activities.

## Tyrrell County, North Carolina Management's Discussion and Analysis

Tyrrell County, North Carolina  
Condensed Statement of Revenue, Expenses, and Changes in Net Position  
For the Fiscal Year Ended June 30,

	2014			2013		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 358,842	\$ 776,726	\$ 1,135,568	\$ 432,438	\$ 901,081	\$ 1,333,519
Grants and contributions	2,384,616	2,791,116	5,175,732	3,197,294	3,022,924	6,220,218
General revenues:			-			-
Property taxes	3,652,092	-	3,652,092	3,552,655	-	3,552,655
Other taxes	416,657	-	416,657	435,060	-	435,060
Other	46,782	1,301	48,083	37,967	2,403	40,370
<b>Total Revenues</b>	<b>\$ 6,858,989</b>	<b>\$ 3,569,143</b>	<b>\$ 10,428,132</b>	<b>\$ 7,655,414</b>	<b>\$ 3,926,408</b>	<b>\$ 11,581,822</b>
<b>Expenses:</b>						
General government	\$ 1,519,149	\$ -	\$ 1,519,149	\$ 1,505,327	\$ -	\$ 1,505,327
Public safety	1,772,711	-	1,772,711	1,685,516	-	1,685,516
Human services	2,254,895	-	2,254,895	1,730,799	-	1,730,799
Education	710,768	-	710,768	458,968	-	458,968
Environmental	452,602	-	452,602	680,096	-	680,096
Economic and physical development	255,214	-	255,214	940,730	-	940,730
Cultural and recreational	128,687	-	128,687	120,313	-	120,313
Capital outlay	87,540	-	87,540	1,651	-	1,651
Interest on debt	34,996	-	34,996	36,081	-	36,081
Water	-	1,172,856	1,172,856	-	913,652	913,652
<b>Total Expenses</b>	<b>\$ 7,216,562</b>	<b>\$ 1,172,856</b>	<b>\$ 8,389,418</b>	<b>\$ 7,159,481</b>	<b>\$ 913,652</b>	<b>\$ 8,073,133</b>
Transfers	24,470	(24,470)	-	(602,556)	(175)	(602,731)
Increase(decrease) in net assets	(333,103)	2,371,817	2,038,714	(106,623)	3,012,581	2,905,958
Net position, beginning, as previously stated	2,594,105	13,339,383	15,933,488	2,700,728	10,342,534	13,043,262
Prior period adjustment	-	-	-	-	(15,732)	(15,732)
Net position, beginning (consolidated)	2,594,105	13,339,383	15,933,488	2,700,728	10,326,802	13,027,530
Net position, ending	<b>\$ 2,261,002</b>	<b>\$ 15,711,200</b>	<b>\$ 17,972,202</b>	<b>\$ 2,594,105</b>	<b>\$ 13,339,383</b>	<b>\$ 15,933,488</b>

## Tyrrell County, North Carolina Management's Discussion and Analysis

**Governmental activities.** Governmental activities decreased the County's net position by \$333,103. Key elements of this decrease are as follows:

- A decrease in transfers to other funds.
- An increase in revenues from property and motor vehicle taxes.
- A sale of capital assets.
- An increase in capital grants from other governments.
- Receipt of funds from other governments for Hurricane Irene clean-up.
- An increase in expenditures for emergency medical services.
- A decrease in building inspection fees.

**Business-type activities:** Business-type activities increased the County's net position by \$2,371,817. Key elements for this overall increase were:

- Capital contributions from other governments.
- An increase in depreciation of capital assets.
- An increase in interest expense due to revenue bonds.
- A decrease in water revenue.

### Financial Analysis of the County's Funds

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

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

The General fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,170,581, while total fund balance reached \$2,562,603. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 34.30% of total General Fund expenditures, while total fund balance represents 40.50% of that same amount.

#### 1. General Fund Budgetary Highlights

During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased all revenues by \$399,276.



## Tyrrell County, North Carolina Management's Discussion and Analysis

**Proprietary funds.** The County's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. Unrestricted net position of the water and sewer fund at the end of the fiscal year amounted to \$492,374. Overall net position within the proprietary funds increased by \$2,371,817 for the fiscal year ended June 30, 2014.

### Note II.

#### Note II. Capital Asset and Debt Administration

**Capital Assets.** The County's investment in capital assets for its governmental and business-type activities as of June 30, 2014, totals \$21,629,736 (net of accumulated depreciation). These assets include land, construction in process, buildings, machinery, vehicles and equipment

Major capital asset transactions during the year include the following additions:

- Final costs and close-out of the reverse osmosis plant project.
- Purchase of a generator for the emergency operations center.
- Construction costs for the Waste Water 1 & 2 project.

Additional information on the County's capital assets can be found in note III, A, 4 of the Basic Financial Statements.

Tyrrell County, North Carolina  
Condensed Statement of Capital Assets (net of depreciation)  
For the Fiscal Year Ended June 30,

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Land	\$ 867,188	\$ 867,188	\$ 68,261	\$ 68,261	\$ 935,449	\$ 935,449
Buildings and improvements	1,413,174	1,462,444	-	-	1,413,174	1,462,444
Equipment	331,977	365,862	-	-	331,977	365,862
Vehicles	198,393	278,146	101,378	96,597	299,771	374,743
Plant and distribution system	-	-	9,501,808	9,698,809	9,501,808	9,698,809
Construction in process	287,681	287,681	8,859,876	6,134,023	9,147,557	6,421,704
<b>Total</b>	<b>\$ 3,098,413</b>	<b>\$ 3,261,321</b>	<b>\$ 18,531,323</b>	<b>\$ 15,997,690</b>	<b>\$ 21,629,736</b>	<b>\$ 19,259,011</b>

**Long-term Debt.** As of June 30, 2014, the County had total debt outstanding of \$8,213,951. This debt consists of a term debt with the United States Department of Agriculture for construction projects, renovation of court facilities, a bank financed installment agreement for computer equipment, a bond anticipation note for the construction of water and sewer projects, compensated absences, and other postemployment benefits.

## Tyrrell County, North Carolina Management's Discussion and Analysis

Tyrrell County, North Carolina  
Condensed Statement of Long-term Debt  
For the Fiscal Year Ended June 30,

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Term debt	\$ 2,288,499	\$ 2,482,146	\$ -	\$ -	\$ 2,288,499	\$ 2,482,146
Installment purchase	94,316	110,237	-	-	94,316	110,237
Revenue bonds	-	-	3,524,000	3,524,000	3,524,000	3,524,000
Compensated absences	142,919	155,216	38,279	34,048	181,198	189,264
Other postemployment benefits	1,929,480	1,545,716	196,460	184,589	2,125,940	1,730,305
<b>Total</b>	<b>\$ 4,455,214</b>	<b>\$ 4,293,315</b>	<b>\$ 3,758,739</b>	<b>\$ 3,742,637</b>	<b>\$ 8,213,953</b>	<b>\$ 8,035,952</b>

Additional information on the County's long-term debt can be found in note II.B.8 of the Basic Financial Statements.

### Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the County.

- A decrease in the unemployment rate.
- A decrease in social services, particularly in the Supplemental Nutrition Assistance Program.
- Area salaries and benefits have remained stable.

### Budget Highlights for the Fiscal Year Ending June 30, 2015

**Governmental Activities:** Ad valorem tax revenues are expected to lead the increase in budgeted revenues, which will be partially offset by a reduction in intergovernmental revenues.

Budgeted expenditures for other than salaries and benefits are expected to remain constant, salaries increased 2% county wide and benefits are expected to increase by 5% per employee.

**Business-type Activities:** The County does foresee an increase in the water/sewer rates during the 2015 fiscal year. Capital contributions for the waste water districts 1 and 2 project are expected to remain relatively constant in relation to the 2014 fiscal year.

### Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the County Administrator, Tyrrell County, Post Office Box 449, Columbia, NC 27925.

**Tyrrell County, North Carolina**  
**Statement of Net Position**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 1**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Tyrrell County Tourism Development Authority	Tyrrell County ABC Board
<b>ASSETS</b>					
Current Assets:					
Cash and cash equivalents	\$ 3,118,603	\$ 718,933	\$ 3,837,536	\$ 19,467	\$ 62,524
Restricted cash and cash equivalents	243,511	171,067	414,578	-	-
Receivables, net	650,659	79,436	730,095	-	-
Internal balances	14,259	(14,259)	-	-	-
Inventories	-	28,147	28,147	-	32,641
Total current assets	4,027,032	983,324	5,010,356	19,467	95,165
Non-current assets:					
Capital assets:					
Land, improvements, and construction in progress	1,154,869	8,928,137	10,083,006	77,384	21,735
Other capital assets, net of depreciation	1,943,544	9,603,186	11,546,730	-	352,694
Total capital assets	3,098,413	18,531,323	21,629,736	77,384	374,429
Total assets	7,125,445	19,514,647	26,640,092	96,851	469,594
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	409,231	44,708	453,939	-	41,253
Current portion of long-term liabilities	162,949	60,570	223,519	-	12,295
Total current liabilities	572,180	105,278	677,458	-	53,548
Noncurrent liabilities:					
Due in more than one year	4,292,263	3,698,169	7,990,432	-	248,563
Total liabilities	4,864,443	3,803,447	8,667,890	-	302,111
<b>NET POSITION</b>					
Net investment in capital assets	2,313,940	15,047,759	17,361,699	77,384	172,688
Restricted for:					
Register of deeds	3,723	-	3,723	-	-
Stabilization by State Statute	293,543	-	293,543	-	-
Tax revaluation	135,146	-	135,146	-	-
Capital improvements	279,456	171,067	450,523	-	-
USDA Reserve	57,798	-	57,798	-	-
Working capital	-	-	-	-	11,861
Unrestricted	(822,604)	492,374	(330,230)	19,467	(17,066)
Total net position	\$ 2,261,002	\$ 15,711,200	\$ 17,972,202	\$ 96,851	\$ 167,483

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

**Tyrrell County, North Carolina**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 2**

Functions	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<u>Primary government:</u>				
Governmental activities:				
General government	\$ 1,519,149	\$ 42,974	\$ 203,703	\$ -
Public safety	1,772,711	310,399	263,883	-
Human services	2,254,895	1,356	1,469,800	-
Education	710,768	-	364,053	-
Environmental protection	452,602	2,288	26,657	-
Economic and physical development	255,214	1,825	126	56,394
Cultural and recreation	128,687	-	-	-
Capital outlay	87,540	-	-	-
Interest on debt	34,996	-	-	-
<b>Total governmental activities</b>	<b>7,216,562</b>	<b>358,842</b>	<b>2,328,222</b>	<b>56,394</b>
Business-type activities:				
Water	1,172,856	776,726	-	2,791,116
<b>Total business-type activities</b>	<b>1,172,856</b>	<b>776,726</b>	<b>-</b>	<b>2,791,116</b>
<b>Total primary government</b>	<b>\$ 8,389,418</b>	<b>\$ 1,135,568</b>	<b>\$ 2,328,222</b>	<b>\$ 2,847,510</b>
Component units:				
Tyrrell Tourism Development Authority	\$ 9,872	\$ 6,269	\$ -	\$ -
Tyrrell County ABC Board	311,776	306,950	-	-
<b>Total component units</b>	<b>\$ 321,648</b>	<b>\$ 313,219</b>	<b>\$ -</b>	<b>\$ -</b>

General revenues:

Property taxes, levied for general purposes  
Local option sales taxes  
Investment earnings, unrestricted  
Miscellaneous, gain on sale of assets

Total general revenues excluding transfers

Transfers

Total general revenues and transfers

Change in net position

Net assets - beginning, as previously stated

Prior period adjustment

Net position - beginning

Net position - ending

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

Net (Expense) Revenue and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Tyrrell County Tourism Development Authority	Tyrrell County ABC Board	
\$ (1,272,472)	\$ -	\$ (1,272,472)			
(1,198,429)	-	(1,198,429)			
(783,739)	-	(783,739)			
(346,715)	-	(346,715)			
(423,657)	-	(423,657)			
(196,869)	-	(196,869)			
(128,687)	-	(128,687)			
(87,540)	-	(87,540)			
(34,996)	-	(34,996)			
<u>(4,473,104)</u>	<u>-</u>	<u>(4,473,104)</u>			
-	2,394,986	2,394,986			
-	2,394,986	2,394,986			
<u>\$ (4,473,104)</u>	<u>\$ 2,394,986</u>	<u>\$ (2,078,118)</u>			
			\$ (3,603)	\$ -	
			-	(4,826)	
			<u>(3,603)</u>	<u>(4,826)</u>	
\$ 3,652,092	\$ -	\$ 3,652,092	\$ -	\$ -	
416,657	-	416,657	-	-	
4,595	1,301	5,896	27	42	
42,187	-	42,187	-	-	
<u>4,115,531</u>	<u>1,301</u>	<u>4,116,832</u>	<u>27</u>	<u>42</u>	
24,470	(24,470)	-	-	-	
4,140,001	(23,169)	4,116,832	27	42	
(333,103)	2,371,817	2,038,714	(3,576)	(4,784)	
2,594,105	13,355,115	15,949,220	100,427	172,267	
-	(15,732)	(15,732)	-	-	
<u>2,594,105</u>	<u>13,339,383</u>	<u>15,933,488</u>	<u>100,427</u>	<u>172,267</u>	
<u>\$ 2,261,002</u>	<u>\$ 15,711,200</u>	<u>\$ 17,972,202</u>	<u>\$ 96,851</u>	<u>\$ 167,483</u>	

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**Tyrrell County, North Carolina**  
**Balance Sheet – Governmental Funds**  
**June 30, 2014**  
**Exhibit 3**

