

TYRRELL COUNTY, NORTH CAROLINA

FINANCIAL AND COMPLIANCE REPORT

As of and for the Year Ended June 30, 2024

And Reports of Independent Auditor

TYRRELL COUNTY, NORTH CAROLINA
TABLE OF CONTENTS

REPORT OF INDEPENDENT AUDITOR 1-3

MANAGEMENT’S DISCUSSION AND ANALYSIS 4-12

FINANCIAL STATEMENTS

Basic Financial Statements

 Government-Wide Financial Statements

 Exhibit 1 – Statement of Net Position 13

 Exhibit 2 – Statement of Activities 14-15

 Fund Financial Statements

 Exhibit 3 – Balance Sheet – Governmental Funds 16

 Exhibit 3 – Reconciliation of the Governmental Funds Balance Sheet to the
 Statement of Net Position 17

 Exhibit 4 – Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Governmental Funds 18

 Exhibit 4 – Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of the Governmental Funds to the
 Statement of Activities 19

 Exhibit 5 – Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – General Fund 20

 Exhibit 6 – Statement of Net Position – Proprietary Fund 21

 Exhibit 7 – Statement of Revenues, Expenses, and Changes in Net Position –
 Proprietary Fund 22

 Exhibit 8 – Statement of Cash Flows – Proprietary Fund 23

 Notes to Financial Statements 24-68

Required Supplementary Information

 Schedule of County’s Proportionate Share of the Net Pension Liability (Asset) for Local
 Government Employees’ Retirement System 69

 Schedule of County Contributions for Local Government Employees’ Retirement System 70

 Schedule of County’s Proportionate Share of the Net Pension Liability (Asset) for Register
 of Deeds’ Supplemental Pension Fund 71

 Schedule of County Contributions for Register of Deeds’ Supplemental Pension Fund 72

 Schedule of Changes in Total Pension Liability Law Enforcement Officers’ Special
 Separation Allowance 73

 Schedule of Total Pension Liability as a Percentage of Covered Payroll Law Enforcement
 Officers’ Special Separation Allowance 74

 Schedule of Changes in Total OPEB Liability and Related Ratios 75

TYRRELL COUNTY, NORTH CAROLINA
TABLE OF CONTENTS

Combining and Individual Fund Statements and Schedules

Schedule 1 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 General Fund – Budget and Actual 76-81

Schedule 2 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Capital Outlay Fund (a Sub Fund of the General Fund) – Budget and
 Actual 82

Schedule 3 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Revaluation Fund (a Sub Fund of the General Fund) – Budget and
 Actual 83

Schedule 4 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Directed Grants Fund - Budget and Actual..... 84

Schedule 5 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Public School Building Capital Fund - Budget and Actual..... 85

Schedule 6 – Combining Balance Sheet – Non-major Governmental Funds 86-87

Schedule 7 – Combining Schedule of Revenues, Expenditures, and Changes in Fund
 Balances – Non-major Governmental Funds 88-89

Schedule 8 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 ARPA Fund – Budget and Actual 90

Schedule 9 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Representative Payee Fund – Budget and Actual 91

Schedule 10 – Schedule of Revenues, Expenditures, and Changes in Fund
 Balances – Deed of Trust Fund – Budget and Actual 92

Schedule 11 – Schedule of Revenues, Expenditures, and Changes in Fund
 Balances – Fines and Forfeitures Fund – Budget and Actual 93

Schedule 12 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 School Capital Outlay Fund - Budget and Actual 94

Schedule 13 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Opioid Settlement Fund - Budget and Actual 95

Schedule 14 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 CDBG Projects Fund - Budget and Actual 96

Schedule 15 – Schedule of Revenues, Expenditures, and Changes in Fund
 Balance – Stream Debris Removal Project Fund - Budget and
 Actual 97

Schedule 16 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Scuppernon River Dock Project Fund - Budget and Actual 98

Schedule 17 – Schedule of Revenues and Expenditures — Water and Sewer Operation
 Proprietary Fund - Budget and Actual 99-100

Schedule 18 – Schedule of Revenues and Expenditures, and Changes in Fund Balance -
 Gum Neck Water Tank Fund - Budget and Actual 101

Schedule 19 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Tourism Development Authority - Budget and Actual 102

Other Supplemental Information

Schedule 20 – Schedule of Ad Valorem Taxes Receivable 103

Schedule 21 – Analysis of Current Tax Levy – County-Wide Levy 104

TYRRELL COUNTY, NORTH CAROLINA
TABLE OF CONTENTS

Compliance Section

Report of Independent Auditor 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*..... 105-106

Report of Independent Auditor on Compliance for Each Major Federal Program and
on Internal Control over Compliance Required by the Uniform Guidance and the
State Single Audit Implementation Act 107-109

Report of Independent Auditor on Compliance for Each Major State Program and
on Internal Control over Compliance Required by the Uniform Guidance and
the State Single Audit Implementation Act 110-112

Schedule of Findings and Questions Costs..... 113-114

Summary Schedule of Prior Audit Findings 115

Schedule of Expenditures of Federal and State Awards 116-121

Notes to the Schedule of Expenditures of Federal and State Awards 122

Report of Independent Auditor

To the Board of County Commissioners
Tyrrell County, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tyrrell County, North Carolina (the "County") as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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 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 the County as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Tyrrell County ABC Board (the "Board") which represents 92% of the assets, 90% of the net position, and 97% of the revenues of the aggregate discretely presented component units as of June 30, 2024. 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 Board, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Board were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, other supplemental information, and the schedule of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State Single Audit Implementation Act, are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual financial statements and schedules, other supplemental information, 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.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, 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 County, as of and for the year ended June 30, 2023 (none of which is presented herein), and we expressed unmodified opinions on those basic financial statements. Those audits were conducted for purposes of forming an opinion on the basic financial statements as a whole. The accompanying combining and individual fund financial statements and schedules, which include prior year comparative amounts, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In our opinion, the accompanying combining and individual fund financial statements and schedules is fairly stated, in all material respects in relation to, the basic financial statements from which it has been derived.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2025 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Raleigh, North Carolina
January 13, 2025

TYRRELL COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

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, 2024. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$17,320,779 (net position).
- The government's total net position increased by \$741,458.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$3,360,627 after a net increase in fund balances of \$423,923. Approximately 65.5% of this total amount, or \$2,213,435 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$96,126.
- The County's total long-term liabilities decreased by \$82,988 during the current fiscal year. The key factors in the change were changes in pension liabilities and principal payments on debt.

Overview of the Financial Statements

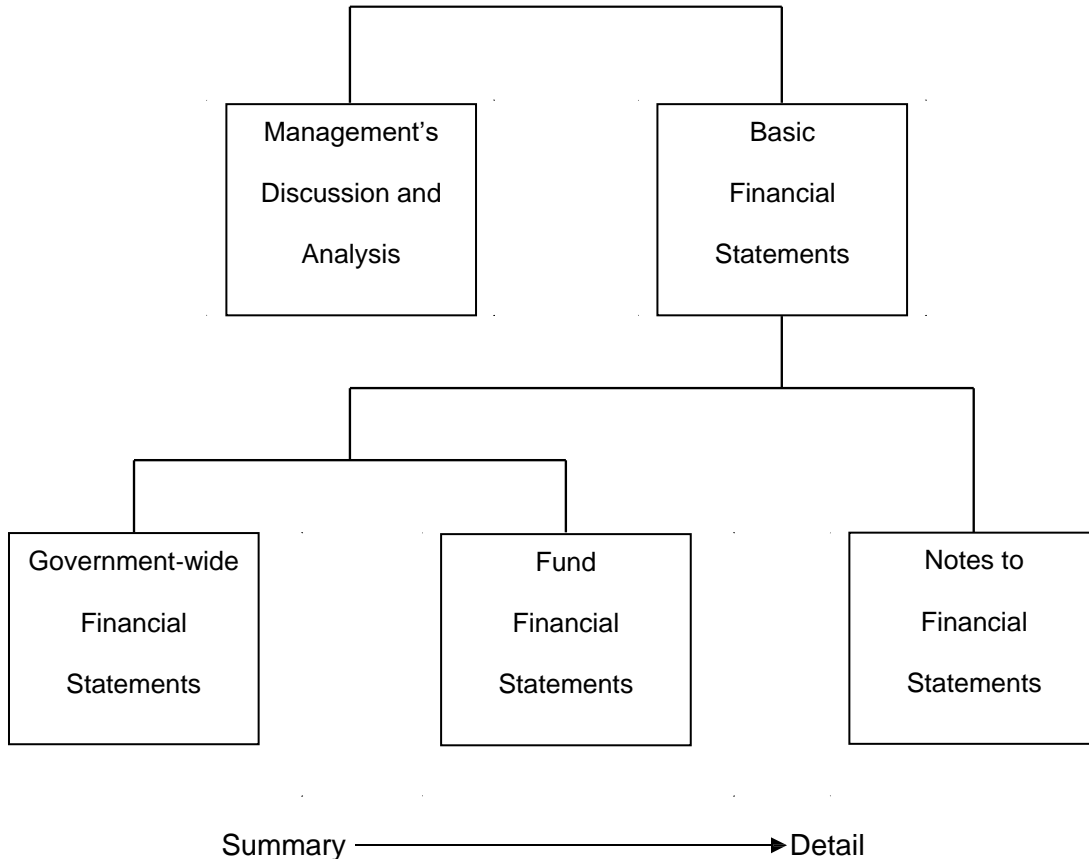
This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of the following three components: government-wide financial statements, fund financial statements, and notes to the financial statements.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

**TYRRELL COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2024

Required Components of Annual Financial Report

Figure 1



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 8) 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 three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary 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 added together in one column on the basic financial statements. Budgetary information required by the North Carolina 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 and OPEB plans.

TYRRELL COUNTY, NORTH CAROLINA MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

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 services. 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.

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 two categories: governmental funds and proprietary funds.

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

TYRRELL COUNTY, NORTH CAROLINA MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Proprietary Funds – The County has one 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.

Notes to 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 financial statements start on page 24 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 70 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. Under North Carolina law, the County is responsible for providing capital funding for the school system. The County meets its legal obligation to provide school system capital funding through both current appropriations and issuance of installment purchase debt. Although certain asset purchases and construction projects are funded by the County, all such facilities are owned and utilized by the school system.

The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17,320,779 as of June 30, 2024. The County's net position increased by \$741,458 during fiscal year ended June 30, 2024. One of the largest portions \$16,113,028 (93.0%) reflects the County's net investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment). 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 \$2,422,211 (14.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$1,214,460) (-7.0%) is unrestricted.

**TYRRELL COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2024

	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
	2023	2024	2023	2024	2023	2024
Assets						
Current and other assets	\$ 4,491,452	\$ 5,150,356	\$ 2,644,461	\$ 2,995,837	\$ 7,135,913	\$ 8,146,193
Capital assets	4,621,578	4,782,461	16,686,051	16,444,399	21,307,629	21,226,860
Total assets	<u>9,113,030</u>	<u>9,932,817</u>	<u>19,330,512</u>	<u>19,440,236</u>	<u>28,443,542</u>	<u>29,373,053</u>
Deferred outflows of resources	<u>1,671,246</u>	<u>1,467,726</u>	<u>191,385</u>	<u>183,457</u>	<u>1,862,631</u>	<u>1,651,183</u>
Liabilities						
Accounts payable and accrued liabilities	923,650	1,257,812	91,509	264,564	1,015,159	1,522,376
Total long-term liabilities	5,958,817	5,983,593	4,915,968	4,808,204	10,874,785	10,791,797
Total liabilities	<u>6,882,467</u>	<u>7,241,405</u>	<u>5,007,477</u>	<u>5,072,768</u>	<u>11,889,944</u>	<u>12,314,173</u>
Deferred inflows of resources	<u>1,653,590</u>	<u>1,233,902</u>	<u>183,318</u>	<u>155,382</u>	<u>1,836,908</u>	<u>1,389,284</u>
Net position						
Net investment in capital assets	3,592,227	3,834,629	12,427,051	12,278,399	16,019,278	16,113,028
Restricted	1,225,334	2,217,177	202,378	217,903	1,427,712	2,435,080
Unrestricted	(2,569,342)	(3,126,570)	1,701,673	1,899,241	(867,669)	(1,227,329)
Total net position	<u>\$ 2,248,219</u>	<u>\$ 2,925,236</u>	<u>\$ 14,331,102</u>	<u>\$ 14,395,543</u>	<u>\$ 16,579,321</u>	<u>\$ 17,320,779</u>

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

- Continued diligence in the collection of property taxes by maintaining an overall collection percentage of approximately 96%.
- The County has received several grants to fund various improvement projects in the County such as the Hurricane Matthew Debris Removal Project, ARPA funding through NCDEQ for the Gum Neck Elevated Storage Tank and Booster Station Project and CAMA and BIG grants for the expansion of the Scuppernong River Dock. The River Dock Expansion has been closed out and the majority of the Hurricane Matthew Debris work has been completed. The Gum Neck Elevated Storage Tank and Booster Station Project was bid out, but the funding is not sufficient to cover the project as it stands currently.
- The County received appropriations from the State Capital & Infrastructure Fund and the 2022 Appropriations Act. The scope of work for these was approved by the Office of State Budget & Management and work continues to bring these projects to fruition.
- The County also received funding through the Local Assistance and Tribal Consistency Fund as a general revenues enhancement program.
- Additional funding was received through the Needs-Based Public School Capital Fund to enable the moving forward of the Schools Technology & Learning Center project. As of June 30, 2024, the construction of the building was approximately 96% completed.