	<u>Major</u>	<u>Non-Major</u>	<u>Total</u>
	General	Other Governmental Funds	Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,118,603	\$ -	\$ 3,118,603
Restricted cash and cash equivalents	130,293	113,218	243,511
Receivables, net	567,248	-	567,248
Due from other funds	-	375,551	375,551
Due from other governments	83,414	-	83,414
<b>Total assets</b>	<b>\$ 3,899,558</b>	<b>\$ 488,769</b>	<b>\$ 4,388,327</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 409,231	\$ -	\$ 409,231
Due to other funds	361,293	-	361,293
<b>Total liabilities</b>	<b>770,524</b>	<b>-</b>	<b>770,524</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>566,431</b>	<b>-</b>	<b>566,431</b>
<b>Fund balances:</b>			
<b>Restricted:</b>			
Stabilization by State Statute	84,230	209,313	293,543
Register of Deeds	3,723	-	3,723
School capital outlay	-	279,456	279,456
Tax revaluation	135,146	-	135,146
USDA reserve	57,798	-	57,798
<b>Committed:</b>			
Capital improvements	52,084	-	52,084
<b>Assigned:</b>			
Subsequent year's expenditures	59,041	-	59,041
<b>Unassigned:</b>	<b>2,170,581</b>	<b>(298,288)</b>	<b>1,872,293</b>
<b>Total fund balances</b>	<b>2,562,603</b>	<b>190,481</b>	<b>2,753,084</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 3,899,558</b>	<b>\$ 190,481</b>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,098,413
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds	
Deferred inflows of resources for taxes and special assessments receivable	566,431
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note II.B.8).	(4,455,214)
<b>Net position of governmental activities</b>	<b>\$ 1,962,714</b>

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

**Tyrrell County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances –Governmental Funds**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 4**

	Major	Non-Major	
	General Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Ad valorem taxes	\$ 3,658,339	\$ -	\$ 3,658,339
Local option sales taxes	416,657	-	416,657
Other taxes and licenses	48,533	-	48,533
Unrestricted intergovernmental	78,823	-	78,823
Restricted intergovernmental	1,734,964	420,447	2,155,411
Permits and fees	202,012	-	202,012
Sales and services	25,202	113,672	138,874
Investment earnings	4,257	338	4,595
Miscellaneous	119,805	-	119,805
<b>Total revenues</b>	<b>6,288,592</b>	<b>534,457</b>	<b>6,823,049</b>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General government	1,394,855	-	1,394,855
Public safety	1,451,441	-	1,451,441
Human services	2,107,161	-	2,107,161
Intergovernmental			-
Education	537,320	298,288	835,608
Environmental protection	452,602	-	452,602
Economic and physical development	179,693	354,735	534,428
Cultural and recreational	128,687	-	128,687
E-911		62,090	62,090
Capital outlay	-	15,772	15,772
<b>Debt Service:</b>			
Principal	39,944	-	39,944
Interest	34,996	-	34,996
<b>Total expenditures</b>	<b>6,326,699</b>	<b>730,885</b>	<b>7,057,584</b>
Excess (deficiency) of revenues over expenditures	(38,107)	(196,428)	(234,535)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from the sale of capital assets	42,052	-	42,052
Transfers to other governments	(132,459)	-	(132,459)
Transfers from other funds	24,470	-	24,470
Transfers to other funds	-	-	-
<b>Total other financing sources and uses</b>	<b>(65,937)</b>	<b>-</b>	<b>(65,937)</b>
Net change in fund balance	(104,044)	(196,428)	(300,472)
Fund balances-beginning	2,666,647	386,909	3,053,556
<b>Fund balances-ending</b>	<b>\$ 2,562,603</b>	<b>\$ 190,481</b>	<b>\$ 2,753,084</b>

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



**Tyrrell County, North Carolina**  
**Reconciliation of the Statement Of Revenues, Expenditures, and Changes in**  
**Fund Balances of the Governmental Funds to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 4**

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

Net changes in fund balances - total governmental funds	\$ (300,472)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(162,908)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	209,568
Revenues reported in the Statement of Activities that do not provide current resources are not recorded as revenues in the fund statements	(6,112)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(371,467)
Total changes in net position of governmental activities	\$ (631,391)

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

**Tyrrell County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances – Budget and Actual – General Fund**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 5**

	General Fund			Variance With Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Ad valorem taxes	\$ 3,483,558	\$ 3,483,558	\$ 3,658,339	\$ 174,781
Local option sales taxes	360,000	360,000	416,657	56,657
Other taxes and licenses	37,000	37,000	48,533	11,533
Unrestricted intergovernmental	51,038	54,638	78,823	24,185
Restricted intergovernmental	1,564,839	1,695,983	1,734,964	38,981
Permits and fees	211,966	212,416	202,012	(10,404)
Sales and services	25,609	25,609	25,202	(407)
Investment earnings	6,050	6,050	3,846	(2,204)
Miscellaneous	17,278	281,360	119,805	(161,555)
<b>Total revenues</b>	<b>5,757,338</b>	<b>6,156,614</b>	<b>6,288,181</b>	<b>131,567</b>
<b>EXPENDITURES</b>				
Current:				
General government	1,508,903	1,475,632	1,394,855	80,777
Public safety	1,481,645	1,611,309	1,451,441	159,868
Human services	1,816,560	2,298,853	2,107,161	191,692
Intergovernmental:				
Education	537,320	537,320	537,320	-
Environmental protection	454,851	527,973	452,602	75,371
Economic and physical development	177,317	185,323	179,693	5,630
Cultural and recreational	120,413	129,529	128,687	842
Debt Service:				
Principal	40,002	40,002	39,944	58
Interest	34,996	34,996	34,996	-
<b>Total expenditures</b>	<b>6,172,007</b>	<b>6,840,937</b>	<b>6,326,699</b>	<b>514,238</b>
<b>Revenues over (under) expenditures</b>	<b>(414,669)</b>	<b>(684,323)</b>	<b>(38,518)</b>	<b>645,805</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer to other funds	(25,000)	(25,000)	(25,000)	-
Transfer from other funds	24,470	24,470	24,470	-
Proceeds from sale of capital assets	280,000	280,000	42,052	(237,948)
<b>Total other financing sources and uses</b>	<b>279,470</b>	<b>279,470</b>	<b>41,522</b>	<b>(237,948)</b>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(135,199)</b>	<b>(404,718)</b>	<b>3,004</b>	<b>407,722</b>
<b>Appropriated fund balance</b>	<b>135,199</b>	<b>404,583</b>	<b>-</b>	<b>(404,583)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ (135)</b>	<b>3,004</b>	<b>\$ 3,139</b>
Fund balances - beginning			<u>2,372,369</u>	
Fund balances-ending			<u>\$ 2,375,373</u>	
The legally budgeted Tax Revaluation Fund and Capital Reserve Fund are consolidated into the General Fund for reporting purposes:				
Investment earnings			411	
Transfers to other governments			(132,459)	
Transfers from other funds			25,000	
Fund balance, beginning			<u>294,278</u>	
Fund balance, ending (Exhibit 4)			<u>\$ 2,562,603</u>	

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

**Tyrrell County, North Carolina**  
**Statement of Fund Net Position – Proprietary Fund**  
**June 30, 2014**  
**Exhibit 6**

**Water and Sewer Fund**

<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 718,933
Restricted cash and cash equivalents	171,067
Receivables, net	37,088
Due from other funds	23,083
Due from other governments	42,348
Inventories	28,147
<b>Total current assets</b>	<b>1,020,666</b>
Noncurrent assets:	
Capital assets:	
Land and construction in progress	8,928,137
Other capital assets, net of depreciation	9,603,186
<b>Total capital assets</b>	<b>18,531,323</b>
<b>Total noncurrent assets</b>	<b>18,531,323</b>
<b>Total assets</b>	<b>19,551,989</b>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued liabilities	42,243
Current portion of bonds	51,000
Current portion of compensated absences	9,570
Due to other funds	37,342
Due to other governments	2,465
<b>Total current liabilities</b>	<b>142,620</b>
Noncurrent liabilities:	
Notes payable net of current portion	3,473,000
Compensated absences net of current portion	28,709
Other post-employment benefits	196,460
<b>Total noncurrent liabilities</b>	<b>3,698,169</b>
<b>Total liabilities</b>	<b>3,840,789</b>
<b>NET POSITION</b>	
Net investment in capital assets	15,047,759
Restricted	171,067
Unrestricted	492,374
<b>Total net position</b>	<b>\$ 15,711,200</b>

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

**Tyrrell County, North Carolina**  
**Statement of Revenues, Expenses, and Changes in Fund Net**  
**Position – Proprietary Fund**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 7**

<b>Water and Sewer Fund</b>	
<b>OPERATING REVENUES</b>	
Charges for services	\$ 762,670
Other operating revenues	14,056
<b>Total operating revenues</b>	<b>776,726</b>
<b>OPERATING EXPENSES</b>	
Water operations	729,889
Sewer operations	68,050
Depreciation	269,354
<b>Total operating expenses</b>	<b>1,067,293</b>
Operating income (loss)	<b>(290,567)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest and investment revenue	1,301
Interest	(105,563)
<b>Total nonoperating revenue</b>	<b>(104,262)</b>
Income (loss) before capital contributions and transfers	(394,829)
Capital contributions	2,791,116
Transfers (to) from other funds	(24,470)
<b>Change in net position</b>	<b>2,371,817</b>
Total net position - beginning	13,355,115
Prior period adjustment	(15,732)
<b>Total net position - beginning, as restated</b>	<b>13,339,383</b>
<b>Total net position - ending</b>	<b>\$ 15,711,200</b>

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

**Tyrrell County, North Carolina**  
**Statement of Cash Flows – Proprietary Fund**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 8**

**Water and Sewer Fund**

Cash flows from operating activities:		
Cash received from customers	\$	763,828
Cash paid for goods and services		(397,074)
Cash paid to employees for services		(376,711)
Other operating revenue		14,056
<b>Net cash provided by (used in) operating activities</b>		<b>4,099</b>
Cash flows from capital and related financing activities:		
Operating transfers to other funds		(24,470)
Capital contributions from other agencies		3,984,845
Interest paid on bond maturities		(105,563)
Acquisition of capital assets		(3,984,932)
<b>Net cash provided by (used in) capital and related financing activities</b>		<b>(130,120)</b>
Cash flows from investing activities:		
Interest on investments		1,301
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(124,720)</b>
Cash and cash equivalents, beginning		1,014,720
Cash and cash equivalents, ending	\$	890,000

**Reconciliation of operating loss to net cash provided by (used in) operating activities:**

Operating Income (loss)	\$	(290,567)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		269,354
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable		1,158
Increase (decrease) in inventory		2,071
Increase (decrease) in do to other funds		5,981
Increase (decrease) in other post employment benefits liability		11,871
Increase (decrease) in compensated absences		4,231
<b>Total adjustments</b>		<b>294,666</b>
<b>Net cash provided by (used in) operating activities</b>	\$	<b>4,099</b>

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

**Tyrrell County, North Carolina**  
**Statement Fiduciary Net Position – Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2014**  
**Exhibit 9**

		Agency Funds
<hr/>		
Assets		
Cash and cash equivalents	\$	2,620
<hr/>		
Total assets	\$	2,620
<hr/> <hr/>		
Liabilities		
Liabilities:		
Accounts payable and accrued liabilities	\$	2,620
<hr/>		
Total liabilities	\$	2,620
<hr/> <hr/>		
Net assets:		
Held in trust for pension benefits	\$	-
<hr/> <hr/>		

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

## Tyrrell County, North Carolina Notes to Financial Statements

### NOTE I. Summary of Significant Accounting Policies

The accounting policies of Tyrrell County, North Carolina and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

#### A. Reporting Entity

The County, which is governed by a five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units; legally separate entities for which the County is financially accountable. The Tyrrell County ABC Board (the Board) and the Tyrrell County Tourism Development Authority (the Authority), which have a June 30 year-end, are presented as if they were separate proprietary funds of the County (discrete presentation).

Component Unit	Reporting Method	Criteria for Inclusion	For Separate Financial Statements
Tyrrell County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Tyrrell County ABC Board Post Office Box 449 Columbia, NC 27925
Tyrrell County Tourism Development Authority	Discrete	The members of the Authority's governing board are appointed by the County. The County can remove any commissioner of the Authority with or without cause.	None issued

#### B. Basis of Presentation, Basis of Accounting

##### **Basis of Presentation, Measurement Focus – Basis of Accounting**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the

## Tyrrell County, North Carolina Notes to Financial Statements

programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

The County reports the following major governmental fund:

*General Fund.* This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Revaluation Fund and the Capital Reserve fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 they are consolidated in the General Fund.

The County reports the following major enterprise fund:

*Water Fund.* This fund is used to account for the operations of the water system within the County.

The County reports the following fund type:

*Agency Funds.* Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following agency funds: the Social Services Fund, which accounts for moneys deposited with the Social Services Department for the benefit of certain individuals; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to the Tyrrell County Board of Education; and the Deed of Trust Fee Fund which accounts for the five dollars of each fee collected by the register of deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis.

*Non-major Funds.* The County maintains four legally budgeted funds. The Emergency Telephone System Fund is reported as a non-major special revenue fund. The School Capital Outlay Fund, CDBG 09-C-2009 Scattered Sites Housing Grant Fund, and NCHFA 2010 Single Family Rehabilitation Project Fund are reported as capital projects funds. The Sewer Fund is reported as a proprietary fund.

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

*Government-wide, Proprietary, and Fiduciary Fund Financial Statements.* The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency fund which has no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which



## Tyrrell County, North Carolina Notes to Financial Statements

the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts. Property Taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable on these financial statements and are offset by deferred inflows of resources.

Sales taxes collected and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

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

**C. Budgetary Data**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the following Special Revenue Funds: Revaluation Fund, School Capital Reserve Fund, Capital Reserve Fund, Emergency Telephone System Fund, and the Water/Sewer Fund. All annual appropriations lapse at the fiscal year end. All budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting system used to record transactions.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for (the legal level of budgetary control) for all annually budgeted funds and the project level for the multi-year funds. The governing board must approve all amendments. 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.