**TYRRELL COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2024

	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
	2023	2024	2023	2024	2023	2024
Revenues						
Program Revenues						
Charges for Services	\$ 498,945	\$ 447,871	\$ 1,658,935	\$ 1,669,532	\$ 2,157,880	\$ 2,117,403
Operating Grants and Contributions	1,762,044	2,763,022	-	-	1,762,044	2,763,022
Capital Grants and Contributions	473,500	1,494,756	82,250	107,375	555,750	1,602,131
General Revenues						
Property Taxes	4,831,731	4,815,892	-	-	4,831,731	4,815,892
Other Taxes	1,146,580	1,231,298	-	-	1,146,580	1,231,298
Other	383,396	459,418	23,456	37,883	406,852	497,301
Total Revenues	9,096,196	11,212,257	1,764,641	1,814,790	10,860,837	13,027,047
Expenses						
General government	2,013,181	3,080,081	-	-	2,013,181	3,080,081
Public safety	1,875,583	1,861,556	-	-	1,875,583	1,861,556
Human services	2,423,709	2,387,740	-	-	2,423,709	2,387,740
Education	1,035,213	2,019,522	-	-	1,035,213	2,019,522
Environmental protection	633,796	641,161	-	-	633,796	641,161
Economic and physical development	299,387	295,540	-	-	299,387	295,540
Cultural and recreational	184,345	186,560	-	-	184,345	186,560
Interest on Debt	65,266	63,080	-	-	65,266	63,080
Water and Sewer	-	-	1,700,895	1,750,349	1,700,895	1,750,349
Total Expenses	8,530,480	10,535,240	1,700,895	1,750,349	10,231,375	12,285,589
Increase (decrease) in net position before capital contributions	565,716	677,017	63,746	64,441	629,462	741,458
Transfers	-	-	-	-	-	-
Increase in net position	565,716	677,017	63,746	64,441	629,462	741,458
Net Position, beginning	1,682,503	2,248,219	14,213,137	14,331,102	15,895,640	16,579,321
Net Position, ending	\$ 2,248,219	\$ 2,925,236	\$ 14,331,102	\$ 14,395,543	\$ 16,579,321	\$ 17,320,779

Governmental Activities – Governmental activities increased the County’s net position by \$677,017. Key elements of this increase are as follows:

- Decrease in Property and Motor Vehicle Tax revenue
- Increase in Local Option Sales Tax
- Increase in Interest Income earned on investments
- LATCF Funding for General Revenue enhancement
- Increase in Salaries and Benefits
- Increase in Solid Waste disposal costs

Business-type Activities – Business-type activities increased the County’s net position by \$64,441. Key elements for this overall increase were:

- Water Revenue continues to be affected by the low number of inmates and staff occupying the Tyrrell County Prison Work Farm
- NC Department of Public Safety provided a Grant-in-Aid to cover the debt payments
- Generational infrastructure repairs

**TYRRELL COUNTY, NORTH CAROLINA
MANAGEMENT’S DISCUSSION AND ANALYSIS**

JUNE 30, 2024

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, Tyrrell County’s fund balance available for appropriation in the General Fund was \$1,989,574 while total fund balance reached \$2,552,567. The County currently has an available for appropriation fund balance of 24.78% of general fund expenditures, the total fund balance represents 31.79% of the same amount.

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 total budgeted revenues by \$311,308. Appropriated fund balance decreased by \$50,122.

Capital Assets and Long-term Debt Highlights

Capital Assets – The County’s investment in capital assets for its governmental and business–type activities as of June 30, 2024, totals \$21,226,860 (net of accumulated depreciation). These assets include land, buildings, machinery, vehicles, and equipment.

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

- 4-2023 Vehicles for the Sheriff Department
- 2002 East Trailer, 2017 Dodge Caravan and a Toro 4000 series 72” mower for Buildings and Grounds
- 2023 Homestead Trailer and a Mini Full Matrix Message Sign with Charger for Emergency Management
- SCADA Computers and the Replacement of a Reverse Osmosis Membrane for the Water Department
- Scuppernon River Dock Expansion
- Columbia Theatre Roof Replacement

	<u>Governmental Activities</u> <u>2023</u>	<u>Governmental Activities</u> <u>2024</u>	<u>Business-Type Activities</u> <u>2023</u>	<u>Business-Type Activities</u> <u>2024</u>	<u>Total Primary Government</u> <u>2023</u>	<u>Total Primary Government</u> <u>2024</u>
Land	\$ 851,558	\$ 851,558	\$ 68,261	\$ 68,261	\$ 919,819	\$ 919,819
Buildings and improvements	2,784,148	2,777,747	3,222	2,661	2,787,370	2,780,408
Equipment and vehicles	392,612	613,365	58,892	71,299	451,504	684,664
Plant and distribution system	-	-	16,473,426	16,112,553	16,473,426	16,112,553
Right to use - buildings	593,260	527,543	-	-	593,260	527,543
Construction in progress	-	12,248	82,250	189,625	82,250	201,873
Total Capital Assets, net	<u>\$ 4,621,578</u>	<u>\$ 4,782,461</u>	<u>\$ 16,686,051</u>	<u>\$ 16,444,399</u>	<u>\$ 21,307,629</u>	<u>\$ 21,226,860</u>

Additional information on the County’s capital assets can be found in Note 2.A.5 of the Basic Financial Statements.

**TYRRELL COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2024

Long-term Debt – As of June 30, 2024, the County had total long-term liabilities outstanding of \$10,791,797. This debt consists of term debt with the United States Department of Agriculture for renovations of the court facilities. Revenue bonds for the construction of both water and sewer projects. It also consists of compensated absences, net pension liabilities, lease liabilities and other postemployment benefits.

	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
	2023	2024	2023	2024	2023	2024
Term debt	\$ 414,522	\$ 376,414	\$ -	\$ -	\$ 414,522	\$ 376,414
Leases	614,829	571,418	-	-	614,829	571,418
Revenue bonds	-	-	4,259,000	4,166,000	4,259,000	4,166,000
Net pension liabilities	1,453,444	1,546,545	180,140	170,209	1,633,584	1,716,754
Compensated absences	146,254	164,770	22,768	18,661	169,022	183,431
Total other postemployment benefits	3,329,768	3,324,446	454,060	453,334	3,783,828	3,777,780
Total Long-Term Debt	<u>\$ 5,958,817</u>	<u>\$ 5,983,593</u>	<u>\$ 4,915,968</u>	<u>\$ 4,808,204</u>	<u>\$ 10,874,785</u>	<u>\$ 10,791,797</u>

Tyrrell County's total long-term liabilities decreased by \$82,988 during the past year.

Additional information on the County's long-term debt can be found in Note 2.B.6 of the Basic Financial Statements.

TYRRELL COUNTY, NORTH CAROLINA MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Economic Factors and Next Year's Budgets and Rates

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

- Visitor center traffic increased.
- School rating increases.
- Infrastructure for water/sewer has begun.
- Pocosin Arts classes are increasing with new facilities.
- 4-H Center is back to pre-pandemic levels.
- Seafood Market increases services.
- Increase in crabbing/aquaculture provided additional employment and revenue.
- Assisted Living Center provided additional economic engine.
- Marked increase in hunting and birding.
- Significant ABC Store revenue enhancement.
- Increased tourism to Red Wolf Education Center's mural by Matthew Wiley.
- Focus on a regional passenger ferry has been consistent and productive.
- Increased ecotourism.
- Increased B&B rentals.
- Inner Banks Mercantile gets publicity in Our State Magazine.
- Pocosin Lakes Center staffed by USFW full time volunteers.
- Royal Farms Constructed
- Opening of a Silk Screen Printer
- Re-opening of the Columbia Crossing Restaurant

Budget Highlights for the Fiscal Year Ending June 30, 2025

Governmental Activities — Budgeted expenditures in the General Fund are expected to rise approximately 9.8% to \$9,326,368. The budget moves the pay plan and salaries by 20% to help combat issues of retention and market-based salaries. The property tax rate was held to \$.95 per one hundred dollars of taxable value. Local Option Sales Taxes were estimated to increase 3% over prior year. A small decrease from prior year in earnings on investments was budgeted to account for anticipated lower interest rates. Solid waste services for curbside trash and bulk pickup increased from \$12.86 to \$20.30 per container per month, excluding the cost of recycling which is no longer a viable service offered by our contractor. The tipping fee for solid waste delivered to the East Carolina Environmental Landfill increased by 3.09%. Therefore, the solid waste fee charged to residents was increased by \$45, to \$285 annually, to help offset these increased costs. The LCID pickup service and container rentals increased by 4.7%. The LCID fee charged to residents was increased by \$2, to \$45 annually, to help cover increased costs.

Business-type Activities – The County continues to negotiate with State executive and legislative leaders to minimize the impact of the shutdown and ultimate return of a limited number of inmates and staff to the Tyrrell Prison Work Farm. This decreased use of the facility will continue to negatively affect private sector employment and sales, as well as the County's sale of potable water to the facility. There were no water or sewer rate changes included.

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 Manager, Tyrrell County, Post Office Box 449, Columbia, NC 27925.

TYRRELL COUNTY, NORTH CAROLINA
EXHIBIT 1 – STATEMENT OF NET POSITION

JUNE 30, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total Primary Government	Tyrrell County Tourism Development Authority	Tyrrell County ABC Board
Assets					
Cash and cash equivalents	\$ 1,914,553	\$ 2,441,114	\$ 4,355,667	\$ -	\$ 310,065
Restricted cash and cash equivalents	1,688,179	217,903	1,906,082	71,752	-
Taxes Receivables, net	438,832	-	438,832	-	-
Receivables, net	436,311	257,269	693,580	3,664	-
Due from other governments	611,880	9,950	621,830	-	-
Internal balances	2,400	(2,400)	-	-	-
Leases receivable	54,339	-	54,339	-	-
Inventories	-	72,001	72,001	-	243,656
Prepaid expense	120	-	120	-	-
Net pension asset - ROD	3,742	-	3,742	-	-
Capital assets:					
Nondepreciable	863,806	257,886	1,121,692	-	21,735
Depreciable, net	3,918,655	16,186,513	20,105,168	-	247,533
Total capital assets	4,782,461	16,444,399	21,226,860	-	269,268
Total assets	9,932,817	19,440,236	29,373,053	75,416	822,989
Deferred outflows of resources	1,467,726	183,457	1,651,183	-	13,654
Liabilities					
Accounts payable and accrued liabilities	764,559	264,564	1,029,123	191	99,264
Customer deposits	200	-	200	-	-
Unearned revenue	493,053	-	493,053	-	-
Long-term liabilities:					
Net pension liability - LGERS	1,377,143	170,209	1,547,352	-	20,200
Total pension liability - LEOSSA	169,402	-	169,402	-	-
Total liability - OPEB	3,324,446	453,334	3,777,780	-	-
Due in less than one year	86,602	94,000	180,602	-	17,835
Due in more than one year	1,026,000	4,090,661	5,116,661	-	37,723
Total long-term liabilities	5,983,593	4,808,204	10,791,797	-	75,758
Total liabilities	7,241,405	5,072,768	12,314,173	191	175,022
Deferred inflows of resources	1,233,902	155,382	1,389,284	-	726
Net position					
Net investment in capital assets	3,834,629	12,278,399	16,113,028	-	213,710
Restricted for:					
Stabilization by State statute	1,096,303	-	1,096,303	-	-
Controlled substance tax	17,860	-	17,860	-	-
Drug forfeiture funds	15,861	-	15,861	-	-
Court facilities	90,061	-	90,061	-	-
Register of Deeds	20,194	-	20,194	-	-
School capital outlay	533,036	-	533,036	-	-
USDA reserve	67,572	217,903	285,475	-	-
Tax revaluation	75,957	-	75,957	-	-
Opioid settlement fund	106,097	-	106,097	-	-
Tourism Development	-	-	-	75,225	-
Health services	14	-	14	-	-
Capital improvements	190,480	-	190,480	-	197,561
Pensions	3,742	-	3,742	-	-
Working capital	-	-	-	-	29,642
Unrestricted	(3,126,570)	1,899,241	(1,227,329)	-	219,982
Total net position	\$ 2,925,236	\$ 14,395,543	\$ 17,320,779	\$ 75,225	\$ 660,895

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

TYRRELL COUNTY, NORTH CAROLINA
EXHIBIT 2 – STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 3,080,081	\$ 110,153	\$ 1,034,168	\$ 111,251
Public safety	1,861,556	337,718	119,258	-
Human services	2,387,740	-	1,583,406	-
Education	2,019,522	-	-	1,323,257
Environmental protection	641,161	-	26,190	-
Economic and physical development	295,540	-	-	12,248
Cultural and recreational	186,560	-	-	48,000
Interest on debt	63,080	-	-	-
Total governmental activities	<u>10,535,240</u>	<u>447,871</u>	<u>2,763,022</u>	<u>1,494,756</u>
Business-type activities:				
Water and sewer	1,750,349	1,669,532	-	107,375
Total business-type activities	<u>1,750,349</u>	<u>1,669,532</u>	<u>-</u>	<u>107,375</u>
Total primary government	<u>\$ 12,285,589</u>	<u>\$ 2,117,403</u>	<u>\$ 2,763,022</u>	<u>\$ 1,602,131</u>
Component units:				
Tyrrell Tourism Development Authority	\$ 9,038	\$ 26,587	\$ -	\$ -
Tyrrell County ABC Board	900,144	994,046	-	-
Total component units	<u>\$ 909,182</u>	<u>\$ 1,020,633</u>	<u>\$ -</u>	<u>\$ -</u>

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

TYRRELL COUNTY, NORTH CAROLINA
EXHIBIT 2 – STATEMENT OF ACTIVITIES (CONTINUED)

YEAR ENDED JUNE 30, 2024

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Tyrrell County	Tyrrell
				Tourism Development Authority	County ABC Board
Governmental activities:					
General government	\$ (1,824,509)	\$ -	\$ (1,824,509)	\$ -	\$ -
Public safety	(1,404,580)	-	(1,404,580)	-	-
Human Services	(804,334)	-	(804,334)	-	-
Education	(696,265)	-	(696,265)	-	-
Environmental protection	(614,971)	-	(614,971)	-	-
Economic and physical development	(283,292)	-	(283,292)	-	-
Cultural and recreational	(138,560)	-	(138,560)	-	-
Interest on debt	(63,080)	-	(63,080)	-	-
Total governmental activities	<u>(5,829,591)</u>	<u>-</u>	<u>(5,829,591)</u>	<u>-</u>	<u>-</u>
Business-type activities:					
Water and sewer	-	26,558	26,558	-	-
Total business-type activities	<u>-</u>	<u>26,558</u>	<u>26,558</u>	<u>-</u>	<u>-</u>
Total primary government	<u>(5,829,591)</u>	<u>26,558</u>	<u>(5,803,033)</u>	<u>-</u>	<u>-</u>
Component units:					
Tyrrell Tourism Development Authority				17,549	-
Tyrrell County ABC Board				-	93,902
Total component units				<u>17,549</u>	<u>93,902</u>
General revenues:					
Property taxes, levied for general purpose	4,815,892	-	4,815,892	-	-
Local option sales taxes	1,183,347	-	1,183,347	-	-
Other taxes and licenses	47,951	-	47,951	-	-
Unrestricted intergovernmental	57,955	-	57,955	-	-
Investment earnings, unrestricted	264,328	37,883	302,211	1,516	1,507
Miscellaneous, unrestricted	137,135	-	137,135	-	-
Total general revenues	<u>6,506,608</u>	<u>37,883</u>	<u>6,544,491</u>	<u>1,516</u>	<u>1,507</u>
Change in net position	677,017	64,441	741,458	19,065	95,409
Net position - beginning	<u>2,248,219</u>	<u>14,331,102</u>	<u>16,579,321</u>	<u>56,160</u>	<u>565,486</u>
Net position - ending	<u>\$ 2,925,236</u>	<u>\$ 14,395,543</u>	<u>\$ 17,320,779</u>	<u>\$ 75,225</u>	<u>\$ 660,895</u>

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

TYRRELL COUNTY, NORTH CAROLINA
EXHIBIT 3 – BALANCE SHEET – GOVERNMENTAL FUNDS

JUNE 30, 2024

	Major				
	General	Directed Grants	Public School Building Capital Fund	Total Non-Major Funds	
Assets					
Cash and cash equivalents	1,914,553	\$ -	\$ -	\$ -	\$ 1,914,553
Restricted cash and cash equivalents	431,902	488,599	112,969	654,709	1,688,179
Taxes Receivables, net	438,832	-	-	-	438,832
Receivables, net	26,796	-	333,754	75,761	436,311
Lease receivable	54,339	-	-	-	54,339
Due from other funds	71,207	-	76	-	71,283
Due from other governments	487,005	-	-	124,875	611,880
Prepaid expense	120	-	-	-	120
Total assets	\$ 3,424,754	\$ 488,599	\$ 446,799	\$ 855,345	\$ 5,215,497
Liabilities					
Accounts payable and accrued liabilities	\$ 311,260	\$ -	\$ 438,343	\$ 14,956	\$ 764,559
Due to other funds	76	8,418	-	60,389	68,883
Customer deposits	200	-	-	-	200
Unearned revenue	32,476	437,197	8,380	15,000	493,053
Total liabilities	344,012	445,615	446,723	90,345	1,326,695
Deferred inflows of resources	528,175	-	-	-	528,175
Fund balances					
Nonspendable:					
Leases	1,036	-	-	-	1,036
Restricted:					
Stabilization by State Statute	561,837	-	333,830	200,636	1,096,303
Controlled substance tax	17,860	-	-	-	17,860
Drug forfeiture funds	15,861	-	-	-	15,861
Court facilities	90,061	-	-	-	90,061
Register of Deeds	20,194	-	-	-	20,194
School capital outlay	-	-	-	533,036	533,036
Capital outlay	55,420	42,984	76	-	98,480
USDA reserve	67,572	-	-	-	67,572
Health services	-	-	-	14	14
Opioid settlement fund	-	-	-	106,097	106,097
Tax revaluation	75,957	-	-	-	75,957
Helipad	92,000	-	-	-	92,000
Assigned:					
Recreation	52,197	-	-	-	52,197
Fire Protection	27,149	-	-	-	27,149
Subsequent year's expenditures	1,379,297	-	-	-	1,379,297
Unassigned	96,126	-	(333,830)	(74,783)	(312,487)
Total fund balances	2,552,567	42,984	76	765,000	3,360,627
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,424,754	\$ 488,599	\$ 446,799	\$ 855,345	\$ 5,215,497

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

TYRRELL COUNTY, NORTH CAROLINA

EXHIBIT 3 – RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Ending fund balance - governmental funds	\$	3,360,627
Capital assets are not financial resources, and therefore, are not reported in the funds		4,782,461
Pension and OPEB assets, liabilities and related deferrals are not reported in the fund statements:		
Net pension asset - ROD		3,742
Pension liabilities - LGERS and LEOSSA		(1,546,545)
OPEB liability		(3,324,446)
Pension and OPEB related deferrals		299,996
Deferred inflows of resources for unavailable taxes and special assessments are not reported in the government-wide financial statements.		462,003
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		(1,112,602)
Net position of governmental activities	<u>\$</u>	<u>2,925,236</u>

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

TYRRELL COUNTY, NORTH CAROLINA

EXHIBIT 4 – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2024

	Major				
	General	Directed Grants	Public School Building Capital Fund	Total Non-Major Funds	Total Governmental Funds
Revenues					
Ad valorem taxes	\$ 4,770,245	\$ -	\$ -	\$ -	\$ 4,770,245
Other taxes	743,134	-	-	-	743,134
Unrestricted intergovernmental revenue	57,955	-	-	-	57,955
Restricted intergovernmental revenue	1,655,592	153,271	1,323,257	1,563,244	4,695,364
Licenses and permits	337,839	-	-	2,337	340,176
Sales and services	24,317	-	-	83,378	107,695
Interest earned on investments	224,628	29,620	-	10,080	264,328
Miscellaneous	104,595	-	76	2,578	107,249
Total revenues	7,918,305	182,891	1,323,333	1,661,617	11,086,146
Expenditures					
Current:					
General government	1,822,082	99,368	-	1,018,882	2,940,332
Public safety	1,744,588	-	-	-	1,744,588
Economic and physical development	293,473	-	-	-	293,473
Human services	2,366,972	-	-	8,528	2,375,500
Cultural and recreational	186,560	-	-	-	186,560
Education	596,265	-	1,323,257	100,000	2,019,522
Environmental protection	640,908	-	-	-	640,908
Infrastructure	-	6,633	-	-	6,633
Capital outlay	228,288	47,270	-	76,229	351,787
Debt service:					
Principal payments	38,108	-	-	-	38,108
Interest and fees	19,690	-	-	-	19,690
Principal payments - leases	43,411	-	-	-	43,411
Interest and fees - leases	43,390	-	-	-	43,390
Total expenditures	8,023,735	153,271	1,323,257	1,203,639	10,703,902
Excess (deficiency) of revenues over (under) expenditures	(105,430)	29,620	76	457,978	382,244
Other financing sources (uses)					
Sale of capital assets	41,679	-	-	-	41,679
Transfers in	205,624	-	-	5,000	210,624
Transfers out	(5,000)	-	-	(205,624)	(210,624)
Total other financing sources (uses)	242,303	-	-	(200,624)	41,679
Net change in fund balances	136,873	29,620	76	257,354	423,923
Fund balance - beginning	2,415,694	13,364	-	507,646	2,936,704
Fund balance - ending	\$ 2,552,567	\$ 42,984	\$ 76	\$ 765,000	\$ 3,360,627

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

TYRRELL COUNTY, NORTH CAROLINA

**EXHIBIT 4 – RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2024

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

Net change in fund balances - total governmental funds \$ 423,923

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. 160,883

Capital Outlay	\$ 351,787
Depreciation	(229,689)
Donated Capital Asset	48,000
Assets disposed	(9,215)

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. 81,519

Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements. 45,647

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. (34,955)

Change in net position of governmental activities \$ 677,017

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

TYRRELL COUNTY, NORTH CAROLINA

EXHIBIT 5 – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND

YEAR ENDED JUNE 30, 2024

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 4,751,440	\$ 4,751,440	\$ 4,770,245	\$ 18,805
Other taxes	684,100	684,100	743,134	59,034
Unrestricted intergovernmental revenue	60,083	60,083	57,955	(2,128)
Restricted intergovernmental revenue	1,635,091	1,786,948	1,655,592	(131,356)
Licenses and permits	324,086	323,286	337,839	14,553
Sales and services	24,485	24,485	24,317	(168)
Interest earned on investments	120,300	180,300	216,579	36,279
Miscellaneous	9,029	109,280	104,595	(4,685)
Total revenues	<u>7,608,614</u>	<u>7,919,922</u>	<u>7,910,256</u>	<u>(9,666)</u>
Expenditures:				
Current:				
General government	1,916,064	1,877,186	1,767,741	109,445
Public safety	2,062,594	2,218,584	1,972,323	246,261
Economic and physical development	280,945	307,084	293,473	13,611
Human services	2,703,590	2,821,721	2,453,773	367,948
Cultural and recreational	189,027	189,027	186,560	2,467
Education	596,265	596,265	596,265	-
Environmental protection	679,545	679,545	640,908	38,637
Debt service:				
Principal payments	38,068	38,068	38,108	(40)
Interest and fees	19,730	19,730	19,690	40
Total expenditures	<u>8,485,828</u>	<u>8,747,210</u>	<u>7,968,841</u>	<u>778,369</u>
Revenues over (under) expenditures	<u>(877,214)</u>	<u>(827,288)</u>	<u>(58,585)</u>	<u>768,703</u>
Other financing sources (uses):				
Sale of capital assets	-	28,150	41,679	13,529
Transfers in	205,624	205,624	187,550	(18,074)
Transfers out	(5,000)	(32,954)	(5,000)	27,954
Total other financing sources (uses)	<u>200,624</u>	<u>200,820</u>	<u>224,229</u>	<u>23,409</u>
Revenues and other financing sources over expenditures and other financing uses	<u>(676,590)</u>	<u>(626,468)</u>	<u>165,644</u>	<u>792,112</u>
Appropriated fund balance	<u>676,590</u>	<u>626,468</u>	<u>-</u>	<u>(626,468)</u>
Net Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>165,644</u>	<u>\$ 165,644</u>
Fund Balances:				
Beginning of year, July 1			<u>2,273,844</u>	
End of year, June 30			<u>2,439,488</u>	
The legally budgeted Revaluation Fund and Capital Outlay Fund are consolidated into the General Fund for reporting purposes:				
Investment earnings			8,049	
Revaluation Contract Services			(54,894)	
Transfers from other funds			18,074	
Fund Balance, Beginning of year			<u>141,850</u>	
			<u>113,079</u>	
Fund Balance, End of year			<u>\$ 2,552,567</u>	