**D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity**

**1. Deposits and Investments**

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

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

**2. Cash and Cash Equivalents**

The County pools monies from several funds to facilitate disbursement and investment and maximize investment income. Investment earnings are allocated to all funds based on the cash balance outstanding at the end of each month. The ABC Board considers all highly liquid investments (including restricted assets) with an original maturity of three months or less to be cash and cash equivalents, and records them at cost.

**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

**3. Restricted Assets**

Money in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Capital Projects Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 159-18 through 22. The moneys in the Waste Water 1 & 2 Capital Project Fund are classified as restricted because its use is restricted by revenue source for specific expenditures.

Tyrrell County Restricted Cash

Governmental Activities			
General Fund	Tax revaluation	\$	130,293
School Capital Projects Fund	Unexpended Public School Building Funds		113,218
Total Governmental Activities		\$	243,511
Business-Type Activities			
Waster Water No. 1 and No. 2			
Capital Projects Fund	Unexpended grant proceeds	\$	157,482
Reverse Osmosis Capital Project Fund	Unexpended grant proceeds		13,585
Total Business-Type Activities		\$	171,067
Total Restricted Cash		\$	414,578

**4. Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

**5. Allowance for Doubtful Accounts**

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. The amount is estimated by analyzing the percentage of receivables that were written off in prior years.

**6. Inventories and Prepaid Items**

The inventories of the County and the ABC Board are valued at cost (first-in, first-out), which approximates market. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when consumed. The inventory of the County's enterprise funds and the ABC Board consist of materials and supplies held for consumption. The cost of the inventory carried in the County's enterprise funds and the ABC Board is recorded as an expense as it is consumed or sold.

## Tyrrell County, North Carolina Notes to Financial Statements

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

### 7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: land costs, buildings, improvements, substations, lines and other plant and distribution systems, infrastructure, furniture, equipment and vehicles, \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Any interest incurred during the construction phase of proprietary fund type capital assets is reflected in the capitalized value of the asset constructed. Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

<b>Note II.</b>	<u>Useful Life</u>
Buildings	50 years
Improvements	25 years
Furniture and equipment	10 years
Vehicles	6 years
Computer equipment	3 years

Property, plant, and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	<u>Useful Life</u>
Buildings	20 years
Furniture and equipment	10 years
Vehicles	3-5 years
Leasehold improvements	10-20 years
Computer equipment	3 years

### 8. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow or resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has no items that meet the criterion for this category.

In addition to liabilities, the statement of financial position can also report a statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only one item that meets the criterion for this category – reserve for taxes.

**9. Long-term Obligations**

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

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

**10. Compensated Absences**

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

The sick leave policies of the County and the ABC Board provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County or its component units.

**11. Net Position/Fund Balances**

**Net Position**

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

**Fund Balances**

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

The governmental fund types classify fund balances as follows:

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

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

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

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

Restricted for Register of Deeds – portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds office.

## Tyrrell County, North Carolina Notes to Financial Statements

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

Restricted for Tax Revaluation – portion of fund balance that can only be used for Tax Revaluation per G.S. 153A-150.

Restricted for Economic Development – portion of fund balance that is restricted by revenue source to pay for projects related to the various community development block grants.

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

Committed for Capital Projects – portion of fund balance that can only be used for governmental capital construction and/or improvement projects.

Assigned Fund Balance – portion of fund balance that the Tyrrell County governing board has budgeted.

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

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

Tyrrell County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The County Manager will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, and county funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The County Manager has the authority to deviate from this policy if it’s in the best interest of the County.

**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

**E. 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 fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The net adjustment of (\$790,370) consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are, therefore, not reported in the funds (total capital assets on government-wide statement in governmental activities column.	\$ 5,982,380
Less accumulated depreciation	(2,883,967)
Net capital assets	3,098,413
Liabilities for deferred inflows of resources record in the fund statements but not the governmental funds	566,431
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Notes payable	(2,382,815)
Other postemployment benefits	(1,929,480)
Compensated absences	(142,919)
Total adjustment	\$ (790,370)

**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes 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 (\$331,054) as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 103,134
Depreciation expense, the allocation of those assets over their useful lives, which is recorded on the statement of activities but not in the fund statements	(266,042)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements but not the fund statements because they do not use current resources.	209,568
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in compensated absences accrued in the government-wide statements but not in the fund statements because they do not use current resources	12,297
Difference in other postemployment benefits accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(383,764)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
Decrease in deferred inflows of resources - taxes receivable - at end of year.	(6,247)
<b>Total adjustment</b>	<b>\$ (331,054)</b>



**12. Reclassifications**

Certain reclassifications have been made to the 2013 comparative information to conform to the 2014 presentation. Such reclassifications have no effect on net position or fund balances.

**Note II. Stewardship, Compliance, and Accountability**

**A. Significant Violations of Finance-Related Legal and Contractual Provisions**

**1. Noncompliance with North Carolina General Statutes**

The County did not issue its financial statements in a timely manner. State law [G.S. 159-34] requires that an independent audit of the financial statements be performed as soon as possible after the close of the fiscal year. The County issued its financial statements May 29, 2015.

**2. Contractual Violations**

The County is not in compliance with the covenants as to rates, fees, rentals and charges in Section 704 of the Bond Order, authorizing the issuance of the Water Revenue Bonds, Series 2013. Section 5.01(b) of the Bond Order requires the debt service coverage ratio to be no less than 110%. The debt service coverage ratio for the year ended June 30, 2014 is (19%). See Note III B. 8. c. for the calculation of the debt service coverage ratio.

**Note III. Detail Notes on All Funds**

**A. Assets**

**1. Deposits**

All of the County's, the Tourism Development Authority's (the Authority) and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the County's, the Authority's or the ABC Board's names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, the Authority and the ABC Board, these deposits are considered to be held by their agents in the entities' name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the ABC Board or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, the Authority or the ABC 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 State Treasurer enforces standards of minimum capitalization for all Pooling Method financial institutions. The County, the Authority and ABC Board rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31



## **Tyrrell County, North Carolina Notes to Financial Statements**

when designating official depositories and verifying that deposits are properly secured. The County, the Authority and ABC Board do not have policies regarding custodial credit risk for deposits.

At June 30, 2014, the carrying amount of the County's deposits was \$1,130,273 and the bank balance was \$1,191,542. Of the bank balance, \$250,000 was covered by federal depository insurance and \$877,653 was covered by collateral held under the Pooling Method.

At June 30, 2014, the County had \$725 cash on hand.

At June 30, 2014, the carrying amount of deposits for Tyrrell County ABC Board was \$62,024 and the bank balance was \$64,061. All of the bank balance was covered by federal depository insurance.

At June 30, 2014, the Tyrrell County ABC Board had \$500 cash on hand.

At June 30, 2014, the carrying amount of deposits for Tyrrell Tourism Development Authority was \$19,467 and the bank balance was \$19,467. All of the bank balance was covered by federal depository insurance.

**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

**2. Investments**

At June 30, 2014, the County had \$3,123,736 invested with the North Carolina Capital Management Trust's Cash Portfolio which carried a credit rating of AAAm by Standard and Poor's. The County has no policy for managing interest rate risk or credit risk.

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

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2011	\$ 501,578	\$ 62,697	\$ 564,275
2012	505,685	17,853	523,538
2013	581,735	33,450	615,185
2014	584,483	-	584,483
	<u>\$ 2,173,481</u>	<u>\$ 114,000</u>	<u>\$ 2,287,481</u>

**4. Receivables**

Government-wide Receivables at June 30, 2014, were as follows:

	Accounts	Taxes	Due from Other Governments	Total
<b>Governmental Activities:</b>				
General	\$ 815	\$ 566,431	\$ 83,413	\$ 650,659
<b>Total governmental activities</b>	<b>\$ 815</b>	<b>\$ 566,431</b>	<b>\$ 83,413</b>	<b>\$ 650,659</b>
<b>Business-type Activities:</b>				
Water and sewer	88,548	\$ -	42,348	\$ 130,896
Allowance for doubtful accounts	(51,460)	-	-	(51,460)
<b>Total business-type activities</b>	<b>\$ 37,088</b>	<b>\$ -</b>	<b>\$ 42,348</b>	<b>\$ 79,436</b>

Due from other governments consists of the following:	Governmental Activities	Business-type Activities
Local option sales tax	\$ 83,413	\$ -
Capital grants	-	42,348
<b>Total</b>	<b>\$ 83,413</b>	<b>\$ 42,348</b>

**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

**5. Capital Assets**

**Primary Government**

Capital asset activity for the year ended June 30, 2014 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 867,188	\$ -	\$ -	\$ 867,188
Construction in process	287,681	-	-	287,681
Total capital assets not being depreciated	1,154,869	-	-	1,154,869
Capital assets not being depreciated:				
Buildings and improvements	2,789,556	13,862	-	2,803,418
Equipment	1,044,286	89,272	-	1,133,558
Furniture and fixtures	19,206	-	-	19,206
Vehicles	871,329	-	-	871,329
Total capital assets being depreciated	4,724,377	103,134	-	4,827,511
Less accumulated depreciation for:				
Buildings and improvements	1,327,112	63,132	-	1,390,244
Equipment	678,424	123,157	-	801,581
Furniture and fixtures	19,206	-	-	19,206
Vehicles	593,183	79,753	-	672,936
Total accumulated depreciation	2,617,925	\$ 266,042	\$ -	2,883,967
Total Capital assets being depreciated, net	2,106,452			1,943,544
Governmental activity capital assets, net	<u>\$ 3,261,321</u>			<u>\$ 3,098,413</u>

**Tyrrell County, North Carolina  
Notes to Financial Statements**

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

Governmental activities:	
General government	\$ 83,273
Public safety	169,767
Human services	11,439
Economic development	1,563
Total	\$ 266,042

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Business-Type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 68,261	\$ -	\$ -	\$ 68,261
Construction in process	6,134,023	2,725,853	-	8,859,876
Total capital assets not being depreciated	6,202,284	2,725,853	-	8,928,137
Capital assets being depreciated:				
Plant and distribution systems	12,666,951	51,678	-	12,718,629
Buildings	7,834	8,391	-	16,225
Furniture	10,470	-	-	10,470
Vehicles and equipment	442,280	17,065	-	459,345
Total capital assets being depreciated	13,127,535	77,134	-	13,204,669
Less accumulated depreciation for:				
Plant and distribution systems	2,968,142	248,679	-	3,216,821
Buildings	-	839	-	839
Furniture	10,469	-	-	10,469
Vehicles and equipment	353,518	19,836	-	373,354
Total accumulated depreciation	3,332,129	\$ 269,354	\$ -	3,601,483
Total Capital assets being depreciated, net	9,795,406			9,603,186
Water and sewer capital assets, net	\$ 15,997,690			\$ 18,531,323

**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

**Construction commitments**

The County has active construction projects at June 30, 2014. At year-end, the County's commitments with contractors are as follows:

Project	Spent-To-Date	Remaining Commitment
Waste water #1 and #2	\$ 8,859,876	\$ 3,660,090
Total	\$ 8,859,876	\$ 3,660,090

**B. Discretely presented component units**

Activity for the ABC Board for the year ended June 30, 2014, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 23,327	\$ -	\$ -	\$ 23,327
Total capital assets not being depreciated	23,327	-	-	23,327
Capital assets being depreciated:				
Buildings	357,527	-	-	357,527
Furniture and equipment	21,735	1,633	-	23,368
Total capital assets being depreciated	379,262	1,633	-	380,895
Less accumulated depreciation for:				
Buildings	6,638	7,928	-	14,566
Furniture and equipment	12,122	3,105	-	15,227
Total accumulated depreciation	18,760	\$ 11,033	\$ -	29,793
Total Capital assets being depreciated, net	360,502			351,102
ABC Board capital assets, net	\$ 383,829			\$ 374,429

## Tyrrell County, North Carolina Notes to Financial Statements

Activity for the Tourism Development Authority (TDA) for the year ended June 30, 2014, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Construction in process	\$ 77,384	\$ -	\$ -	\$ 77,384
Total capital assets not being depreciated	77,384	-	-	77,384
TDA capital assets, net	\$ 77,384	\$ -	\$ -	\$ 77,384

### B. Liabilities

#### 1. Payables

Payables at June 30, 2014 were as follows:

	Vendors	Other	Total
Governmental Activities:			
General	6,815	402,416	\$ 409,231
Total governmental activities	\$ 6,815	\$ 402,416	\$ 409,231
Business-Type Activities			
Waste water 1 & 2 project fund	42,243	-	\$ 42,243
Total business-type activities	\$ 42,243	\$ -	\$ 42,243

#### 2. Pension Plan Obligations

##### a. Local Governmental Employee's Retirement System

Plan Description. Tyrrell County and the ABC Board contribute to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multi-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Government Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center Road, Raleigh Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute six percent of their annual covered salary. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.88% and 7.36%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 4.91% of annual covered payroll. The contribution requirements of members and of Tyrrell County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's

contributions to LGERS for the years ended June 30, 2014, 2013 and 2012 were \$135,365, \$122,157, and \$125,268, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2014, 2013 and 2012 were \$1,012, \$1,047, and \$943, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

**b. Law Enforcement Officers' Special Separation Allowance**

*Plan Description.* The County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

At June 30, 2014, there were no full-time law enforcement officers covered by the Separation Allowance.

**c. Supplemental Retirement Income Plan for Law Enforcement Officers**

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

*Funding Policy.* Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2014 were \$16,412, which consisted of \$16,412 from the County and \$0- from the law enforcement officers.

**d. Supplemental Retirement Income Plan for General Government Employees**

*Plan Description.* The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to individuals employed by the general government of the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for General Government Employees is included in the Comprehensive Annual Financial report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the



Supplemental Retirement Income Plan for General Government Employees. That report may be obtained by writing to the Office of the State controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy.* The general government employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2014 were \$16,525, which consisted of \$-0- from the County and \$16,525 from the general government employee.

**e. Registers of Deeds' Supplemental Pension Fund**

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

*Funding Policy.* On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2014, the County's required and actual contributions were \$634.