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

TYRRELL COUNTY, NORTH CAROLINA
EXHIBIT 6 – STATEMENT OF NET POSITION – PROPRIETARY FUND

JUNE 30, 2024

	Water & Sewer Fund
Assets	
Current assets	
Cash and investments	\$ 2,441,114
Receivables, net	267,219
Inventories	72,001
Total current assets	<u>2,780,334</u>
Noncurrent assets	
Cash and Investments - Restricted	217,903
Capital assets, net of accumulated depreciation	16,444,399
Total noncurrent assets	<u>16,662,302</u>
Total assets	<u>19,442,636</u>
Deferred outflows of resources	<u>183,457</u>
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	264,564
Current portion of bonds	94,000
Due to other funds	2,400
Total current liabilities	<u>360,964</u>
Noncurrent liabilities	
Bonds payable, net of current portion	4,072,000
Compensated absences	18,661
Net pension liability - LGERS	170,209
Other postemployment benefits liability	453,334
Total noncurrent liabilities	<u>4,714,204</u>
Total liabilities	<u>5,075,168</u>
Deferred inflows of resources	<u>155,382</u>
Net position	
Net investment in capital assets	12,278,399
Restricted	217,903
Unrestricted	1,899,241
Total net position	<u>\$ 14,395,543</u>

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

TYRRELL COUNTY, NORTH CAROLINA**EXHIBIT 7 – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUND**

YEAR ENDED JUNE 30, 2024

	Water & Sewer Fund
Operating revenues	
Charges for services	\$ 1,615,339
Other operating revenue	54,193
Total operating revenues	<u>1,669,532</u>
Operating expenses	
Salaries and employee benefits	413,276
Operating expenses	708,154
Depreciation	510,620
Total operating expenses	<u>1,632,050</u>
Operating income	<u>37,482</u>
Nonoperating revenue (expense)	
Interest earned on investments	37,883
Interest expense	(118,299)
Total nonoperating revenue (expense)	<u>(80,416)</u>
Capital Contributions	<u>107,375</u>
Increase in net position	<u>64,441</u>
Total net position - beginning	<u>14,331,102</u>
Total net position - ending	<u>\$ 14,395,543</u>

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

TYRRELL COUNTY, NORTH CAROLINA
EXHIBIT 8 – STATEMENT OF CASH FLOWS – PROPRIETARY FUND

YEAR ENDED JUNE 30, 2024

	Water & Sewer Fund
Operating activities	
Cash received from customers	\$ 1,568,483
Cash paid for goods and services	(537,139)
Cash paid to employees for services	(448,048)
Other operating revenue	54,593
Net cash provided by operating activities	<u>637,889</u>
Capital and related financing activities	
Acquisition of capital assets	(268,968)
Grant received for capital project	107,375
Interest paid on long-term debt	(118,299)
Principal paid on long-term debt	(93,000)
Net cash used in capital and related financing activities	<u>(372,892)</u>
Investing activities	
Investment earnings	37,884
Net cash provided by investing activities	<u>37,884</u>
Net increase in cash and cash equivalents	<u>302,881</u>
Cash and cash equivalents	
Beginning of year	<u>2,356,136</u>
End of year	<u>\$ 2,659,017</u>
Reconciliation of operating income to net cash provided by (used in) operating activities	
Operating income	\$ 37,482
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	
Depreciation expense	510,620
Net pension expense	(13,952)
OPEB expense	(16,713)
Change in assets and liabilities:	
(Increase) decrease in receivables	(46,856)
(Increase) decrease in inventory	(2,039)
Increase (decrease) in accounts payable and accrued liabilities	173,054
Increase (decrease) in compensated absences	(4,107)
Increase (decrease) in due to other funds	400
Total adjustments	<u>600,407</u>
Net cash provided by (used in) operating activities	<u>\$ 637,889</u>
Noncash investing, capital, and financing activities	
Cash and cash equivalents	
Unrestricted	\$ 2,441,114
Restricted	217,903
Total	<u>\$ 2,659,017</u>

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

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies

The accounting policies of Tyrrell County and its component units conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”) 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 U.S. GAAP, 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 discretely presented component units and are reported in a separate column in the government-wide financial statements to emphasize they are both legally and substantively separate from the County. The Authority does not issue separate financial statements. Accordingly, all relevant information required by generally accepted accounting principles (fund statements and reconciliations to government-wide statements) is presented as supplementary information in the County’s financial statement.

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 Authority exists to promote tourism within the county. The County commissioners appointed the governing board of the Authority and at least one-half of the members are required to be active in the promotion of travel and tourism within the County or must be affiliated with businesses that collect the occupancy taxes. The County has final approval of the appointees to the governing board. The county finance officer is the ex officio finance officer of the Authority.	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. 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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

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

Fund Financial Statements – The fund financial statements provide information about the County's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each 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, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

General Fund – This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Revaluation fund and the Capital Outlay fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation they are consolidated in the General Fund.

Directed Grants Fund – This fund is used to account for income and expenses relating to certain grants obtained by the County.

Public School Building Capital Fund – This fund is used to account for income and expenses relating to restricted grant funds received for School capital projects.

The County reports the following major enterprise fund:

Water and Sewer Fund – This fund is used to account for the operations of the water and sewer system within the County. The Gum Neck Water Tank capital project fund has been consolidated into this fund for reporting purposes.

The County reports the following fund types:

Non-major Funds – The County maintains several non-major funds. The Representative Payee fund, Deed of Trust fund, Fines and Forfeitures fund, School Capital Outlay fund, Opioid Settlement fund and American Rescue Plan fund are reported as a non-major special revenue funds. The Stream Debris Removal Project fund, CDBG Projects fund, Gum Neck Water Tank fund, and the Scuppernong River Dock fund are reported as capital projects funds. In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

Government-wide and Proprietary Fund Financial Statements – The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied and in the period in which it was intended to fund. 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 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/amortization 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, lease liabilities, 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. Issuances of general long-term debt, leases initiated during the year, and new IT subscription acquisition 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. The State of North Carolina is responsible for billing and collecting the property taxes on 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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

Sales taxes and certain intergovernmental revenues, such as the beer and wine 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. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. 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 is 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 Revaluation Fund, School Capital Outlay Fund, Capital Outlay Fund, Representative Payee Fund, Deed of Trust Fund, Fines and Forfeitures Fund, and the Water and Sewer Fund. All annual appropriations lapse at the fiscal year-end. Project Ordinances are adopted for the ARPA Special Revenue Fund, Directed Grants Fund, Grants Fund, the CDBG Projects Fund, the Public School Building Capital Fund, the Stream Debris Removal Project, Opioid Settlement Fund, Gum Neck Water Tank Fund and the Scuppernong River Dock Fund.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and the project level for the multi-year funds. The County Manager has the authority to transfer the budget between line item expenditures within a department, excluding salary and benefit line items. The governing board must approve all other 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 of Resources, and Net Position / Fund Balance

1. Deposits and Investments

All deposits of the County, the Tyrrell County Tourism Development Authority, and the Tyrrell County 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").

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

The County’s investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Government Portfolio, an SEC registered (2a-7) external investment pool, is measured at fair value, which is the NCCMT’s share price.

2. Cash and Cash Equivalents

The County pools monies from several funds to facilitate disbursement and investment and maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Authority and the ABC Board consider demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

Tyrrell County Restricted Cash

Governmental Activities:		
General Fund	Customer deposits	\$ 200
General Fund	Drug forfeiture funds	15,861
General Fund	Court facilities funds	90,061
General Fund	Register of Deeds	20,194
General Fund	USDA reserve	67,572
General Fund	Recreation	52,197
General Fund	Tax revaluation	75,957
General Fund	Controlled substance tax	17,860
Grant Project Fund	Helipad	92,000
ARPA Fund	Unassigned proceeds	15,000
CDBG	Unexpended grant funds	562
Opioid Settlement Fund	Unexpended settlement proceeds	106,097
Directed Grants Fund	Unexpended grant funds	488,599
Representative Payee Fund	Representative payee funds	14
School Capital Outlay Fund	Unexpended restricted sales tax	533,036
Public School Building Capital Fund	Unexpended grant funds	112,969
	Total Governmental Activities	<u>\$ 1,688,179</u>
Business-Type Activities		
Water & Sewer Funds	USDA reserve	<u>\$ 217,903</u>
	Total Business-Type Activities	<u>\$ 217,903</u>
Tyrrell County Tourism Development Authority Restricted Cash		
Business-Type Activities	Unexpended occupancy tax funds	<u>\$ 71,752</u>
		<u>\$ 71,752</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

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, 2023.

5. Lease Receivable

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. There are no variable components under the lease agreement. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is recognized on a straight-line basis over the term of the lease.

6. 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.

7. 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 or resale. 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.

Prepaid items for the County's governmental funds are treated using the consumption method.

8. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization costs are as follows: land, 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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

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

	<u>Useful Life</u>
Buildings	50 years
Plant and distribution systems	10-50 years
Improvements	25 years
Equipment	3 - 10 years
Furniture	10 years
Vehicles	6 years

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

	<u>Useful Life</u>
Building	20 years
Furniture	10 years
Fixtures	10-20 years

The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

9. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net assets that applies to a future period and, therefore, it will not be recognized as an expense or expenditure until then. The County has several items that meet the criterion – pension and other postemployment benefit plan (“OPEB”) related deferrals and contributions made to the OPEB and pension plan in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net assets that applies to a future period and so it will not be recognized as revenue until then. The County has three items that meet the criterion for this category – prepaid taxes, OPEB, leases and pension related deferrals. In addition, certain unavailable revenues related to taxes are reported as deferred inflows of resources, but only on the balance sheet of the governmental funds.

10. Long-term Obligations

In the government-wide financial statements and in the proprietary funds types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statements of net position.

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

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

11. Compensated Absences

The vacation policies of the County and the ABC Board provide for the accumulation of up to 30 days earned vacation leave with such leave being fully vested when earned. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned in the County's government-wide, proprietary fund, and ABC Board.

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

12. Opioid Settlement Funds

In April 2022, drug manufacturer Johnson & Johnson, and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion-dollar nationwide settlement related to multiple opioid lawsuits. These funds will be disbursed to each participating state over an 18-year period according to an allocation agreement reached with all participating states. The majority of these funds are intended for opioid abatement and the distribution of the funds will be front loaded.

North Carolina's Memorandum of Agreement (MOA) between the state and local governments for the settlement funds allocates the funds as follows:

- 15% directly to the State ("State Abatement Fund")
- 80% to abatement funds established by Local Governments ("Local Abatement Funds")
- 5% to a County Incentive Fund.

The County received \$73,262 as part of this settlement in Fiscal Year 2024. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. \$6,261 has been expended as of June 30, 2024. The MOA offered the County two options of expending the funds. The County opted for Option A, which allows the County to fund one or more high-impact strategies from a list of evidence-based strategies to combat the opioid epidemic.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

13. Net Position/Fund Balances

Net Position – Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either 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:

Nonspendable 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 in tact.