**f. Other Post-employment Benefits**

**Healthcare Benefits**

*Plan Description.* Under the terms of a County resolution, the County administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least ten years of creditable service with the County.

The County pays the full cost of coverage for these benefits through private insurers. The County Council may amend the benefit provisions. A separate report was not issued for the plan.

*Funding Policy.* By County resolution, the County pays the full cost of coverage for the healthcare benefits paid to qualified retirees. The County has chosen to fund the healthcare benefits on a pay as you go basis. Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due. In fiscal year ended, June 30, 2014, the County's total contributions were \$78,626.

## Tyrrell County, North Carolina Notes to Financial Statements

*Annual OPEB Cost and Net OPEB Obligation.* The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC).

The County has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the County's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the postemployment healthcare benefits:

Annual required contribution	\$	549,347
Interest on net OPEB obligation		21,130
Adjustment to annual required contribution		(96,215)
Annual OPEB cost (expense)		474,262
Contributions made		(78,627)
Increase (decrease) in net OPEB obligation		395,635
Net OPEB obligation, beginning of year		1,730,305
Net OPEB obligation, end of year	\$	2,125,940

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

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 474,262	16.58%	\$ 2,125,940
2013	\$ 484,311	16.55%	\$ 1,730,305
2012	\$ 407,069	19.18%	\$ 1,326,151

*Funded Status and Funding Progress.* As of June 30, 2014, the actuarial accrued liability for benefits was \$2,125,940, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,601,315, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 133 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future.

Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required

contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

The following simplifying assumptions were made:

*Retirement age for active employees* – Based on the historical average retirement age for the covered group, active plan members were assumed to retire at age 65, or at the first subsequent year in which the member would qualify for benefits.

*Marital status* – Marital status of members at the calculation date was assumed to continue throughout retirement.

*Mortality* – Life expectancies were based on mortality tables from the National Center for Health Statistics. The 2005 United States Life Tables for Males and for Females were used.

*Turnover* – Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for development of an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

*Healthcare cost trend rate* – The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare & Medicaid Services. A rate of 12.0 percent initially, reduced to an ultimate rate of 6.0 percent after six years, was used.

*Health insurance premiums* – 2013 health insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

*Inflation rate* – The expected long-term inflation assumption of 3.8 percent was based on projected changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) in *The 2013 Annual Report of the Board of Trustees of Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds* for an intermediate growth scenario.

*Payroll growth rate* – The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the County's short-term investment portfolio, a discount rate of 4.0 percent was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2014, was 30 years.

**g. Other Employment Benefits**

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit will be the minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

**3. Deferred Outflows and Inflows of Resources**

The amount of deferred inflows of resources is the balance of revenue unavailable at year end comprised of taxes receivable amounting to \$566,431.

**C. 4. Risk Management**

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$200 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, workers' compensation coverage up to the statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Both of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, and \$1,750,000 of each loss in excess of \$250,000 per occurrence for property, and auto physical damage. For workers compensation there is a per occurrence retention of \$750,000. The County provides employee health and dental benefits through a self-insured plan provided by Dogwood Insurance company (DIC). Claims are administered and paid directly from the plan by DIC. Specific stop-loss is set at \$100,000 per individual health insurance claim with an unlimited lifetime maximum. Aggregate stop-loss is set at the level of 125% with a minimum aggregate attachment point of \$6,516,502 and a contract period maximum of \$1,000,000.

The County carries flood insurance through the National Flood Insurance Plan (NFIP). The County has insured three separate properties: County Jail and related structure \$500,000, County DSS building \$500,000, and County Courthouse \$500,000, under three separate policies.

In accordance with G.S. 159-29, County employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance and the tax collector are individually bonded for \$50,000 and \$10,000,

## Tyrrell County, North Carolina Notes to Financial Statements

respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$50,000.

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

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

In accordance with G.S. 159-29, the finance officer for Tyrrell County Tourism Development Authority is individually bonded for \$50,000.

### **5. Commitments**

At June 30, 2014, the County had eight service contract commitments. The commitments are as follows:

- |   |   |   |
|---|---|---|
| 1 | Washington County, NC                   | For emergency medical services. This is a 3½-year agreement requiring monthly installments of \$17,296 for a total of \$207,550.  |
| 2 | Washington County, NC                   | For the housing of inmates. The term is for three years, expiring September 2013 with subsequent automatic annual renewals, and requires payments of \$50 per day or fraction thereof for each male inmate and \$55 per day for each female inmate.   |
| 3 | Washington County, NC                   | For non-emergency medical transport services. This is a 2 year and 10 month agreement requiring periodic reimbursements of operating expenses, and the first \$150,000 of net profits will be evenly divided between Washington and Tyrrell Counties. |
| 4 | Tyrrell Volunteer Fire Department, Inc. | For fire protection services. This is a one-year agreement requiring regular payments on a schedule established by the County Manager for a total of \$115,600.   |
| 5 | Tyrrell Volunteer Fire Department, Inc. | For equipment upgrades. This is a one-year agreement requiring payments on a schedule established by the County Manager for a total of \$40,000.  |
| 6 | Maximus                                 | For assistance with Indirect Cost Reporting for two years ending June 30, 2015. Annual payments of \$2,700 are required.  |
| 7 | Republic Services, LLC                  | For solid waste recycling. This is a two year agreement ending June 30, 2015. Fees of \$11.76 per residence additional fees with a base fee of \$282,240.   |
| 8 | CenturyLink                             | Five year agreement to purchase upgrades and equipment for the enhanced internet system terminating May 30, 2018.   |

**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

**6. Operating Leases**

At June 30, 2014, the Board had 3 operating leases for facilities and equipment. Lease expense under these leases was \$99,948 for the fiscal year ended June 30, 2014. The leases are set to expire at various dates though June 30, 2016, renewable on a year-to-year basis.

Future minimum lease payments during the next 2 years ending June 30, 2016, are as follows:

Year	Amount	
2015	\$	64,472
2016		60,125
Total	\$	124,597

**7. Claims and Judgments**

At June 30, 2014, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

**8. Long-Term Obligations**

**a. Installment Purchase**

In November 2010, the County entered into an installment purchase contract to finance the acquisition of computer software and related support services for the Tax office. The financing contract requires quarterly installments of \$4,285, which includes interest beginning in January 2011 at an interest rate of 2.1%.

Annual debt service requirements to maturity for the County's installment purchase contract are as follows:

Year Ended June 30	Governmental Activities	
	Principal	Interest
2015	\$ 15,921	\$ 1,221
2016	78,395	6,409
Total	\$ 94,316	\$ 7,630

**b. Term Debt**

Serviced by the County's General Fund:

On March 11, 2002, the County executed an agreement with the US Department of Agriculture for \$900,000 to assist in the construction and renovation of court facilities. The loan is secured by a deed of trust on certain real property and is payable over a 30 year period. The terms of the agreement require annual installments of \$57,798, including interest of 4.75% on March 11 of each year.

\$ 690,157

**Tyrrell County, North Carolina  
Notes to Financial Statements**

On July 2, 2007, the County executed an agreement with East Carolina Bank for \$2,500,000 to assist in the construction of a gymnasium for Columbia High School. The loan was subsequently refinanced November, 2011. The loan is secured by a deed of trust on certain real property and is payable over an 11 year period. The terms of the agreement require semi-annual installments of \$103,404, including interest of 2.125% on December 1 and June 1 of each year beginning in June, 2012. Due to the economic substance of the transaction, the capital assets associated with the note payable are recorded by the Board of Education.

\$ 1,598,342

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

<b>Principal</b> Year Ended June 30	USDA Building		School Gymnasium	
	Principal	Interest	Principal	Interest
2015	\$ 25,159	\$ 32,639	\$ 173,139	\$ 33,511
2016	26,349	31,449	176,906	29,836
2017	27,595	30,203	180,756	25,924
2018	28,900	28,898	184,689	22,006
2019	30,266	27,532	188,704	18,003
2020-2024	174,206	114,784	694,148	30,255
2025-2029	219,483	69,507	-	-
2030-2033	158,199	15,194	-	-
<b>Total</b>	<b>\$ 690,157</b>	<b>\$ 350,206</b>	<b>\$ 1,598,342</b>	<b>\$ 159,535</b>

**c. Revenue Bond**

Serviced by the County's Water and Sewer Fund:

\$2,794,000 Water Revenue Bonds, Series 2013A, issued for water system improvements. Principal installments are due annually on June 1 with annual interest payments due on June 1, at an annual interest rate of 3.125%

\$ 2,794,000

\$730,000 Water Revenue Bonds, Series 2013B, issued for water system improvements. Principal installments are due annually on June 1 with annual interest payments due on June 1 at an annual interest rate of 2.5%

\$ 730,000

## Tyrrell County, North Carolina Notes to Financial Statements

The future payments of the revenue bond are as follows:

Year Ended June 30	Series 2013A		Series 2013B	
	Principal	Interest	Principal	Interest
2015	\$ 39,000	\$ 87,313	\$ 12,000	\$ 18,250
2016	41,000	86,094	12,000	17,950
2017	42,000	84,813	12,000	17,650
2018	43,000	83,500	13,000	17,350
2019	44,000	82,156	13,000	17,025
2020-2024	244,000	389,125	70,000	80,100
2025-2029	284,000	348,594	79,000	70,925
2030-2034	330,000	301,406	89,000	60,550
2035-2039	387,000	246,375	101,000	48,825
2040-2044	451,000	182,063	114,000	35,550
2045-2049	529,000	106,938	130,000	20,525
2050-2052	360,000	22,748	85,000	4,250
<b>Total</b>	<b>\$ 2,794,000</b>	<b>\$ 2,021,125</b>	<b>\$ 730,000</b>	<b>\$ 408,950</b>

The County is not in compliance with the covenants as to rates, fees, rentals and charges in Section 704 of the Bond Order, authorizing the issuance of the Water Revenue Bonds, Series 2013. Section 5.01(b) of the Bond Order requires the debt service coverage ratio to be no less than 110%. The debt service coverage ratio calculation for the year ended June 30, 2014, is as follows:

Operating revenues	\$ 776,726
Operating expenses*	797,939
Operating income	(21,213)
Nonoperating revenues (expenses)**	1,301
Income available for debt service	(19,912)
Debt service, principal paid (Revenue bond only)	-
Debt service, interest paid (Revenue bond only)	105,563
Debt service coverage ratio	-19%

\* Per rate covenants, this does not include the depreciation expense of \$269,354.

\*\* Per rate covenants, this does not include revenue bond interest paid of \$105,563.

The County has pledged future water customer revenues, net of specified operating expenses, to repay \$3,524,000 in water system revenue bonds issued in February 2013. Proceeds from the bonds provided financing for the construction of a reverse osmosis water treatment plant, wells, pumping stations, water mains, a ground water storage tank and water treatment process effluent transmission and discharge facilities to serve Tyrrell County. The bonds are payable solely from water customer net revenues and are payable through 2052. The total principal and interest remaining to be paid on the bonds is \$5,954,075. Principal and interest paid for the current year and total customer net revenues were \$105,563 and (\$21,213), respectively.



**Tyrrell County, North Carolina**  
**Notes to Financial Statements**

**d. Debt Related to Capital Activities**

Of the total Governmental Activities debt listed, \$784,473 relates to assets which the County holds title to. There is no restricted cash related to this debt.

**e. Interest Costs**

Annual interest costs for the fiscal year ended June 30, 2014 follows:

	Governmental Activities	Business-Type Activities
Interest costs expensed	\$ 70,349	\$ 105,563
Total interest costs	\$ 70,349	\$ 105,563

**f. Long-Term Obligation Activity**

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2014:

	Balance July 01, 2013	Increases	Decreases	Balance June 30, 2014	Current Portion of Balances
<b>Governmental activities:</b>					
Installment purchase	\$ 110,237	\$ -	\$ 15,921	\$ 94,316	\$ 15,921
Term loan - court facility	714,180	-	24,023	690,157	25,159
Term loan - Gymnasium	1,767,966	-	169,624	1,598,342	86,139
Compensated absences	155,216	-	12,297	142,919	35,730
OPEB	1,545,716	383,764	-	1,929,480	-
<b>Total governmental activities</b>	<b>\$ 4,293,315</b>	<b>\$ 383,764</b>	<b>\$ 221,865</b>	<b>\$ 4,455,214</b>	<b>\$ 162,949</b>
<b>Business-type activities:</b>					
Revenue bonds	\$ 2,794,000	\$ -	\$ -	\$ 2,794,000	\$ 9,570
Revenue bonds	730,000	-	-	730,000	39,000
Compensated absences	34,048	4,231	-	38,279	12,000
OPEB	184,589	11,871	-	196,460	-
<b>Total business-type activities</b>	<b>\$ 3,742,637</b>	<b>\$ 16,102</b>	<b>\$ -</b>	<b>\$ 3,758,739</b>	<b>\$ 60,570</b>
<b>ABC Board:</b>					
Construction Note	\$ 213,587	\$ -	\$ 11,846	\$ 201,741	\$ 12,295
Compensated absences	2,636	-	2,636	-	-
OPEB	52,972	6,144	-	59,117	-
<b>Total business-type activities</b>	<b>\$ 269,195</b>	<b>\$ 6,144</b>	<b>\$ 14,482</b>	<b>\$ 260,858</b>	<b>\$ 12,295</b>

## Tyrrell County, North Carolina Notes to Financial Statements

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

### C. Inter-fund Balances and Activity

The composition of inter-fund balances as of June 30, 2014 is as follows:

	Interfund	
	Receivables	Payables
Capital Reserve Fund	\$ 11,705	
General Fund		11,705
School Capital Reserve Fund	166,238	
General Fund		166,238
Emergency Telephone System Fund	209,313	
General Fund		209,313
Revaluation Fund	4,853	
General Fund		4,853
General Fund	23,938	
Sewer Fund		23,938
Water Fund	23,083	
General Fund		23,083
Waste Water 1 & 2 Capital Projects Fund	13,404	
General Fund		13,404
Total	\$ 452,534	\$ 452,534

The General Fund accumulated the revenue and made various payments to vendors and other governments on behalf of the Capital Reserve Fund. This amount represents the revenues collected net of payments to vendors and other governments made by the General Fund on behalf of the Capital Reserve Fund that has not been remitted to the Capital Reserve Fund as of June 30, 2014.