Lease Receivable, net – portion of fund balance that is not an available resource because it is not in spendable form. The reported amount is calculated by reducing the lease receivable by the related deferred inflow of 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 – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State Statute ("RSS") is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 158-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures at that the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation". RSS is reduced by inventories and prepaids as they are classified as non-spendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

Restricted Controlled Substance Tax Funds – portion of fund balance that is restricted for law enforcement agencies to deter and investigate crimes, especially drug offenses by state statute [G.S. 105-113.105].

Restricted Drug Forfeiture Funds – portion of fund balance that is restricted for law enforcement purposes by state statute [G.S. 159-8(a)].

Restricted for Court Facilities – portion of fund balance that is restricted to provide, maintain, and construct court room and related judicial facilities by state statutes [G.S. 7A-304(a)(2), G.S. 7A-305(a), 7A-306(a), and 7A-307(a)].

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

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.

Restricted for School Capital Outlay– portion of fund balance that is restricted by revenue source that can only be used for school capital outlay.

Restricted for USDA Reserve – portion of fund balance that is restricted based on the requirements of debt agreements with the USDA.

Restricted for Tax Revaluation – portion of fund balance that can only be used for tax revaluation by state statute [G.S. 153A-150].

Restricted for Health Services – portion of fund balance that can only be used to benefit beneficiaries under the Social Security’s Representative Payee Program.

Restricted for Opioid Settlement Fund – portion of fund balance that can only be used based on the requirements of the Opioid Settlement.

Restricted for Capital Outlay – portion of fund balance that is restricted for capital outlay.

Restricted for Helipad – portion of fund balance that is restricted for a helipad.

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

Recreation – portion of fund balance that is appropriated for recreation purposes.

Fire Protection – portion of fund balance that is appropriated for the future purchase of a fire truck.

Subsequent Year’s Expenditures – portion of fund balance that is appropriated in the next year’s budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorized the manager to modify the appropriations within departments in a fund, excluding salaries or other benefit line items.

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

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

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

14. Defined Benefit Pension and OPEB Plans

The County participates in three cost-sharing, multiple employer defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System ("LGERS") and the Registers of Deeds' Supplemental Pension Fund ("RODSPF"); the Law Enforcement Officers' Special Separation Allowance ("LEOSSA") (collectively, the "state-administered defined benefit pension plans"); and one OPEB, the Healthcare Benefits Plan. For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and when the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and are payable in accordance with the terms of the state-administered defined benefit pension plans. Investments are reported at fair value.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

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 reconciliation between total fund balance for the governmental funds and net position for governmental activities as reported in the government-wide statement of net position. The net adjustment of (\$435,391) consists of several elements as follows:

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)

	\$ 8,872,545
Less accumulated depreciation	<u>(4,090,084)</u>
Net capital assets	4,782,461
Pension related deferrals	299,996
Net pension asset - ROD	3,742
Deferred inflows of resources for taxes and special assessments	462,003
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:	
Leases payable	(571,418)
Notes payable	(376,414)
Pension liabilities - LGERS and LEOSSA	(1,546,545)
Other postemployment benefits	(3,324,446)
Compensated absences	<u>(164,770)</u>
Total adjustment	<u>\$ (435,391)</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1—Summary of significant accounting policies (continued)

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in net position of governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The total adjustment of \$253,094 is comprised of the following:

<u>Description</u>	<u>Amount</u>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 351,787
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements	(229,689)
Sale of capital asset is reported as a revenue in the governmental funds statement without subtracting the net book value of the capital asset sold	(9,215)
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	81,519
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:	
Compensated absences	(18,516)
Other postemployment benefits	5,322
Pension expense	(93,632)
Deferred inflows-pension and OPEB	264,490
Deferred outflows-pension and OPEB	(192,619)
	<u>(34,955)</u>
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	
Donated capital asset	48,000
Decrease in deferred inflows of resources - unavailable taxes	45,647
Total adjustment	<u>\$ 253,094</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds

A. Assets

1. Deposits

All of the County's, the Authority's, and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the County's, the Authority's, or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, the Authority and the ABC Board, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the Authority, the ABC Board, or the with 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 the 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 when designating official depositories and verifying that deposits are properly secured. The County, the Authority, and the ABC Board do not have policies regarding custodial credit risk for deposits.

At June 30, 2024, County's deposits had a carrying amount of \$592,723 and a bank balance of \$469,968. Of the bank balance, \$250,000 was covered by federal depository insurance and \$219,954 was covered by collateral held under the Pooling Method. At June 30, 2024, the County had \$496 cash on hand.

At June 30, 2024, the carrying amount of deposits for the Authority was \$40,264 and the bank balance was \$40,520. All of the bank balance was covered by federal depository insurance.

At June 30, 2024, the carrying amount of deposits for the ABC Board was \$309,065 and the bank balance was \$291,313. All of the bank balance was covered by federal depository insurance.

At June 30, 2024, the ABC Board had \$1,000 cash on hand.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

2. Investments

At June 30, 2024, the County had the following investments and maturities.

<u>Investments by Type</u>	<u>Valuation Measurement Method</u>	<u>Book Value at June 30, 2024</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$ 5,668,530	N/A	AAAm
		<u>\$ 5,668,530</u>		

At June 30, 2024, the Authority had the following investments and maturities.

<u>Investments by Type</u>	<u>Valuation Measurement Method</u>	<u>Book Value at June 30, 2024</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$ 31,488	N/A	AAAm
		<u>\$ 31,488</u>		

Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than six months. The NCCMT Government Portfolio has an AAAM rating from S&P and AAA-mf by Moody’s Investor Service.

All investments of the County and Authority are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the County’s investment policy limits at least half of the County’s investment portfolio to maturities of less than 12 months. Also, the County’s investment policy requires purchases of securities to be tiered with staggered maturity dates and limits all securities to a final maturity of not more than three years.

Credit Risk – The County and Authority investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard and Poor’s as of June 30, 2024. The County and Authority have no policy on credit risk. These amounts are included within cash on the statement of net position.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

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

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

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 944,806	\$ 309,422	\$ 1,254,228
2022	966,534	229,552	1,196,086
2023	965,602	142,426	1,108,028
2024	961,598	55,292	1,016,890
	<u>\$ 3,838,540</u>	<u>\$ 736,692</u>	<u>\$ 4,575,232</u>

4. Receivables

Receivables at the government-wide level at June 30, 2024 were as follows:

	<u>Accounts</u>	<u>Taxes Receivable</u>	<u>Lease Receivable</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities:					
General Fund	\$ 26,796	\$ 438,832	\$ 54,339	\$ 487,005	\$ 1,006,972
Other governmental	409,515	-	-	124,875	534,390
Total governmental activities	<u>\$ 436,311</u>	<u>\$ 438,832</u>	<u>\$ 54,339</u>	<u>\$ 611,880</u>	<u>\$ 1,541,362</u>
Business-type Activities:					
Water and sewer	\$ 410,448	\$ -	\$ -	\$ 9,950	\$ 420,398
Allowance for doubtful accounts	(153,179)	-	-	-	(153,179)
Total business-type activities	<u>\$ 257,269</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,950</u>	<u>\$ 267,219</u>

Due from other governments that is owed to the County consists of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Local option sales tax	\$ 184,017	\$ -
Sales taxes	403,404	-
Capital grants	24,459	9,950
Total	<u>\$ 611,880</u>	<u>\$ 9,950</u>

In 2021, the County entered into a lease of a building for a period of five years. There are no variable components in the lease. The lease receivable is measured as the present value of the future minimum rent payment expected to be received during the lease term at a discount rate of 0%. In fiscal year 2024, the County recognized \$22,056 of lease revenue under the lease.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

5. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 851,558	\$ -	\$ -	\$ 851,558
Construction in Process	-	12,248	-	12,248
Total capital assets not being depreciated	851,558	12,248	-	863,806
Capital assets being depreciated:				
Buildings and improvements	4,951,267	111,981	-	5,063,248
Vehicles and equipment	2,020,205	275,558	67,185	2,228,578
Furniture	57,735	-	-	57,735
Right to use - buildings	659,178	-	-	659,178
Total capital assets being depreciated	7,688,385	387,539	67,185	8,008,739
Less accumulated depreciation for:				
Buildings and improvements	2,167,119	118,382	-	2,285,501
Vehicles and equipment	1,636,768	40,086	57,970	1,618,884
Furniture	48,560	5,504	-	54,064
Right to use - buildings	65,918	65,717	-	131,635
Total accumulated depreciation	3,918,365	\$ 229,689	\$ 57,970	4,090,084
Total capital assets being depreciated, net	3,770,020			3,918,655
Governmental capital assets, net	<u>\$ 4,621,578</u>			<u>\$ 4,782,461</u>

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

Governmental activities:	
General government	\$ 124,240
Public safety	99,757
Human services	4,131
Economic and physical development	1,561
Total	<u>\$ 229,689</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 68,261	\$ -	\$ -	\$ 68,261
Construction in Process	82,250	107,375	-	189,625
Total capital assets not being depreciated	150,511	107,375	-	257,886
Capital assets being depreciated:				
Plant and distribution systems	23,522,257	122,343	-	23,644,600
Buildings	21,837	-	-	21,837
Furniture	1,602	-	-	1,602
Vehicles and equipment	582,929	39,250	-	622,179
	24,128,625	161,593	-	24,290,218
Less accumulated depreciation for:				
Plant and distribution system	7,048,831	483,216	-	7,532,047
Buildings	18,615	561	-	19,176
Furniture	1,601	-	-	1,601
Vehicles and equipment	524,038	26,843	-	550,881
	7,593,085	510,620	-	8,103,705
Total capital assets being depreciated, net	16,535,540			16,186,513
Water and Sewer capital assets, net	\$ 16,686,051			\$ 16,444,399

Construction commitments

The government has active construction projects as of June 30, 2024. The projects consist of construction of the Gum Neck Elevated Water Tank and renovations at the Health Department building. At June 30, 2024, the government's commitments under contract are as follows:

Project	Spent to date	Remaining Commitment
Gum Neck Water Tank	\$ 189,625	\$ 173,375
Health Department Renovations	12,248	44,526
	<u>\$ 201,873</u>	<u>\$ 217,901</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Discretely presented component unit

Activity for the ABC Board for the year ended June 30, 2024 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 21,735	\$ -	\$ -	\$ 21,735
Total capital assets not being depreciated	21,735	-	-	21,735
Capital assets being depreciated:				
Building	357,527	-	-	357,527
Furniture and fixtures	35,752	-	-	35,752
Total capital assets being depreciated	393,279	-	-	393,279
Less accumulated depreciation	135,119	\$ 10,627	\$ -	145,746
Total capital assets being depreciated, net	258,160			247,533
ABC Board capital assets, net	\$ 279,895			\$ 269,268

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

B. Liabilities

1. Pension Plan and Other Postemployment Obligations

a. Local Governmental Employee's Retirement System

Plan Description – The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, NC 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided – LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

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

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Contributions – Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County’s contractually required contribution rate for the year ended June 30, 2024 was 14.04% of compensation for law enforcement officers and 12.94% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$328,919 for the year ended June 30, 2024.

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

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

At June 30, 2024, the County reported a liability of \$1,547,352 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2024, the County’s proportion was .02336%, which was a decrease of .00282% from its proportion as of June 30, 2023 (measured as of June 30, 2021.)

For the year ended June 30, 2024, the County recognized pension expense of \$443,886. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 172,421	\$ 3,712
Changes of assumptions	65,754	-
Net difference between projected and actual earnings on pension plan investments	414,139	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,094	44,228
Employer contributions subsequent to the measurement date	328,919	-
Total	<u>\$ 995,327</u>	<u>\$ 47,940</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

\$328,919 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending June 30:</u>	
2025	\$ 224,984
2026	108,196
2027	267,775
2028	<u>17,513</u>
	<u>\$ 618,468</u>

Actuarial Assumptions – The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.25% to 8.25%, including inflation and productivity factor
Investment rate of return	6.5%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

Future ad hoc COLA amounts are not considered to be substantively automatic and, are therefore, not included in the measurement.

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

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	33%	0.9%
Global Equity	38%	6.5%
Real Estate	8%	5.9%
Alternatives	8%	8.2%
Opportunistic Income	7%	5.0%
Inflation Sensitive	6%	2.7%
Total	<u>100%</u>	

The information above is based on 30-year expectations developed with an investment consulting firm as a part of a study that was completed in 2022 and is part of the asset, liability, and investment policy study of the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25%. All rates of return and inflation are annualized.