The General Fund accumulates the local option sales tax reimbursements and remits to the School Capital Reserve Fund the portion that is available for school construction. This represents the amount that was due to the School Capital Reserve Fund but had not been remitted as of June 30, 2014.

The General Fund accumulated the emergency telephone fees and makes payments to vendors on their behalf. This amount represents the fees collected net of payments to vendors made by the General Fund on behalf of the Emergency Telephone Fund that has not been remitted to the Emergency Telephone Fund as of June 30, 2014.

The General Fund accumulated the revenue and made various payments to vendors on behalf of the Revaluation Fund. This amount represents the revenues net of the payments made on behalf of the Revaluation Fund that has not been remitted to the Revaluation Fund as of June 30, 2014.

The General Fund made various payments to vendors on behalf of the Sewer Fund, which were subsequently reimbursed by the Sewer Fund. This amount represents reimbursements of expenditures that had not been made to the General Fund as of June 30, 2014.

The General Fund accumulated the revenue and made various payments to vendors on behalf of the

**Tyrrell County, North Carolina  
Notes to Financial Statements**

Water Fund. This amount represents the revenues net of the payments made on behalf of the Water Fund That has not been remitted to the Water Fund as of June 30, 2014.

The General Fund made various payments to vendors on behalf of the Waste Water 1 and 2 Capital Project Fund, which were subsequently reimbursed by the Waste Water 1 and 2 Capital Project Fund. This amount represents reimbursements that had not been made to the General Fund as of June 30, 2014.

Transfers to/from other funds at June 30, 2014, consist of the following:

From the Water Fund to the General Fund for the repayment of a portion of the salary for the County Manager.	\$	24,470
From the General Fund to the Revaluation Fund to accumulated resources for the next revaluation.		25,000
From the Water Fund to the Sewer Fund to provide resources during fund start-up.		41,714
Total	\$	91,184

**D. Net Investment in Capital Assets**

	Governmental	Business-type
Capital assets	\$ 3,098,413	\$ 18,531,322
less: long-term debt	784,473	3,524,000
Net investment in capital assets	\$ 2,313,940	\$ 15,007,322

**E. Fund Balance**

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

Total Fund Balance - General Fund	\$ 2,562,603
Less:	
Stabilization by State Statute	84,230
Register of Deeds	3,723
Tax Revaluation	135,146
USDA Reserve	57,798
Capital Improvements	52,084
Subsequent Year's Expenditures	59,041
Remaining Fund Balance	\$ 2,170,581

## Tyrrell County, North Carolina Notes to Financial Statements

Outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. At June 30, 2014 there are no outstanding encumbrances.

### **NOTE IV. Joint Ventures**

The County participates with four other counties to operate the Pettigrew Regional Library. Each participating government appoints one member to a twelve-member board of the Library. The County has an ongoing financial responsibility for the joint venture because the Library's existence depends on the participating governments continued funding. None of the participating governments have any equity interest in the Library, so none was reflected in the County's financial statements at June 30, 2014. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$93,000 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the Library's office at 201 E. 3<sup>rd</sup> Street, Plymouth, NC 27962.

The County participates with four other counties to operate the Albemarle Mental Health Clinic. Each participating government appoints members to the Board based upon population. The County currently has three members on the Board. The County has an ongoing financial responsibility for the joint venture because the Clinic's existence depends on the participating governments continued funding. None of the participating governments have any equity interest in the Clinic, so none was reflected in the County's financial statements at June 30, 2014. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$-0- to the Clinic to supplement its activities. Complete financial statements for the Clinic can be obtained from the Clinic's office at 1388 Highland Drive, Washington, NC 27889.

The County participates with two other counties to operate the Martin, Tyrrell and Washington Regional Health Department. Each participating government appoints members to the Board based upon population. The County currently has two members on the Board. The County has an ongoing financial responsibility for the joint venture because the Health Department's existence depends on the participating governments continued funding. None of the participating governments have any equity interest in the Health Department, so none was reflected in the County's financial statements at June 30, 2014. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$43,850 to the Health Department to supplement its activities. Complete financial statements for the Health Department can be obtained from the Regional offices at the Washington County Health Department, Plymouth, NC 27962.

The County participates with nine other counties to operate the Albemarle Commission. Each participating government appoints one member to a fourteen-member board. The County has an ongoing financial responsibility for the joint venture because the Albemarle Commission's existence depends on the participating governments continued funding. None of the participating governments have any equity interest in the Albemarle Commission, so none was reflected in the County's financial statements at June 30, 2014. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$3,563 to the Albemarle Commission to supplement its activities. Complete financial statements for the Albemarle Commission can be obtained from the Albemarle Commission at Post Office Box 646, Hertford, NC 27944.

The County participates with three other counties to operate the Partnership for the Sounds. The Board

## Tyrrell County, North Carolina Notes to Financial Statements

of Directors for the Partnership appoints members from its service area to fill vacancies. The County has an ongoing financial responsibility for the joint venture because the Partnership for the Sounds' existence depends on the participating governments continued funding. None of the participating governments have any equity interest in the Partnership for the Sounds, so none was reflected in the County's financial statements at June 30, 2014. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$14,000 to the Partnership for the Sounds to supplement its activities. Complete financial statements for the Partnership for the Sounds can be obtained from the Partnership for the Sounds at Post Office Box 55, Columbia, NC 27925.

The County participates with seven other counties to operate the Albemarle Solid Waste Authority. Each participating government appoints two members to a fourteen-member board. The County has an ongoing financial responsibility for the joint venture because the Albemarle Solid Waste Authority's existence depends on the participating governments continued funding. None of the participating governments have any equity interest in the Albemarle Solid Waste Authority, so none was reflected in the County's financial statements at June 30, 2014. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$3,690 to the Albemarle Solid Waste Authority to supplement its activities. Complete financial statements for the Albemarle Solid Waste Authority can be obtained from the Albemarle Solid Waste Authority at Post Office Box 189, Elizabeth City, NC 27909.

The County participates with other jurisdictions to assist as a pass-through entity for the funding of the Juvenile Crime Prevention Commission and the Criminal Justice Partnership Program. During the fiscal year ending June 30, 2014, the County made the appropriations to each organization based upon grant funding in the amounts of \$51,583 and \$46,894, respectively.

The County is a party to an interlocal agreement for the provision of law enforcement and related services by the office of the sheriff with the jurisdiction Town of Columbia. The Town shall pay a fee of \$96,366 in four quarterly installments. The agreement will remain in force through June 30, 2015, and is subject to annual renewal.

### **NOTE V. Benefit payments Issued by the State**

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

**Tyrrell County, North Carolina  
Notes to Financial Statements**

	Federal	State
Medical Assistance	\$ 3,608,481	\$ 2,088,146
Food Stamp Program	1,151,959	-
Special Supplemental Nutrition Program for Women, Infants, & Children	146,284	-
Temporary Assistance for Needy Families	44,810	-
Energy Assistance	44,400	-
IV-E Foster Care	337	-
Total	\$ 4,996,271	\$ 2,088,146

**NOTE VI. Summary Disclosure of Significant Commitments and Contingencies**

**Federal and State Assisted Programs**

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys 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 moneys.

**NOTE VII. Subsequent Events**

Management has evaluated subsequent events through May 29, 2015, the date on which the financial statements were available to be issued.

**NOTE VIII. Prior Period Adjustment**

In prior years, the County incorrectly applied construction expenditures relating to the Waste Water 1 & 2 capital project. During the fiscal year ended June 30, 2014, the County corrected the application of construction expenditures which resulted in a restatement of fund balance in the proprietary fund. The restatement decreased fund balance as previously reported at June 30, 2013 by \$15,732.



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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
6/30/2014	\$ -	\$ 2,125,940	\$ 2,125,940	0.0%	\$ 1,601,315	132.8%
6/30/2013	-	1,730,305	1,730,305	0.0%	1,640,862	105.5%
6/30/2012	-	1,326,153	1,326,153	0.0%	1,790,776	74.1%



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

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2014	\$ 474,262	16.58%
2013	484,311	16.55%
2012	407,069	19.18%

**Tyrrell County, North Carolina**  
**General Fund Schedules of Revenues, Expenditures, and**  
**Changes in Fund Balances – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**

**Schedule 1**

Page 1 of 7

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>Revenues:</b>				
<b>Ad valorem taxes:</b>				
Taxes		\$ 3,607,135		\$ 3,464,806
Penalties and interest		51,204		42,563
<b>Total</b>	<b>\$ 3,483,558</b>	<b>3,658,339</b>	<b>\$ 174,781</b>	<b>3,507,369</b>
<b>Local option sales taxes:</b>				
Articles 39 and 44		207,319		187,575
Article 40 one-half of one percent		160,303		160,561
Article 42 one-half of one percent		49,035		47,333
<b>Total</b>	<b>360,000</b>	<b>416,657</b>	<b>56,657</b>	<b>395,469</b>
<b>Other taxes and licenses:</b>				
Deed stamp excise tax		42,181		32,440
Scrap tire disposal tax		5,203		5,253
White goods disposal tax		1,023		1,640
Occupancy tax	400	126		258
<b>Total</b>	<b>37,000</b>	<b>48,533</b>	<b>11,533</b>	<b>39,591</b>
<b>Unrestricted intergovernmental :</b>				
Gas tax refund		15,968		14,159
Payments in lieu of taxes		48,245		41,108
Beer and wine tax		14,610		14,079
<b>Total</b>	<b>54,638</b>	<b>78,823</b>	<b>24,185</b>	<b>69,346</b>
<b>Restricted intergovernmental:</b>				
Federal and State grants		1,685,884		1,502,485
Controlled substance tax		1,496		2,167
Court facility fees		46,224		45,875
ABC bottles tax		1,360		1,185
<b>Total</b>	<b>1,695,983</b>	<b>1,734,964</b>	<b>38,981</b>	<b>1,551,712</b>
<b>Permits and fees:</b>				
Gun permits		1,525		4,900
Franchise fees		610		649
Solid waste fees		2,288		2,649
Officer service fees		162,708		159,488
Animal control fees		1,469		1,385
Building permits and inspection fees		17,268		36,019
Candidate filing fees		1,469		5
Register of deeds		-		665
License revocation fees		1,100		844
Other fees		13,420		8,060
Tax collection fees		155		205
<b>Total</b>	<b>212,416</b>	<b>202,012</b>	<b>(10,404)</b>	<b>214,869</b>

**Tyrrell County, North Carolina**  
**General Fund Schedules of Revenues, Expenditures, and**  
**Changes in Fund Balances – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**

**Schedule 1**

Page 2 of 7

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>Sales and services:</b>				
Rents and other		23,270		21,778
Jail fees		1,932		2,943
Total	25,609	25,202	(407)	24,721
Investment earnings	6,050	3,846	(2,204)	5,496
<b>Miscellaneous:</b>				
Donations and contributions		361		218
Insurance proceeds		9,052		1,261
Other revenues		110,392		40,624
Total miscellaneous	281,360	119,805	(161,555)	42,103
Total revenues	6,156,614	6,288,181	131,567	5,850,676
<b>Expenditures</b>				
<b>General Government:</b>				
<b>Governing body</b>				
Salaries and employee benefits		247,621		205,328
Other operating expenditures		145,176		138,042
Contract services		60,608		66,624
Capital outlay		-		16,458
Total	458,322	453,405	4,917	426,452
<b>Elections:</b>				
Salaries and employee benefits		25,447		29,562
Other operating expenditures		22,270		22,278
Total	71,846	47,717	24,129	51,840
<b>Finance:</b>				
Salaries and employee benefits		174,216		168,429
Other operating expenditures		12,212		8,824
Total	186,516	186,428	88	177,253
<b>Taxes:</b>				
Salaries and employee benefits		105,647		130,984
Other operating expenditures		50,371		64,621
Contract services		16,534		-
Total	199,019	172,552	26,467	195,605

**Tyrrell County, North Carolina**  
**General Fund Schedules of Revenues, Expenditures, and**  
**Changes in Fund Balances – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**

**Schedule 1**

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	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
Register of Deeds:				
Salaries and employee benefits		102,672		96,204
Other operating expenditures		6,756		7,073
Contract services		12,115		11,950
Total	121,610	121,543	67	115,227
Planning:				
Other operating expenditures	6,070	3,010	3,060	3,087
Buildings and grounds:				
Salaries and employee benefits		93,622		72,695
Other operating expenditures		276,404		246,217
Contract services		33,815		15,576
Capital outlay		6,359		4,258
Total	432,249	410,200	22,049	338,746
Total general government	1,475,632	1,394,855	80,777	1,308,210
Public Safety:				
Sheriff:				
Salaries and employee benefits		741,070		679,771
Other operating expenditures		188,386		249,198
Contract services		2,853		-
Capital outlay		40,074		125,022
Total	1,068,471	972,383	96,088	1,053,991
Emergency management:				
Salaries and employee benefits		33,155		32,040
Other operating expenditures		10,108		18,989
Emergency management capital outlay		62,831		41,258
Total	122,047	106,094	15,953	92,287
Department of motor vehicles				
Salaries and benefits		32,232		28,925
Other operating expenditures		3,525		4,409
Total	38,888	35,757	3,131	33,334
Fire Protection:				
Forest fire control		55,452		44,269
Contribution to County Fire Department		115,600		115,600
Capital outlay		40,000		40,000
Total	241,914	211,052	30,862	199,869

**Tyrrell County, North Carolina**  
**General Fund Schedules of Revenues, Expenditures, and**  
**Changes in Fund Balances – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**

**Schedule 1**

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	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
Building inspector:				
Salaries and employee benefits		58,660		54,996
Other operating expenditures		11,127		10,477
Capital outlay		1,770		-
Total	72,268	71,557	711	65,473
Medical Examiner:				
Other operating expenditures	8,000	1,100	6,900	-
Animal control:				
Salaries and employee benefits		41,649		38,577
Other operating expenditures		11,849		12,644
Total	59,721	53,498	6,223	51,221
<b>Total public safety</b>	<b>1,611,309</b>	<b>1,451,441</b>	<b>159,868</b>	<b>1,496,175</b>
Human Services:				
Health:				
MTW Health	43,850	43,850	-	43,850
Medical transportation:				
Emergency Medical Services	736,391	609,442	126,949	192,525
Social services:				
Administration:				
Salaries and employee benefits		735,086		677,463
Other operating expenditures		206,237		193,501
Contracted services		52,500		52,500
Capital outlay		-		3,675
Total	1,008,382	993,823	14,559	927,139
Public assistance:				
Medical assistance payments		6,833		1,269
Income maintenance		39,904		34,496
Total	60,000	46,737	13,263	35,765
Food stamps/coupons:				
Other operating expenditures	1,333	1,333	-	1,628
Day care:				
Assistance payments	127,508	126,558	950	100,726
Legal aid children:				
Other operating expenditures	7,008	7,008	-	4,233

**Tyrrell County, North Carolina**  
**General Fund Schedules of Revenues, Expenditures, and**  
**Changes in Fund Balances – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**

**Schedule 1**

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	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
Senior Citizens Assistance:				
Salaries and employee benefits		11,082		8,349
Other operating expenditures		26,275		27,010
Total	46,612	37,357	9,255	35,359
Transportation - nutritional:				
Salaries and employee benefits		33,974		34,478
Other operating expenditures		35,220		7,407
Total	71,476	69,194	2,282	41,885
Community Transportation:				
Salaries and employee benefits		20,130		24,019
Other operating expenditures		3,915		3,010
Total	39,217	24,045	15,172	27,029
Crisis intervention:				
Other operating expenditures	23,150	22,658	492	34,966
Foster Care:				
Other operating expenditures	6,797	5,362	1,435	10,193
Blind administration:				
Other operating expenditures	1,840	1,840	-	1,878
Health screening:				
Other operating expenditures	700	451	249	605
Other Social Services:				
Other operating expenditures	119,236	113,436	5,800	113,624
Veteran's Services:				
Salaries and employee benefits		3,509		3,441
Other operating expenditures		558		1,744
Total	5,353	4,067	1,286	5,185
Total human services	2,298,853	2,107,161	191,692	1,576,590
Education:				
Public schools - current		537,320		537,320
Public schools - capital outlay		-		87,675
Total education	537,320	537,320	-	624,995
Environmental Protection:				
Drainage:				
Contract services	26,725	26,725	-	-

**Tyrrell County, North Carolina**  
**General Fund Schedules of Revenues, Expenditures, and**  
**Changes in Fund Balances – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**

**Schedule 1**

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	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>Solid waste:</b>				
Salaries and employee benefits		18,663		22,183
Other operating expenses		47,085		-
Contract services		360,129		447,222
Total	501,248	425,877	-	469,405
Total environmental protection	527,973	452,602	-	469,405
<b>Economic and Physical Development:</b>				
<b>Agriculture extension:</b>				
Salaries and employee benefits		78,512		65,228
Other operating expenditures		19,679		45,689
Appropriations - Ablemarle Commission		3,563		3,521
Appropriations - River Festival		5,000		5,000
Appropriations - River Town		1,000		1,000
Appropriations - PFS		14,000		14,000
Total	124,755	121,754	3,001	134,438
<b>Board of Supervisors-Soil Conservation:</b>				
Salaries and employee benefits		38,633		41,303
Other operating expenditures		19,306		14,831
Total	60,568	57,939	2,629	56,134
Total economic and physical development	185,323	179,693	5,630	190,572
<b>Cultural and Recreational:</b>				
Pettigrew Regional Library	93,000	93,000		90,000
Recreation Commission	36,529	35,687		30,313
Total cultural and recreational	129,529	128,687	842	120,313
<b>Debt service:</b>				
Note principal		39,944		38,859
Interest and fees		34,996		36,081
Total debt service	74,998	74,940	58	74,940
Total expenditures	6,840,937	6,326,699	514,238	5,861,200
Revenues under expenditures	(684,323)	(38,518)	645,805	(10,524)

**Tyrrell County, North Carolina**  
**General Fund Schedules of Revenues, Expenditures, and**  
**Changes in Fund Balances – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**

**Schedule 1**

Page 7 of 7

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
Other financing sources (uses):				
Proceeds from the sale of capital assets	280,000	42,052		-
Transfers from other funds	24,470	24,470		175
Transfers to other funds	(25,000)	(25,000)		(264,000)
Total other financing sources (uses)	279,470	41,522	(237,948)	(263,825)
Revenues and other financing sources under expenditures and other financing uses	(404,853)	3,004	407,857	(274,349)
Appropriated fund balance	404,853	-	(404,853)	-
Revenues, other financing sources, and appropriated fund balance over expenditures and other financing uses	<u>\$ -</u>	<u>3,004</u>	<u>\$ 3,004</u>	<u>(274,349)</u>
Fund balance, beginning of year		<u>2,372,369</u>		<u>2,646,718</u>
Fund balance, end of year		<u>\$ 2,375,373</u>		<u>\$ 2,372,369</u>



**Tyrrell County, North Carolina**  
**Schedules of Revenues, Expenditures, and Changes in Fund**  
**Balances – Budget and Actual – Capital Reserve Fund**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**  
**Schedule 2**

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>Revenues:</b>				
Investment earnings	\$ 1,000	\$ 188	\$ (812)	\$ 545
Other revenues	-	-	-	-
Total Revenue	1,000	188	(812)	545
<b>Expenditures:</b>				
Capital outlay	1,000	-	1,000	240,299
Total expenditures	1,000	-	1,000	240,299
Revenues over expenditures	-	188	188	(239,754)
<b>Other financing sources (uses):</b>				
Transfers to other governments	(133,029)	(132,459)	570	(602,731)
Transfers from other funds	-	-	-	239,000
Total other financing sources (uses)	(133,029)	(132,459)	570	(363,731)
Revenue and other sources over (under) expenditures and other uses	(133,029)	(132,271)	758	(603,485)
Appropriated fund balance	133,029	-	(133,029)	-
Revenues, appropriated fund balance, and other financing sources under expenditures and other financing uses	\$ -	(132,271)	\$ (132,271)	(603,485)
Fund balance, beginning of year		184,355		787,840
Fund balance, end of year		\$ 52,084		\$ 184,355

**Tyrrell County, North Carolina**  
**Schedules of Revenues, Expenditures, and Changes in Fund**  
**Balances – Budget and Actual – Revaluation Fund**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**  
**Schedule 3**

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>Revenues:</b>				
Investment earnings	\$ 250	\$ 223	\$ (27)	\$ 302
Total Revenues	250	223	(27)	302
<b>Expenditures:</b>				
Contract services	24,750	-	24,750	-
Bank charges	500	-	500	225
Other expenditures	-	-	-	-
Total expenditures	25,250	-	25,250	225
Revenues over (under) expenditures	\$ (25,000)	223	\$ 25,223	77
<b>Other financing sources (uses):</b>				
Transfer from other funds	25,000	25,000	-	25,000
Transfer to other funds	-	-	-	-
	25,000	25,000	-	25,000
Revenues, and other financing sources (uses) over expenditures	\$ -	25,223	\$ 25,223	25,077
Fund balance, beginning of year		109,923		84,846
Fund balance, end of year		\$ 135,146		\$ 109,923

**Tyrrell County, North Carolina**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2014**  
**Schedule 4**

	Special Revenue Funds	
	Emergency Telephone System Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>		
Cash and investments	\$ -	\$ -
Due from other funds	209,313	209,313
<b>Total assets</b>	<b>\$ 209,313</b>	<b>\$ 209,313</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Fund balances:		
Restricted:		
Stabilization by state statute	\$ 209,313	\$ 209,313
School capital outlay	-	-
<b>Total equity</b>	<b>209,313</b>	<b>209,313</b>
<b>Total liabilities and fund balances</b>	<b>\$ 209,313</b>	<b>\$ 209,313</b>

Capital Projects Funds

School Capital Outlay Fund	NCHFA 2010 Single Family Rehab Project Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 113,218	\$ -	\$ 113,218	\$ 113,218
166,238	-	166,238	375,551
<hr/>			
\$ 279,456	\$ -	\$ 279,456	\$ 488,769
<hr/>			
\$ -	\$ -	\$ -	\$ 209,313
279,456	-	279,456	279,456
<hr/>			
279,456	-	279,456	488,769
<hr/>			
\$ 279,456	\$ -	\$ 279,456	\$ 488,769
<hr/>			

**Tyrrell County, North Carolina**  
**Combining Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Non-Major Governmental Funds**  
**For The Fiscal Year Ended June 30, 2014**  
**Schedule 5**

	Special Revenue Funds	
	Emergency Telephone System Fund	Total Nonmajor Special Revenue Funds
Revenues:		
Restricted intergovernmental	\$ -	\$ -
E-911 fees	113,672	113,672
Investment earnings	94	94
Other revenues	-	-
Total revenues	113,766	113,766
Expenditures:		
Salaries and benefits	16,414	16,414
Operating expenditures	45,676	343,964
Capital outlay	15,772	15,772
Total expenditures	77,862	376,150
Revenues under expenditures	35,904	(262,384)
Revenues and other financing sources over (under) expenditures	35,904	(262,384)
Fund balance, beginning of year	173,409	173,409
Fund balance, end of year	\$ 209,313	\$ (88,975)

Capital Projects Funds

School Capital Outlay Fund	NCHFA 2010 Single Family Rehab Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 142,241	\$ 56,394	\$ 198,635	\$ 198,635
-	-	-	113,672
244	-	244	338
221,812	-	221,812	221,812
364,297	56,394	420,691	534,457
-	-	-	16,414
298,288	-	298,288	642,252
-	56,447	56,447	72,219
298,288	56,447	354,735	730,885
66,009	(53)	65,956	(196,428)
66,009	(53)	65,956	(196,428)
213,447	53	213,500	386,909
\$ 279,456	\$ -	\$ 279,456	\$ 190,481

**Tyrrell County, North Carolina**  
**Schedule of Revenues, Expenditures, and Changes in Fund**  
**Balance – Budget and Actual – School Capital Outlay Fund**  
**For The Fiscal Year Ended June 30, 2014**  
**(With Comparative Amounts For The Fiscal Year Ended June 30, 2013)**  
**Schedule 6**

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>Revenues:</b>				
Restricted intergovernmental				
Local option sales tax	\$ 138,000	\$ 142,241	\$ 4,241	\$ 148,364
Public school building capital fund - lottery	221,812	221,812	-	-
Investment earnings	-	244	244	632
Total revenues	359,812	364,297	4,485	148,996
<b>Expenditures:</b>				
Bank charges	300	-	300	225
Insurance	3,804	3,804	-	3,657
Capital Outlay	87,675	87,675	-	-
Debt service:				
Note principal	186,155	171,456	14,699	166,027
Interest and fees	35,353	35,353	-	40,782
Total debt service	221,508	206,809	14,699	206,809
Total expenditures	313,287	298,288	14,999	210,691
Revenues over expenditures	46,525	66,009	19,484	(61,695)
Appropriated fund balance	(46,525)	-	46,525	-
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	66,009	<u>\$ 66,009</u>	(61,695)
Fund balance, beginning of year		<u>213,447</u>		<u>275,142</u>
Fund balance, end of year		<u>\$ 279,456</u>		<u>\$ 213,447</u>

**Tyrrell County, North Carolina**  
**Schedule of Revenues, Expenditures, and Changes in Fund**  
**Balance – Budget and Actual – Emergency Telephone System Fund**  
**For The Fiscal Year Ended June 30, 2014**  
**(With Comparative Amounts For The Fiscal Year Ended June 30, 2013)**  
**Schedule 7**

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>Revenues:</b>				
Other taxes and licenses	\$ 113,672	\$ 113,672	\$ -	\$ 123,008
Investment earnings	341	94	(247)	235
Total revenues	114,013	113,766	(247)	123,243
<b>Expenditures:</b>				
Salary and benefits	16,523	16,414	109	9,675
Other operating expenditures	81,497	45,676	35,821	47,094
Capital outlay	15,993	15,772	221	103,133
Total expenditures	114,013	77,862	36,151	159,902
Revenues over (under) expenditures	\$ -	35,904	\$ 35,904	(36,659)
Fund balance, beginning of year		173,409		210,068
Fund balance, end of year		\$ 209,313		\$ 173,409



**Tyrrell County, North Carolina**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget**  
**and Actual – CDBG 09-C-2009 Scattered Site Housing Grant**  
**From Inception and For The Fiscal Year Ended June 30, 2014**  
**Schedule 8**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental					
State grant	\$ 400,000	\$ 139,479	\$ -	\$ 139,479	\$ (260,521)
Program income	-	117	-	117	117
Owner income	-	4,000	-	4,000	4,000
	400,000	143,596	-	143,596	(256,404)
<b>Expenditures:</b>					
Capital projects					
Administration	40,000	19,052	-	19,052	20,948
Acquisition	25,000	-	-	-	25,000
Clearance	22,080	8,990	-	8,990	13,090
Reconstruction	175,500	-	-	-	175,500
Relocation	89,750	88,247	-	88,247	1,503
Rehabilitation	47,670	27,442	-	27,442	20,228
Total expenditures	400,000	143,731	-	143,731	256,269
Revenues under expenditures	-	(135)	-	(135)	(135)
Other financing sources					
Transfers from other funds	-	135	-	135	135
Revenues and other financing sources over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance, beginning of year				-	
Fund balance, end of year				\$ -	

**Tyrrell County, North Carolina**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget  
and Actual – NCHFA 2010 Single Family Rehabilitation Project Fund  
From Inception and For The Fiscal Year Ended June 30, 2014  
Schedule 9**