Discount Rate – The discount rate used to measure the total pension liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 6.5%, as well as what the County’s proportionate share of the net pension liability would be as if it were calculated using a discount rate that is 1-percentage-point lower (5.5%) or 1-percentage-point higher (7.5%) than the current rate:

	<u>1% Decrease (5.5%)</u>	<u>Current Discount Rate (6.5%)</u>	<u>1% Increase (7.5%)</u>
County's proportionate share of the net pension liability (asset)	\$ 2,680,726	\$ 1,547,352	\$ 614,252

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

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

b. Law Enforcement Officers’ Special Separation Allowance

Plan Description – Tyrrell County administers a public employee retirement system (the “Separation Allowance”), a single-employer defined benefit pension plan that provides retirement benefits to the County’s qualified sworn law enforcement officers. The Separation Allowance is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2022, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	1
Active plan members	<u>11</u>
	<u>12</u>

A separate report was not issued for the plan.

Summary of Significant Accounting Policies

Basis of Accounting – The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust.

Actuarial Assumptions – The entry age actuarial cost method was used in the December 31, 2022 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5% per annum
Salary increases	3.25-7.75% per annum
Discount rate	4.00% per annum, compounded annually

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2022.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees’ Retirement System for the five-year period ending December 31, 2019.

Mortality Rate

Deaths after Retirement (Healthy): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 97% and set forward by 1 year.

Deaths Before Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Deaths after Retirement (Beneficiary): Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are set forward 3 years. Rates for female members are set forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

Deaths after Retirement (Disabled): Mortality rates are based on the Non-Safety Mortality Table for Disabled Retirees. Rates are set back 3 years for all ages.

Contributions – The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. The County’s obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees. Administrative costs of the Separation Allowance are financed through investment earnings. The County paid \$8,195 as benefits came due for the reporting period.

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

At June 30, 2024, the County reported a total pension liability of \$169,402. The total pension liability was measured as of December 31, 2023 based on a December 31, 2022 actuarial valuation. The total pension liability was rolled forward to June 30, 2024 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the County recognized pension expense of \$21,394.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,338	\$ 1,785
Changes of assumptions	13,693	21,834
County benefit payments and plan administrative expense made subsequent to the measurement date	4,097	-
Total	<u>\$ 37,128</u>	<u>\$ 23,619</u>

\$4,097 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending June 30:</u>	
2025	\$ 9,606
2026	2,173
2027	(1,735)
2028	(1,431)
2029	494
Thereafter	305
	<u>\$ 9,412</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate – The following presents the County's total pension liability calculated using the discount rate of 4.00%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.00%) or 1-percentage-point higher (5.00%) than the current rate:

	1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% Increase (5.00%)
Total pension liability	\$ 183,216	\$ 169,402	\$ 156,884

Schedule of Changes in Total Pension Liability Law Enforcement Officers' Special Separation Allowance

Beginning Balance	\$ 156,658
Service Cost	10,729
Interest on total pension liability	6,575
Difference between expected and actual experience	(13)
Changes in assumptions or other inputs	3,648
Benefit payments	<u>(8,195)</u>
Net Changes	<u>12,744</u>
Ending Balance of the Total Pension Liability	<u>\$ 169,402</u>

Changes of assumptions: Changes of assumptions and other inputs reflect a change in the discount rate from 4.31% at December 31, 2022 to 4.00% at December 31, 2023 (measurement date).

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study completed by the Actuary for the Local Government Employee's Retirement System for the five-year period ending December 31, 2019.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description – The County contributes to the Supplemental Retirement Income 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 Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report 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, NC 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 5% 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, 2024 were \$31,312, which consisted of \$25,648 from the County and \$5,664 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, 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 Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report 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, NC 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, 2024 were \$6,720, which consisted of \$-0- from the County and \$6,720 from the general government employees.

e. Registers of Deeds' Supplemental Pension Fund

Plan Description – Tyrrell County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, NC 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Benefits Provided – An individual’s benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual’s eligibility is based on at least 10 years of service as a register of deeds with the individual’s share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions – Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary’s required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$260 for the year ended June 30, 2024.

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

At June 30, 2024, the County reported an asset of \$3,742 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County’s proportion of the net pension asset was based on the County’s share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2024, the County’s proportion was .03114%, which was an decrease of .000113% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the County recognized pension expense of \$771. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 166
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	1,901	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	146	480
Employer contributions subsequent to the measurement date	260	-
Total	<u>\$ 2,307</u>	<u>\$ 646</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

\$260 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending June 30:</u>	
2025	\$ 29
2026	700
2027	552
2028	120
	<u>\$ 1,401</u>

Actuarial Assumptions – The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	3.25% to 8.25%, including inflation and positivity factor
Investment rate of return	3.0%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019.

Future ad hoc COLA amounts are not considered to be substantively automatic and are, therefore, not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the Bond Index Investment Pool. The best estimate of arithmetic real rate of return for the Bond Index Investment Pool as of June 30, 2024 is .78%.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

The information above is based on 30-year expectations developed with a consulting an investment consulting firm as a part of a study that was completed in 2022 and is part of the asset, liability and investment policy study of the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25%. All rates of return and inflation are annualized.

Discount Rate – The discount rate used to measure the total pension liability was 3.00%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s Proportionate Share of the Net Pension Asset to Changes in the Discount Rate – The following presents the County’s proportionate share of the net pension asset calculated using the discount rate of 3.00%, as well as what the County’s proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00%) or 1-percentage-point higher (4.00%) than the current rate:

	1% Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
County’s proportionate share of the net pension liability (asset)	\$ (2,554)	\$ (3,742)	\$ (4,744)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

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

The net pension liability (asset) for LGERS and ROD was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022. The total pension liability for the LEOSSA was measured as of December 31, 2023, with an actuarial valuation date of December 31, 2022. The County’s proportion of the net pension liability was based on the County’s share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$ 1,547,352	\$ (3,742)	\$ -	\$ 1,543,610
Proportion Share of Net Pension Liability (Asset)	0.02336%	0.03114%	n/a	
Total Pension Liability	-	-	\$ 169,402	\$ 169,402
Pension Expense	443,886	771	21,394	\$ 466,051
Deferred Outflows of Resources				
	LGERS	ROD	LEOSSA	Total
Differences between expected and actual experience	\$ 172,421	\$ -	\$ 19,338	\$ 191,759
Changes of assumptions	65,754	-	13,693	79,447
Net difference between projected and actual earnings on pension plan investments	414,139	1,901	-	416,040
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,094	146	-	14,240
Employer contributions subsequent to the measurement date	328,919	260	4,097	333,276
Deferred Inflows of Resources				
	LGERS	ROD	LEOSSA	Total
Differences between expected and actual experience	\$ 3,712	\$ 166	\$ 1,785	\$ 5,663
Net difference between employer contributions and proportionate share of contributions	-	-	-	-
Changes of assumptions	-	-	21,834	21,834
Changes in proportion and differences between employer contributions and proportionate share of contributions	44,228	480	-	44,708

f. Other Postemployment 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 meet certain requirements. Retirees hired prior to July 1, 2006 receive unreduced benefits with 10 years of creditable service with the County, while retirees after July 1, 2006 receive unreduced benefits with 20 years of creditable service. At age 65, the County transfers the retiree from the group plan to a Medicare Supplement. The County pays the full cost of coverage for these benefits through private insurers. The County Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Funding Policy – The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the Board. 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, 2024, the County’s total contributions were \$110,264.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Membership of the Retiree Health Plan consisted of the following at June 30, 2023, the date of the latest actuarial valuation:

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	21
Active Employees	56
	<hr/>
Total	<u>77</u>

Actuarial Assumptions

The County’s total OPEB liability of \$3,777,780 was measured as of June 30, 2023 and was determined by an actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5%
Salary increases	
General Employees	3.25% to 8.41%, including inflation
Law Enforcement Officers	3.25% to 7.90%, including inflation
Discount rate	3.65%
Healthcare cost trend rates	
Pre-Medicare	7.0% for 2023 decreasing to an ultimate rate of 4.5% by 2033
Medicare	5.125% for 2023 decreasing to an ultimate rate of 4.5% by 2026

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published by The Bond Buyer.

Changes in the Total OPEB Liability

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

	2024
	<hr/>
Beginning balance	\$ 3,783,828
Service cost	123,971
Interest on the total OPEB liability	136,310
Differences between expected and actual experience	(142,417)
Changes of assumptions or other inputs	(8,414)
Benefit payments and implicit subsidy credit	(115,498)
Other changes	-
	<hr/>
Ending balance of the total OPEB liability	<u>\$ 3,777,780</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.54% to 3.65%.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Mortality rates were based on the Pub-2010 Mortality Table with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2023 valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65%) or 1 percentage point higher (4.65%) than the current discount rate:

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Total OPEB Liability	\$ 4,474,902	\$ 3,777,780	\$ 3,230,622

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 3,192,447	\$ 3,777,780	\$ 4,535,286

OPEB Expense and deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the County recognized OPEB income of \$17,042. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,994	\$ 508,436
Changes of assumptions	498,163	742,471
Benefit payments and administrative costs made subsequent to the measurement date	110,264	-
Total	<u>\$ 616,421</u>	<u>\$ 1,250,907</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

\$110,264 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

<u>Years Ending June 30:</u>	
2025	\$ (220,662)
2026	(127,618)
2027	(168,586)
2028	(197,800)
2029	(30,084)
Thereafter	<u>-</u>
Total	<u>\$ (744,750)</u>

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 \$60,000. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the eligible participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

2. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Government-wide financial statements		
Differences between expected and actual experience - pension and OPEB	\$ 199,753	\$ 514,099
Changes of assumptions - pension and OPEB	577,610	764,305
Net difference between projected and actual earnings on pension plan investments - pension and OPEB	416,040	-
Changes in proportion and differences between employer contributions and proportionate share of contributions - pension and OPEB	14,240	44,708
Employer contributions subsequent to the measurement date	443,540	-
Lease receivable	-	53,303
Prepaid Taxes	-	12,869
Total government-wide financial statements	<u>\$ 1,651,183</u>	<u>\$ 1,389,284</u>
Governmental fund financial statements		
Lease receivable	\$ -	\$ 53,303
Prepaid Taxes	-	12,869
Taxes Receivable Net	-	438,832
Landfill and other receivables	-	23,171
Total governmental fund financial statements	<u>\$ -</u>	<u>\$ 528,175</u>

3. 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 Joint Risk Management Agency.

Through these pools, the County obtains property coverage equal to the replacement cost of owned property subject to total insured values, with sub-limits on coverage for specified perils; general, auto, professional, employment practices, and law enforcement liability coverage of \$2 million per occurrence. The pools also provide \$1,000,000 in Cyber Event Coverage per loss occurrence. The County has the option to purchase higher liability and cyber limits. Auto physical damage for owned autos at actual cash value; crime coverage of \$250,000 per occurrence; and workers' compensation coverage up to the statutory limits are provided by the pools.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

All property coverage and some liability coverage are subject to per occurrence deductibles, as selected by the County. The pools are audited annually by certified public accountants, and audited financial statements are available to the County upon request. The pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$750,000, up to a \$2 million limit for liability coverage and limits above the \$2,000,000 are provided by private reinsurers. For Cyber, the pool retains the first \$250,000 per loss occurrence. Single occurrence losses in excess of \$750,000 for workers' compensation are provided by a combination of the captive and a private reinsurer. Through the captive, the Liability and Property Pool is reinsured for \$2,500,000 of annual aggregate losses in excess of \$500,000 per occurrence for property including auto physical damage, with additional limits of \$997,500,000 purchased through a group of commercial reinsurers through the multi-state public entity captive. In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through commercial crime coverage with a \$250,000 occurrence limit. Individuals holding positions requiring statutory bonds are covered elsewhere. 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.

The County carries flood insurance through the National Flood Insurance Plan ("NFIP"). Because the County is in an area of the State that has been mapped and designated as an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, the County is eligible to purchase coverage of \$500,000 per structure through the NFIP.

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 \$1,000,000 and \$10,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$50,000.

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, 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.