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues:</b>					
Restricted intergovernmental Community Development Block Grant	\$ 251,000	\$ 77,288	\$ 56,394	\$ 133,682	\$(117,318)
Total revenues	251,000	77,288	56,394	133,682	(117,318)
<b>Expenditures:</b>					
Capital projects					
Administration	11,000	2,367	5,079	7,446	3,554
Planning	5,000	-	-	-	5,000
Clearance	40,000	-	-	-	40,000
Rehabilitation	170,000	74,868	51,368	126,236	43,764
Relocation	25,000	-	-	-	25,000
Total expenditures	251,000	77,235	56,447	133,682	117,318
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 53</u>	(53)	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning of year			<u>53</u>		
Fund balance, end of year			<u>\$ -</u>		

**Tyrrell County, North Carolina**  
**Schedules of Revenues and Expenditures – Budget and Actual (Non-GAAP)**  
**Proprietary Fund – Water Operations**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**  
**Schedule 10**

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>REVENUES:</b>				
Charges for services	\$ 703,000	\$ 703,712	\$ 712	\$ 850,464
Connection fees	8,000	10,725	2,725	9,775
Tap fees	7,500	11,700	4,200	12,400
Late fees	13,500	12,324	(1,176)	11,444
Total charges for services	732,000	738,461	6,461	884,083
Other operating revenues	12,362	14,056	1,694	2,945
Total operating revenues	744,362	752,517	8,155	887,028
Nonoperating revenues				
Investment earnings	1,500	1,049	(451)	1,268
Total nonoperating revenues	1,500	1,049	(451)	1,268
Total revenues	745,862	753,566	7,704	888,296
<b>EXPENDITURES:</b>				
Water operations				
Salaries and benefits	355,229	353,599	1,630	342,629
Operating expenditures	363,089	360,188	2,901	360,589
Total	718,318	713,787	4,531	703,218
Capital outlays	14,121	25,456	(11,335)	54,257
Debt service:				
Interest and fees	105,563	105,563	-	-
Total debt service	105,563	105,563	-	-
Total expenditures	838,002	844,806	(6,804)	757,475
Revenues over expenditures	(92,140)	(91,240)	900	130,821
Other financing sources (uses):				
Transfers to other funds	(96,787)	(66,184)	30,603	(206,279)
Transfers from other funds	-	-	-	314,059
Appropriated net assets	188,927	-	188,927	-
Revenues and other financing source (uses) over expenditures	\$ -	(157,424)	\$ (157,424)	238,601
Reconciliation from budgetary basis (modified accrual) to full accrual basis:				
Excess of revenues over expenditures		(157,424)		238,601
Reconciling items:				
Capital outlay		25,456		54,257
Depreciation		(269,354)		(160,726)
Transfers to other funds		-		165,724
Transfers from other funds		-		314,059
(Increase) decrease in other post employment benefits		(11,871)		(11,442)
(Increase) decrease in compensated absences		(4,231)		6,858
Interest Income from Reverse Osmosis Capital Project		-		113
Interest Income from Waste Water 1 and 2 Capital Project		238		1,011
Capital contributions		2,791,116		3,022,924
Total reconciling items		2,531,354		3,392,778
Net income (loss)		\$ 2,373,930		\$ 3,631,379

**Tyrrell County, North Carolina**  
**Schedules of Revenues and Expenditures – Budget and Actual (Non-GAAP)**  
**Proprietary Fund – Sewer Operations**  
**For the Fiscal Year Ended June 30, 2014**  
**(With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2013)**  
**Schedule 11**

	2014		Variance Positive (Negative)	2013
	Budget	Actual		Actual
<b>REVENUES:</b>				
Charges for services	\$ 26,561	\$ 24,209	\$ (2,352)	\$ 13,053
Junction box fees	-	-	-	1,000
Total charges for services	26,561	24,209	(2,352)	14,053
Other operating revenues	-	-	-	-
Total operating revenues	26,561	24,209	(2,352)	14,053
Nonoperating revenues				
Investment earnings	-	13	13	11
Total nonoperating revenues	-	13	13	11
Total revenues	26,561	24,222	(2,339)	14,064
<b>EXPENDITURES:</b>				
Sewer operations				
Salaries and benefits	28,692	23,113	5,579	3,767
Operating expenditures	57,848	44,936	12,912	41,357
Total	86,540	68,049	18,491	45,124
Total expenditures	86,540	68,049	18,491	45,124
Revenues over expenditures	(59,979)	(43,827)	16,152	(31,060)
Other financing sources (uses):				
Transfers from other funds	59,979	41,714	(18,265)	40,380
Revenues and other financing source (uses) over expenditures	\$ -	(2,113)	\$ (2,113)	9,320
Reconciliation from budgetary basis (modified accrual) to full accrual basis:				
Excess of revenues over expenditures		(2,113)		9,320
Reconciling items:				
Total reconciling items		-		-
Net income (loss)		<u>\$ (2,113)</u>		<u>\$ 9,320</u>

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**Tyrrell County, North Carolina**  
**Schedules of Revenues and Expenditures – Budget and Actual (Non-GAAP)**  
**Reverse Osmosis Project Fund**  
**From Inception and For the Fiscal Year Ended June 30, 2014**  
**Schedule 12**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental					
NC Rural Center Grant	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ -
USDA RD Grant	1,000,000	688,069	65,263	753,332	(246,668)
Sales tax reimbursement	-	16,094	-	16,094	16,094
Investment earnings	-	1,615	-	1,615	1,615
	1,100,000	805,778	65,263	871,041	(228,959)
<b>Expenditures</b>					
Facilities construction	2,815,083	3,020,313	24,700	3,045,013	(229,930)
Construction - lines	850,668	812,073	-	812,073	38,595
Contract - Wells	292,260	292,260	-	292,260	-
Engineering design	254,100	246,391	14,058	260,449	(6,349)
Contract - Inspections	228,000	227,981	-	227,981	19
Contingency	175,579	88,876	-	88,876	86,703
Permitting	43,310	45,575	-	45,575	(2,265)
Legal and administrative	30,000	23,704	12,920	36,624	(6,624)
Contract - PER	10,000	10,000	-	10,000	-
Environmental assessment	5,000	5,000	-	5,000	-
	4,704,000	4,772,173	51,678	4,823,851	(119,851)
<b>Debt Service:</b>					
Interest payments	170,000	109,178	-	109,178	60,822
Total	170,000	109,178	-	109,178	60,822
Total expenditures	4,874,000	4,881,351	51,678	4,933,029	(59,029)
Revenues under expenditures	(3,774,000)	(4,075,573)	13,585	(4,061,988)	(287,988)
<b>Other financing sources (uses):</b>					
Proceeds from the issuance of debt	3,524,000	3,524,000	-	3,524,000	-
Transfers to other funds	-	(314,061)	-	(314,061)	(314,061)
Transfers from other funds	250,000	629,010	-	629,010	379,010
Total revenues and other financing sources (uses) over expenditures	3,774,000	3,838,949	-	3,838,949	64,949
Revenues over expenditures	\$ -	\$ (236,624)	\$ 13,585	\$ (223,039)	\$ (223,039)

**Tyrrell County, North Carolina**  
**Schedules of Revenues and Expenditures – Budget and Actual (Non-GAAP)**  
**Waste Water Capital Projects No. 1 and No. 2 Fund**  
**From Inception and For the Fiscal Year Ended June 30, 2014**  
**Schedule 13**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental					
NC Rural Center Grant	\$ 5,525,504	\$ 3,816,575	\$ 2,182,016	\$ 5,998,591	\$ 473,087
NC Clean Water Management Trust Fund	1,703,646	927,039	543,837	1,470,876	(232,770)
CDBG - 21st Century Grant	750,000	747,725	-	747,725	(2,275)
USDA RD Grant	1,525,140	-	-	-	(1,525,140)
NC State University Grant	1,273,420	1,273,420	-	1,273,420	-
Investment earnings	-	5,269	238	5,507	5,507
<b>Total revenues</b>	<b>10,777,710</b>	<b>6,770,028</b>	<b>2,726,091</b>	<b>9,496,119</b>	<b>(1,281,591)</b>
<b>Expenditures</b>					
Phase I - Tyrrell Co. Wastewater Collection System					
Facilities construction	2,800,570	2,585,117	356,756	2,941,873	(141,303)
Washington county transmission line construction	569,905	-	-	-	569,905
Engineering design	184,783	103,144	-	103,144	81,639
Legal and administrative	25,533	38,291	933	39,224	(13,691)
Environmental assessment	36,500	-	-	-	36,500
R/W acquisition	25,000	25,000	-	25,000	-
Permitting	11,665	17,007	-	17,007	(5,342)
Easement survey and mapping	26,500	-	-	-	26,500
Grant administration	75,000	98,368	4,037	102,405	(27,405)
Sewer construction stds	2,903	910	-	910	1,993
Sewer user charge study	7,219	5,848	-	5,848	1,371
Construction administration	34,000	48,858	25,297	74,155	(40,155)
Resident inspection	104,000	51,857	-	51,857	52,143
Interlocal Agreements Assistance	1,027	-	-	-	1,027
Contingency	182,659	-	-	-	182,659
	<b>4,087,264</b>	<b>2,974,400</b>	<b>387,023</b>	<b>3,361,423</b>	<b>725,841</b>
Phase II - Creswell WWTP Improvements					
Facilities construction	4,315,240	2,768,742	2,251,427	5,020,169	(704,929)
Engineering design	256,400	249,472	15,000	264,472	(8,072)
Construction administration	64,100	8,827	47,008	55,835	8,265
Resident construction inspection	124,500	23,844	17,159	41,003	83,497
O & M Manual	15,000	-	-	-	15,000
Subsurface Investigation	7,500	-	-	-	7,500
Sewer Use Ordinance	7,500	-	-	-	7,500
Permitting	10,000	2,781	-	2,781	7,219
Grant Administration	7,500	3,868	-	3,868	3,632
Legal and administrative	-	781	-	781	(781)
Contingency	215,762	12	-	12	215,750
	<b>5,023,502</b>	<b>3,058,327</b>	<b>2,330,594</b>	<b>5,388,921</b>	<b>(365,419)</b>

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Phase III - Tyrrell County Waste					
Water Collection System					
Facilities construction	2,980,000	-	-	-	2,980,000
Engineering design	130,190	105,885	4,191	110,076	20,114
Resident construction inspection	79,000	-	-	-	79,000
Legal and administrative	35,000	18,557	4,045	22,602	12,398
Construction administration	39,300	-	-	-	39,300
Capitalized Interest	20,000	-	-	-	20,000
Insurance	15,000	-	-	-	15,000
Equipment	5,000	-	-	-	5,000
Interlocal agreements assistance	-	148	-	148	(148)
Contingency	105,710	-	-	-	105,710
	3,409,200	124,590	8,236	132,826	3,276,374
<b>Total expenditures</b>	<b>12,519,966</b>	<b>6,157,317</b>	<b>2,725,853</b>	<b>8,883,170</b>	<b>3,636,796</b>
Revenues under expenditures	(1,742,256)	612,711	238	612,949	2,355,205
Other financing sources (uses):					
Transfers from other governments	66,000	-	-	-	(66,000)
Long-term debt - Bond	1,375,000	-	-	-	(1,375,000)
Transfers from other funds	301,256	100,775	-	100,775	(200,481)
<b>Total other financing sources (use)</b>	<b>1,742,256</b>	<b>100,775</b>	<b>-</b>	<b>100,775</b>	<b>(1,641,481)</b>
<b>Revenues over expenditures</b>	<b>\$ -</b>	<b>\$ 713,486</b>	<b>\$ 238</b>	<b>\$ 713,724</b>	<b>\$ 713,724</b>



**Tyrrell County, North Carolina**  
**Combining Schedule of Changes In Assets and Liabilities**  
**Agency Funds**  
**For the Fiscal Year Ended June 30, 2014**  
**Schedule 14**

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
<b>Social Services:</b>				
Assets				
Cash and investments	\$ 1,381	\$ 26,849	\$ 26,025	\$ 2,205
Liabilities				
Miscellaneous liabilities	\$ 1,381	\$ 26,849	\$ 26,025	\$ 2,205
<b>Fines and Forfeitures:</b>				
Assets				
Cash and investments	\$ -	\$ 122,756	\$ 122,756	\$ -
Liabilities				
Miscellaneous liabilities	\$ -	\$ 122,756	\$ 122,756	\$ -
<b>Motor Vehicle Tax:</b>				
Assets				
Cash and investments	\$ 140	\$ -	\$ 140	\$ -
Liabilities				
Miscellaneous liabilities	\$ 140	\$ -	\$ 140	\$ -
<b>Deed of Trust Fund:</b>				
Assets				
Cash and investments	\$ 471	\$ 3,323	\$ 3,379	\$ 415
Liabilities				
Miscellaneous liabilities	\$ 471	\$ 3,323	\$ 3,379	\$ 415
<b>Totals - All Agency Funds:</b>				
Assets				
Cash and investments	\$ 1,992	\$ 152,928	\$ 152,300	\$ 2,620
Liabilities				
Miscellaneous liabilities	\$ 1,992	\$ 152,928	\$ 152,300	\$ 2,620

**Tyrrell County, North Carolina**  
**Schedule of Ad Valorem Taxes Receivable**  
**June 30, 2014**  
**Schedule 15**

Fiscal Year	Uncollected Balance June 30, 2013	Additions	Collections and Credits	Uncollected Balance June 30, 2014
2013-2014	\$ -	\$ 3,679,282	\$ 3,480,587	\$ 198,695
2012-2013	198,924	-	101,303	97,621
2011-2012	96,862	-	42,190	54,672
2010-2011	63,423	-	14,899	48,524
2009-2010	45,301	-	10,175	35,126
2008-2009	41,775	-	5,140	36,635
2007-2008	34,087	-	5,645	28,442
2006-2007	24,375	-	3,102	21,273
2005-2006	24,970	-	1,474	23,496
2004-2005	23,356	-	1,409	21,947
2003-2004	19,605	-	19,605	-
	<u>\$ 572,678</u>	<u>\$ 3,679,282</u>	<u>\$ 3,685,529</u>	566,431
Ad valorem taxes receivable - net				<u>\$ 566,431</u>
Reconciliation with revenues:				
Ad valorem taxes - General Fund				\$ 3,658,339
Reconciling items				
Discounts allowed				24,179
Current year abatements				82,377
Current year debt set-off				1,871
Interest and penalties collected				(51,204)
Amounts written off for prior years				(30,033)
Total reconciling items				<u>27,190</u>
Total Collections and Credits				<u>\$ 3,685,529</u>