TYRRELL COUNTY, NORTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

4. Commitments

At June 30, 2024, the County had fifteen service contract commitments. The commitments are as follows:

1 Washington County, NC	For Emergency medical services. Initial term is effective 7/7/17 and shall continue for a period of two years ending 6/30/19. Agreement shall be deemed to automatically renew for successive and additional periods of 1 year each, unless notice of non-renewal is provided by either party. In exchange for services, Tyrrell shall pay a flat fee of \$675,000 per year in 12 equal monthly installments. In addition, the County agrees to make an additional \$25,000 per year available to Washington for unforeseeable emergency maintenance needs related to non-routine maintenance of vehicles used for Tyrrell County services.
2 Dare County, NC	For housing of inmates. The County shall pay \$50 per day for each day, or any portion thereof, that an inmate from Tyrrell County is housed in the Dare County Detention Center or by Dare County. The County per diem costs incurred by the Tyrrell County inmate(s) while confined in the Dare County Detention Center.
3 Tyrrell Volunteer Fire Department, Inc.	For fire protection services. This is a fiscal year agreement requiring monthly per diem payments for a total of \$115,600 and shall continue fiscal year to fiscal year unless terminated by either party.
4 Tyrrell Volunteer Fire Department, Inc.	For equipment upgrades. This is a fiscal year agreement requiring quarterly payments for a total of \$ 40,000 and shall continue fiscal year to fiscal year unless terminated by either party.
5 Tyrrell Volunteer Fire Department, Inc.	For Capital Reserve. This is a fiscal year agreement requiring an annual \$25,000 reserve to be held by the County and shall continue fiscal year to fiscal year unless terminated by either party.
6 Republic Services, LLC	For collection of mixed solid waste, weekly collection at \$15.80, and white goods and brown goods weekly collection at the rate of \$4.50, per month per number of customer carts. This fee shall increase on each anniversary date based on the percentage increase of the Consumer Price Index, All Urban Consumers, for All Items, U.S. City Average as compiled and published by the U.S. Dept. of Labor for the preceding calendar year, not exceeding 5% annually. This agreement shall be binding for a period of 5 years ending June 30, 2029.
7 Hyde County Non-Profit Private Transportation Corp	For operation and administration of Community Transportation System. This agreement, effective June 6, 2017, is binding for 2 years and is thereafter renewable for periods as agreed upon by the parties. The cost of these services is based on the fully allocated cost as determined by the approved fiscal year budget.
8 Johnny Spencer	Consultant and Operator in Responsible Charge of the Tyrrell County Utilities Department Agreement will remain in effect until December 31, 2022 and may be extended annually with the written consent of the parties. Services shall be invoiced monthly by the Consultant. Expected fee is \$24,000 annually.
9 Town of Creswell, NC	For wastewater services. The rates charged should be sufficient to pay the costs of operation and maintenance of the WWTP. The agreement is binding for a period of 28 years and from year to year subsequently except that beginning with the 28th year, the Town or the County may at any time give other notice of its desire to terminate the Agreement.
10 Town of Columbia, NC	For wastewater treatment to customers in the Goat Neck community in northern Tyrrell County. Service is limited to no more than 17 user connections and is charged based on the County's water customer usage records for the sewer customers served by the Columbia system. The agreement shall continue for forty years from the date up on which wastewater sewer service is first treated for the County. It may be terminated at any time upon five year's written notice.
11 Pearson's Appraisal Services, Inc.	For 2025 Property Revaluation, the County shall pay \$27 per parcel based upon an exact count of the total number of parcels appraised. Estimated parcels of 4,518 would amount to \$121,986.
12 Jones Street Consulting	For lobbying the General Assembly on all issues concerning Tyrrell County. This agreement, effective January 1, 2023, shall terminate on December 31, 2024. The County will pay \$1,500 per month for the entire contract period.
13 WolfeStein, LLC	For government relations work for Tyrrell County. This agreement is effective February 1, 2023 and will terminate on December 31, 2024. The County will pay \$1,500 per month for the entire contract period.
14 Brink's Complete Service Agreement	To provide certain cash management solutions and logistics services. Effective February 28, 2023 and shall continue for a period of 5 years. The monthly rate is \$550 plus additional service fees per instance. The agreement shall automatically renew for successive one year periods unless either party gives written notice of cancellation.
15 LOOMIS SafePoint Agreement	To provide services which include transportation and cash management for DMV cash collections. The monthly fee is \$445 plus any acillary items. Effective date of July 7, 2023 and shall continue for a period of three years. The agreement shall automatically be extended for successive like term periods unless either party provides written notice of non-renewal.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

5. Long-Term Obligations

a. Leases

The County has entered into an agreement to lease a building which has been recorded at the present value of the future minimum lease payments as of the date of its' inception.

The agreement was effective July 1, 2022, to lease the Department of Social Services building and requires 36 monthly payments of \$7,233, 48 monthly payments of \$7,790, and then 36 monthly payments of \$8,346. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 7.3%, which is the County's bank borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$659,178 at June 30, 2024.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

Years Ended			
June 30	Principal	Interest	Total
2025	\$ 46,684	\$ 40,117	\$ 86,801
2026	57,108	36,370	93,478
2027	61,413	32,065	93,478
2028	66,043	27,435	93,478
2029	71,022	22,456	93,478
2030-2032	269,148	31,317	300,465
	<u>\$ 571,418</u>	<u>\$ 189,760</u>	<u>\$ 761,178</u>

b. Term Debt

On March 11, 2002, the County executed an agreement with the U.S. 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.

\$ 376,414

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

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

Years Ended June 30	USDA Building	
	Principal	Interest
2025	\$ 39,918	\$ 17,880
2026	41,814	15,984
2027	43,801	13,997
2028	45,881	11,917
2029	48,061	9,737
2030-2032	156,939	15,076
Total	<u>\$ 376,414</u>	<u>\$ 84,591</u>

c. Revenue Bond

\$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 interest rate of 3.125%.	\$ 2,341,000
\$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%.	598,000
\$1,002,000 Sewer System Revenue Bonds, Series 2016A, issued for sewer system improvements. Principal installments are due annually on June 1 with annual interest payments due on June 1 at an interest rate of 2.25%.	894,000
\$373,000 Sewer System Revenue Bonds, Series 2016B, issued for sewer system improvements. Principal installments are due annually on June 1 with annual interest payments due on June 1 at an interest rate of 2.25%.	<u>333,000</u>
	<u>\$ 4,166,000</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

Years Ended June 30	Series 2013A		Series 2013B		Series 2016A		Series 2016B	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 53,000	\$ 73,156	\$ 15,000	\$ 14,950	\$ 19,000	\$ 20,115	\$ 7,000	\$ 7,493
2026	55,000	71,500	15,000	14,575	20,000	19,688	7,000	7,335
2027	57,000	69,781	16,000	14,200	20,000	19,238	8,000	7,178
2028	59,000	68,000	16,000	13,800	21,000	18,788	8,000	6,998
2029	60,000	66,156	17,000	13,400	21,000	18,315	8,000	6,818
2030-2034	330,000	301,406	89,000	60,550	114,000	84,195	42,000	31,365
2035-2039	387,000	246,375	101,000	48,825	126,000	70,830	47,000	26,415
2040-2044	451,000	182,063	114,000	35,550	142,000	55,980	53,000	20,858
2045-2049	529,000	106,938	130,000	20,525	158,000	39,285	59,000	14,603
2050-2054	360,000	22,750	85,000	4,250	177,000	20,655	66,000	7,650
2055-2056	-	-	-	-	76,000	2,565	28,000	945
Total	<u>\$ 2,341,000</u>	<u>\$ 1,208,125</u>	<u>\$ 598,000</u>	<u>\$ 240,625</u>	<u>\$ 894,000</u>	<u>\$ 369,654</u>	<u>\$ 333,000</u>	<u>\$ 137,658</u>

Management believes the County is in compliance with the covenants as to rates, fees, rentals, and charges of the Bond Order that authorized 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%.

Management believes the County is in compliance with the covenants as to rates, fees, rentals, and charges of the Bond Order, authorizing the issuance of the Sewer Revenue Bonds, Series 2016 A & B. Section 3.01(f) of the Bond Order requires the debt service coverage ratio to be no less than 110%.

The debt service coverage ratio calculations for the year ended June 30, 2024, are as follows:

	<u>Water Bonds</u>	<u>Sewer Bonds</u>
Operating revenues	\$ 1,390,468	\$ 279,064
Operating expenses*	<u>(960,424)</u>	<u>(161,006)</u>
Operating income	430,044	118,058
Nonoperating revenues (expenses)*	<u>35,606</u>	<u>2,278</u>
Income available for debt service	<u>465,650</u>	<u>120,336</u>
Debt service, principal paid (Revenue bond only)	67,000	26,000
Debt service, interest paid (Revenue bond only)	90,106	28,193
Debt service coverage ratio	2.96	2.22

* Per the covenants, operating expenses do not include depreciation expense or debt service expense.

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 (Series 2013A and 2013B). 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 \$4,276,251. Principal and interest paid for the current year and total customer net revenues were \$157,106 and \$465,650, respectively.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

The County has pledged future sewer customer revenues, net of specified operating expenses, to repay \$1,375,000 in sewer system revenue bonds issued in September 2016 (Series 2016A and 2016B). Proceeds from the bonds provided financing for the construction improvements and sewer system expansion to serve Tyrrell County. The bonds are payable solely from sewer customer net revenues and are payable through 2056. The total principal and interest remaining to be paid on the bonds is \$1,734,314. Principal and interest paid for the current year and total customer net revenues were \$54,193 and \$120,336 respectively.

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2024:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion
Governmental activities:					
Term loan - court facility	\$ 414,522	\$ -	\$ 38,108	\$ 376,414	\$ 39,918
Leases	614,829	-	43,411	571,418	46,684
Compensated absences	146,254	18,516	-	164,770	-
Total pension liability (LEOSSA)	156,658	12,744	-	169,402	-
Net pension liability (LGERS)	1,296,786	80,357	-	1,377,143	-
OPEB	3,329,768	-	5,322	3,324,446	-
Total governmental activities	<u>\$ 5,958,817</u>	<u>\$ 111,617</u>	<u>\$ 86,841</u>	<u>\$ 5,983,593</u>	<u>\$ 86,602</u>
Business-type activities:					
Water Revenue bonds	\$ 2,393,000	\$ -	\$ 52,000	\$ 2,341,000	\$ 53,000
Water Revenue bonds	613,000	-	15,000	598,000	15,000
Sewer Revenue Bonds	913,000	-	19,000	894,000	19,000
Sewer Revenue Bonds	340,000	-	7,000	333,000	7,000
Compensated absences	22,768	-	4,107	18,661	-
Net pension liability (LGERS)	180,140	5,924	15,855	170,209	-
OPEB	454,060	-	726	453,334	-
Total business-type activities	<u>\$ 4,915,968</u>	<u>\$ 5,924</u>	<u>\$ 113,688</u>	<u>\$ 4,808,204</u>	<u>\$ 94,000</u>
ABC Board:					
Construction Note	\$ 72,742	\$ -	\$ 17,184	\$ 55,558	17,835
Net pension liability (LGERS)	16,360	3,840	-	20,200	-
Total business-type activities	<u>\$ 89,102</u>	<u>\$ 3,840</u>	<u>\$ 17,184</u>	<u>\$ 75,758</u>	<u>\$ 17,835</u>

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

June 30, 2024 ABC Board compensated absences are not considered to be material and is not reflected in the financial statements.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

C. Inter-fund Balances and Activity

The composition of inter-fund balances as of June 30, 2024 is as follows:

	Interfund	
	Receivables	Payables
General Fund	\$ 2,400	\$ -
Gum Neck Water Tank Fund	-	2,400
General Fund	60,389	-
Scuppernong River Dock Project	-	60,389
General Fund	8,418	-
Directed Grants Fund	-	8,418
Public School Building Fund	76	-
General Fund	-	76
	<u>\$ 71,283</u>	<u>\$ 71,283</u>

The General Fund made various payments to vendors on behalf of various grant funds. This amount represents the amount that was due to the General Fund but had not been remitted as of June 30, 2024.

Transfers to/from other funds at June 30, 2024, consist of the following:

From the General Fund to the Revaluation Fund	\$ 18,074
From the School Capital Outlay Fund to the General Fund	205,624
From the General Fund to the Hurricane Matthew Debris Removal	<u>5,000</u>
	<u>\$ 228,698</u>

D. Net Investment in Capital Assets

	Governmental	Business-Type
Capital assets	\$ 4,782,461	\$ 16,444,399
Less: Long-term debt	<u>(947,832)</u>	<u>(4,166,000)</u>
Net investment in capital assets	<u>\$ 3,834,629</u>	<u>\$ 12,278,399</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2—Detail notes on all funds (continued)

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	<u>\$ 2,552,567</u>
Less:	
Nonspendable-Lease Receivable	1,036
Stabilization by State Statute	561,837
Controlled substance tax	17,860
Drug forfeiture funds	15,861
Court facilities	90,061
Register of Deeds	20,194
Capital outlay	55,420
Helipad	92,000
USDA reserve	67,572
Tax revaluation	75,957
Recreation	52,197
Fire Protection	27,149
Subsequent year's expenditures	<u>1,379,297</u>
Remaining Fund Balance	<u>\$ 96,126</u>

Outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. At June 30, 2024, there are no outstanding encumbrances.