**Tyrrell County, North Carolina**  
**Analysis of Current Tax Levy – County-Wide Levy**  
**June 30, 2014**  
**Schedule 16**

	County Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current years rate	\$ 502,534,928	69%	\$ 3,467,491	\$ 3,379,565	\$ 87,926
Solid waste	-		210,900	210,900	-
<b>Total</b>	<b>502,534,928</b>		<b>3,678,391</b>	<b>3,590,465</b>	<b>87,926</b>
Discoveries:					
Current year taxes	42,174	69%	291	291	-
Solid waste	-		600	600	-
<b>Total</b>	<b>502,577,102</b>		<b>3,679,282</b>	<b>3,591,356</b>	<b>87,926</b>
Abatements	-	69%	-	-	-
<b>Total property valuation</b>	<b>\$ 502,577,102</b>				
Net Levy			3,679,282	3,591,356	87,926
Uncollected taxes at June 30, 2014			198,695	181,792	16,903
Current years taxes collected			\$ 3,480,587	\$ 3,409,564	\$ 71,023
Current levy collection percentage			94.60%	94.94%	80.78%



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**INDEPENDENT AUDITOR'S 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 Commissioners  
Tyrrell 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 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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Tyrrell County, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprises Tyrrell County, North Carolina's basic financial statements and have issued our report thereon dated May 29, 2015. Our report includes a reference to other auditors who audited the financial statements of the Tyrrell County ABC Board, as described in our report on Tyrrell County, North Carolina's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Tyrrell County ABC Board were not audited in accordance with Governmental Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Tyrrell County, North Carolina's internal control over financial reporting (internal control) to determine the 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 Tyrrell County, North Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of Tyrrell County, 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 may exist that have not been identified.

We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs, finding number 2014-01, that we consider to be a significant deficiency.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Tyrrell County, North Carolina's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2014-01.

## **Tyrrell County's Response to Findings**

Tyrrell County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

This report is intended 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.

*Carly Riggs & Ingram, L.L.C.*

Goldsboro, North Carolina  
May 29, 2015



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

To the Board of Commissioners  
Tyrrell County, North Carolina

**Report on Compliance for Each Major Federal Program**

We have audited the Tyrrell County, North Carolina's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Tyrrell County, North Carolina's major federal programs for the year ended June 30, 2014. Tyrrell County, North Carolina's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Tyrrell County, North Carolina's major federal programs based on our audit of the types of compliance requirements referred to above. 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tyrrell County, North Carolina's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Tyrrell County, North Carolina's compliance.

**Opinion on Each Major Federal Program**

In our opinion, Tyrrell County, 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, 2014.

**Report on Internal Control over Compliance**

Management of Tyrrell County, North Carolina is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tyrrell County, North Carolina's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tyrrell County, North Carolina's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Cary, Riggs & Ingram, L.L.C.*

Goldsboro, North Carolina  
May 29, 2015



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## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

To the Board of Commissioners  
Tyrrell County, North Carolina

### **Report on Compliance for Each Major State Program**

We have audited Tyrrell County, North Carolina's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Tyrrell County, North Carolina's major state programs for the year ended June 30, 2014. Tyrrell County, North Carolina's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Tyrrell County, North Carolina's major state programs based on our audit of the types of compliance requirements referred to above. 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; applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Tyrrell County, North Carolina's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Tyrrell County, North Carolina's compliance.

### **Opinion on Each Major State Program**

In our opinion, Tyrrell County, 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, 2014.



## Report on Internal Control Over Compliance

Management of Tyrrell County, North Carolina is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tyrrell County, North Carolina's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance with OMB Circular A-133 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tyrrell County, North Carolina's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

*Carr, Riggs & Ingram, L.L.C.*

Goldsboro, North Carolina  
May 29, 2015

**Tyrrell County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For The Year Ended June 30, 2014**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses X \_\_\_\_\_ yes \_\_\_\_\_ none
- Noncompliance material to financial statements Noted \_\_\_\_\_ yes X no

Federal Awards

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

CFDA Number      Name of Federal Program  
 93.778            Title XIX – Medicaid

Dollar threshold used to distinguish between Type A and Type B Programs \$300,000

Auditee qualified as low-risk auditee? X \_\_\_\_\_ Yes \_\_\_\_\_ no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses \_\_\_\_\_ yes X none

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

Any audit findings disclosed that are required to be accordance with State Single Audit Implementation Act \_\_\_\_\_ yes X no

Identification of major state program:

Name of Program  
 Title XIX – Medicaid State Match  
 Clean Water Management Trust Fund Grant

**Tyrrell County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For The Year Ended June 30, 2014**

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**Section II. Financial Statement Findings**

---

**Finding: 2014-01**

SIGNIFICANT DEFICIENCY

Criteria: In accordance with North Carolina General Statutes 159-34, each unit of local government and public authority shall have its accounts audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts.

Condition: The audited financial statements for the fiscal year ended June 30, 2014 were not issued until May 29, 2015.

Effect: The County was in violation of the statute which resulted in the lack of timely information on which to base financial decisions.

Cause: Four separate individuals have held the finance officer position during the 2½ year period ending with this fiscal year end which resulted in difficulty compiling the necessary complete and accurate information for presentation in the audited financial statements.

Recommendation: The County should hire an experienced individual for the finance officer position.

Views of responsible officials and planned corrective actions: The Board of Commissioners agrees with the finding and has hired a qualified individual for the finance officer position. Please refer to the corrective action plan on page 100.

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**Section III. Federal Award Findings and Questioned Costs**

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**None reported**

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**Section IV. State Award Findings and Questioned Cost**

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**None reported**

**Tyrrell County, North Carolina  
Corrective Action Plan  
For The Year Ended June 30, 2014**

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**Section II. Financial Statement Findings**

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**Finding: 2014-01**

Name of contract person: Karen Gerhart, Finance Officer

Corrective Action: The County will hire an experienced finance officer

Proposed completion Date: September 30, 2014

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**Section III. Federal Award Findings and Questioned Cost**

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**None reported**

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**Section IV. State Award Findings and Questioned Cost**

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**None reported**

**Tyrrell County, North Carolina  
Summary Schedule of Prior Year Audit Findings  
For The Year Ended June 30, 2014**

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**Section II. Financial Statement Findings**

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None reported

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**Section III. Federal Award Findings and Questioned Cost**

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None reported

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**Section IV. State Award Findings and Questioned Cost**

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None reported

**Tyrrell County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Fiscal Year Ended June 30, 2014**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<b>Federal Awards:</b>					
<u>U.S. Dept. of Agriculture</u>					
<u>Food and Nutrition Service</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Administration:					
<u>Supplemental Nutrition Assistance Program:</u>					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	XXXX	\$ 117,792	\$ -	\$ 117,659
Total Supplemental Nutrition Assistance Program			117,792	-	117,659
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Direct Benefit Payments:					
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557	XXXX	146,284	-	-
Total Food and Nutrition Service			264,076	-	117,659
<u>Rural Development</u>					
Rural Development Grants	10.760	XXXX	65,263	-	-
Total U.S. Dept. of Agriculture			329,339	-	117,659
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Crime Control and Public Safety:					
Division of Emergency Management					
Emergency Management Performance Grant (FEMA)	97.042	XXXX	32,694	-	-
Hazard Mitigation Grant	97.039	XXXX	52,315	-	-
Total U. S. Department of Homeland Security			85,009	-	-
<u>U.S. Dept. of Health &amp; Human Services</u>					
<u>Administration for Children and Families</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
<u>Foster Care and Adoption Cluster:</u>					
Title IV-E Foster Care - CPS	93.658	XXXX	6,571	3,994	5,181
Title IV-E Foster Care - Office Training	93.658	XXXX	8,833	-	8,672
Title IV-E Foster Care - Adoption Subsidy	93.659	XXXX	3,744	978	978
Title IV-E Foster Care - Adoption - Office Training	93.659	XXXX	151	-	151
Foster Care - Direct Benefit Payments	93.658	XXXX	1,271	246	246
Total Foster Care and Adoption Cluster (Note 3)			20,570	5,218	15,228

**Tyrrell County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Fiscal Year Ended June 30, 2014**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Work First/TANF-Direct Benefit Payments	93.558	XXXX	44,810	-	6,073
Work First - Administration	93.558	XXXX	20,925	-	3,719
TANF Payments & Penalties	93.558	XXXX	17,430	-	(520)
Title IV-D Child Support Enforcement - Administration	93.563	XXXX	46,162	-	23,781
Title IV-D Child Support Enforcement - Offset Fees - ESC	94.563	XXXX	13	-	7
Title IV-D Child Support Enforcement - Offset Fees - Federal	95.563	XXXX	208	-	107
Energy Assistance Payments- Direct Benefit Payments	93.568	XXXX	44,400	-	-
Low Income Energy - Administration	93.568	XXXX	4,570	-	-
<u>U.S. Dept. of Health &amp; Human Services</u>					
<u>Administration for Children and Families</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Crisis Intervention Program	93.568	XXXX	43,164	-	-
Permanency Planning - Families for Kids	93.645	XXXX	2,756	-	919
SSBG - In-Home Services	93.667	XXXX	175	-	25
SSBG - Other Services and Training	93.667	XXXX	28,292	3,933	10,741
Total Division of Social Services			273,475	9,151	60,080
Subsidized Child Care (Note 3)					
<u>Child Care Development Fund Cluster</u>					
Division of Social Services					
Child Care Development Fund - Administration	93.596	XXXX	79,774	-	-
Division of Child Development					
Child Care and Development Fund - Discretionary	93.575		46,496	-	-
Child Care and Development Fund - Mandatory	93.596		30,098	-	-
Child Care and Development Fund - Match	93.596		6,628	-	-
Total Child Care Fund Cluster			162,996	-	-
Temporary Assistance for Needy Families	93.558		25,387	-	
Foster Care Title IV-E	93.658		1,251	654	
State Appropriations		XXXX	-	12,101	
TANF-MOE		XXXX	-	3,929	
Total Subsidized Child Care Cluster			189,634	16,684	-
<u>Centers for Medicare and Medicaid Services</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Medical Assistance:					
Direct Benefit Payments:					
Medical Assistance Program	93.778	XXXX	3,608,481	2,088,146	21
Total Division of Medical Assistance			3,608,481	2,088,146	21

**Tyrrell County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Fiscal Year Ended June 30, 2014**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Division of Social Services:					
Administration:					
Medical Assistance Program - Administration	93.778	XXXX	206,683	-	178,597
Medical Transportation Assistance	93.778	XXXX	43,714	-	43,714
Medical Assistance Expansion	93.778	XXXX	7,531	7,531	-
State County Special Assistance	93.778	XXXX	3,639	-	4,347
State Children's Insurance Program - Health Choice	93.767	XXXX	12,682	219	3,787
Total Division of Social Services			274,249	7,750	230,445
Total U.S. Dept. of Health and Human Services			4,345,839	2,121,731	290,546
<u>U. S. Department of Housing and Urban Development</u>					
Passed-through N.C. Housing Finance Agency:					
Division of Emergency Management					
Emergency Management Performance Grant (FEMA)	14.239	XXXX	56,394	-	-
Total U. S. Department of Homeland Security			56,394	-	-
Total federal awards			\$ 4,816,581	\$ 2,121,731	\$ 408,205



**Tyrrell County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Fiscal Year Ended June 30, 2014**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<b>State Awards:</b>					
<u>N.C. Department of Environment and Natural Resources</u>					
Division of Soil and Water Conservation					
Soil Conservation		XXXX	\$ -	\$ 20,154	\$ -
Total Division of Clean Water Management			-	20,154	-
Division of Clean Water Management					
Clean Water Trust Grants		XXXX	-	568,436	-
Total NC Dept of Invironment and Natural Resources			-	588,590	-
<u>N.C. Department of Transportation</u>					
Public Transportation Division					
Human Service Transportation Program - FY13		DOT-3	-	4,299	-
Human Service Transportation Program - FY14		DOT-3	-	13,582	-
Total Public Transportation Division			-	17,881	-
Rural Operating Assistance Program					
ROAP Elderly and Disabled Transportation Assistance Program		DOT-16CL	-	45,355	-
ROAP Work First Transitional - Employment Transportation Assistance Program		DOT-16CL	-	3,332	-
Total ROAP			-	48,687	-
Total Public Transportation Division			-	66,568	-
Total NC. Department of Transportation			-	66,568	-
<u>N.C. Department of Juvenile Justice and Delinquency Prevention</u>					
Juvenile Crime Prevention Council Programs		XXXX	-	46,894	-
<u>N.C. Department of Administration</u>					
Veterans Service		XXXX	-	1,452	-

**Tyrrell County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Fiscal Year Ended June 30, 2014**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>N.C. Department of Insurance</u>					
Senior Health Insurance Program		XXXX	-	5,523	-
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services					
Administration:					
Child Welfare Services Adoption Subsidy		XXXX	-	10,458	3,486
SC/SA Domiciliary Care payment		XXXX	-	38,598	38,598
Total Division of Social Service			-	49,056	42,084
Total N.C. Department of Health and Human Services			-	49,056	42,084
Total State awards			-	758,083	42,084
Total federal and State awards			\$ 4,816,581	\$ 2,879,814	\$ 450,289



**Tyrrell County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Fiscal Year Ended June 30, 2014**

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

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1. Basis of Presentation

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

2. The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care, Foster Care and Adoption.