Note 3—Joint ventures

The County participates with three other counties to operate the Pettigrew Regional Library. Each participating government appoints one member to a 12-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, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$146,696 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the Library's office at 201 E. 3rd Street, Plymouth, NC 27962.

The County participates with 27 other counties to operate Trillium Health Resources, a local management Entity-Managed Care Organization. Each participating government appoints two members to the regional advisory board. The regional advisory boards name two members to the Trillium Governing Board. The County Manager of Tyrrell County sits on the Trillium Governing Board and serves as Finance Committee Chair. None of the participating governments have any equity interest in the Agency, so none was reflected in the County's financial statements at June 30, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$9,906 to the Agency to supplement its activities. Complete financial statements for Trillium Health Resources can be obtained from the Melissa Owens, Chief Financial Officer, Trillium Health Resources, 144 Community College Road, Ahoskie, NC 29710.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 3—Joint ventures (continued)

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, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$50,980 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 14-member board plus four at-large members. 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, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$2,428 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 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. In addition, the County Manager of Tyrrell County serves as the Chairman of the Board. 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, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$32,000 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 eight other counties to operate the Albemarle Solid Waste Authority. Each participating government appoints two members to a 16-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, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$3,974 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. During the fiscal year ending June 30, 2024, the County made appropriations to the school system in the amount of \$60,892, of which consisted of \$55,356 in grant funds obtained from the State and \$5,536 in County funds.

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 until terminated by either party.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 3—Joint ventures (continued)

The County is party to a transit service agreement with Hyde County Non-Profit Private Transportation Corporation, a Community Transportation System as defined by the North Carolina Public Transportation Division (hereinafter referred to as "HCT"). The County may appoint five board members to the governing board of HCT. The County provides payment for services of HCT in Tyrrell County as well as provides the local match requirements for the Administrative Budget when so billed by HCT. These services are funded by grants through the Rural Operating Assistance Program.

The County participated in a merger of State 911 funds for the construction and continued operation of a three County comprehensive enhanced 911 center located in Dare County. The relationship among the three Counties and the State is a cooperative agreement.

The County, in order to confirm the stationing of a full complement of Agriculture Extension Services, has entered into an agreement with North Carolina State University to provide a portion of the salaries and benefits for all programmatic extension employees assigned to Tyrrell County. During the fiscal year ending June 30, 2024, the County made appropriations to NCSU in the amount of \$140,946 for those provided services.

Note 4—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 5—Subsequent events

Management has evaluated subsequent events through January 13, 2025, the date on which the financial statements were available to be issued.

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY (ASSET) FOR LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

LAST TEN YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability (asset) %	0.023336%	0.02618%	0.02761%	0.02869%	0.02839%	0.03029%	0.03505%	0.03392%	0.03419%	0.03361%
County's proportionate share of the net pension liability (asset)	\$ 1,547,352	\$ 1,476,926	\$ 426,426	\$ 1,025,216	\$ 775,309	\$ 718,582	\$ 468,302	\$ 719,896	\$ 153,443	\$ (198,214)
County's covered payroll *	\$ 2,395,222	\$ 2,249,169	\$ 2,206,230	\$ 2,271,719	\$ 2,219,587	\$ 2,300,438	\$ 2,030,939	\$ 2,168,566	\$ 2,071,619	\$ 1,677,022
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	64.60%	65.67%	19.33%	45.13%	34.93%	31.24%	23.06%	33.20%	7.41%	-11.82%
Plan fiduciary net position as a percentage of the total pension liability	82.49%	84.14%	95.51%	88.81%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%

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

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS FOR LOCAL GOVERNMENT
EMPLOYEES' RETIREMENT SYSTEM

LAST TEN YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 328,919	\$ 295,842	\$ 260,156	\$ 228,527	\$ 208,187	\$ 175,595	\$ 164,972	\$ 159,574	\$ 140,888	\$ 138,232
Contribution in relation to the contractually required contribution	328,919	295,842	260,156	228,527	208,187	175,595	164,972	159,574	140,888	138,232
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 2,498,271	\$ 2,395,222	\$ 2,249,169	\$ 2,206,230	\$ 2,271,719	\$ 2,219,587	\$ 2,300,438	\$ 2,030,939	\$ 2,168,566	\$ 2,071,619
Contributions as a percentage of covered payroll	13.17%	12.35%	11.57%	10.36%	9.16%	7.91%	7.17%	7.86%	6.50%	6.67%

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY (ASSET) FOR REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND

LAST TEN YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability (asset) %	0.03114%	0.03227%	0.02526%	0.03061%	0.03008%	0.03189%	0.03070%	0.03724%	0.03382%	0.04226%
County's proportionate share of the net pension liability (asset)	\$ (3,742)	\$ (4,273)	\$ (4,853)	\$ (7,015)	\$ (5,938)	\$ (5,282)	\$ (5,242)	\$ (6,964)	\$ (7,838)	\$ (9,576)
County's covered payroll *	\$ 56,680	\$ 50,607	\$ 48,197	\$ 48,197	\$ 47,252	\$ 46,326	\$ 37,670	\$ 60,931	\$ 54,711	\$ 76,083
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-6.60%	-8.44%	-10.07%	-14.55%	-12.57%	-11.40%	-13.92%	-11.43%	-12.86%	-17.50%
Plan fiduciary net position as a percentage of the total pension liability	135.74%	139.04%	156.53%	173.62%	164.11%	153.31%	153.77%	160.17%	197.29%	193.88%

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

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS FOR REGISTER OF DEEDS'
SUPPLEMENTAL PENSION PLAN

LAST TEN YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 260	\$ 278	\$ 370	\$ 303	\$ 293	\$ 286	\$ 273	\$ 267	\$ 304	\$ 271
Contribution in relation to the contractually required contribution	260	278	370	303	293	286	273	267	304	271
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	60,081	56,680	50,607	48,197	48,197	47,252	46,326	37,670	\$ 60,931	\$ 54,711
Contributions as a percentage of covered-employee payroll	0.43%	0.49%	0.73%	0.63%	0.61%	0.61%	0.59%	0.71%	0.50%	0.50%

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

LAST EIGHT YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 156,658	\$ 160,257	\$ 164,400	\$ 106,622	\$ 84,318	\$ 117,738	\$ 122,441	\$ 111,580
Service cost	10,729	14,158	15,105	9,255	8,821	11,423	10,406	13,567
Interest on the total pension liability	6,575	3,501	3,031	3,236	2,814	3,712	4,714	3,938
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(13)	17,251	(2,283)	21,547	21,361	(44,587)	(29,842)	-
Changes of assumptions or other inputs	3,648	(29,228)	(5,286)	38,450	3,335	(3,425)	10,650	(4,120)
Benefit payments	(8,195)	(9,281)	(14,710)	(14,710)	(14,027)	(543)	(631)	(2,524)
Other changes	-	-	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 169,402</u>	<u>\$ 156,658</u>	<u>\$ 160,257</u>	<u>\$ 164,400</u>	<u>\$ 106,622</u>	<u>\$ 84,318</u>	<u>\$ 117,738</u>	<u>\$ 122,441</u>

* The amounts presented for each fiscal year were determined as of the prior December 31.

** Information is not required to be presented retroactively. This schedule will not present ten years of information until fiscal year 2026.

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

LAST EIGHT YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 169,402	\$ 156,658	\$ 160,257	\$ 164,400	\$ 106,622	\$ 84,318	\$ 117,738	\$ 122,441
Covered payroll	441,344	437,293	440,574	399,718	407,008	452,487	425,942	493,228
Total pension liability as a percentage of covered payroll	38.38%	35.82%	36.37%	41.13%	26.20%	18.63%	27.64%	24.82%

Notes to the schedule:

The County has no assets accumulated in a trust to pay related benefits.

** Information is not required to be presented retroactively. This schedule will not present ten years of information until fiscal year 2026.

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS

LAST EIGHT YEARS

	2024	2023	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 3,783,828	\$ 4,630,672	\$ 4,625,327	\$ 3,544,281	\$ 4,026,877	\$ 4,053,488	\$ 4,053,488	\$ 4,258,658
Service cost	123,971	183,190	194,397	125,714	153,633	164,142	164,142	188,168
Interest on the total OPEB liability	136,310	102,856	105,421	126,705	154,826	142,804	142,804	126,705
Differences between expected and actual experience	(142,417)	11,932	(483,270)	(8,439)	(650,805)	(3,344)	(3,344)	16,375
Changes of assumptions or other inputs	(8,414)	(1,040,225)	288,417	937,632	(45,785)	(245,209)	(245,209)	(437,318)
Benefit payments and implicit subsidy credit	(115,498)	(104,597)	(99,620)	(100,566)	(94,465)	(85,004)	(85,004)	(99,100)
Other changes	-	-	-	-	-	-	-	-
Ending balance of the total OPEB liability	<u>\$ 3,777,780</u>	<u>\$ 3,783,828</u>	<u>\$ 4,630,672</u>	<u>\$ 4,625,327</u>	<u>\$ 3,544,281</u>	<u>\$ 4,026,877</u>	<u>\$ 4,026,877</u>	<u>\$ 4,053,488</u>
Covered payroll	\$ 2,108,220	\$ 2,114,633	\$ 2,114,633	\$ 1,967,588	\$ 1,967,588	\$ 2,063,295	\$ 2,063,295	\$ 2,063,295
Total OPEB liability as a percentage of covered payroll	179.19%	178.94%	218.98%	235.08%	180.13%	195.17%	195.17%	196.46%

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following discount rates used in each period are:

Fiscal Year	Rate
2023	3.65%
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.89%
2017	3.56%

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 1 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Revenues				
Ad valorem taxes				
Current year	\$ 4,702,840	\$ 4,718,261	\$	4,751,132
Penalties and interest	48,600	51,984		66,544
Total ad valorem taxes	4,751,440	4,770,245	18,805	4,817,676
Local option sales taxes				
Articles 39, 40, & 42	636,000	695,183		638,725
Total local option sales taxes	636,000	695,183	59,183	638,725
Other taxes and licenses				
Deed stamp excise tax	36,400	35,283		34,859
Scrap tire disposal tax	6,000	6,643		5,951
Video programming tax	400	336		354
White goods disposal tax	1,900	1,897		1,630
Solid waste tax	3,000	2,916		2,739
Occupancy tax	400	876		563
Total other taxes and licenses	48,100	47,951	(149)	46,096
Unrestricted intergovernmental revenues				
Controlled substance tax	1,700	965		1,877
Payments in lieu of taxes	45,383	43,515		45,383
Beer and wine tax	13,000	13,475		12,020
Total unrestricted intergovernmental revenues	60,083	57,955	(2,128)	59,280
Restricted intergovernmental revenues				
Federal and State grants	1,742,948	1,608,736		1,615,196
Court facility fees	30,000	38,280		30,894
ABC bottles tax	14,000	8,576		11,150
Total restricted intergovernmental revenues	1,786,948	1,655,592	(131,356)	1,657,240
Licenses and permits				
Gun permits	2,200	2,380		2,365
Officer service fees	198,866	202,231		200,920
Animal control fees	1,300	522		1,690
Building permits and inspection fees	20,000	28,396		19,068
Candidate filing fees	-	481		-
License revocation fees	79,720	79,246		79,994
Other fees	21,200	24,583		24,107
Total licenses and permits	323,286	337,839	14,553	328,144

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 1 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND – BUDGET AND ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Revenues (continued)				
Sales and services				
Rents and other	\$ 23,985	\$ 23,957	\$	26,023
Jail fees	500	360		132
Total sales and services	<u>24,485</u>	<u>24,317</u>	<u>(168)</u>	<u>26,155</u>
Interest earned on investments	<u>180,300</u>	<u>216,579</u>	<u>36,279</u>	<u>127,682</u>
Miscellaneous				
Donations and contributions	94,650	93,745		3,425
Other revenues	14,630	10,850		135,463
Total miscellaneous	<u>109,280</u>	<u>104,595</u>	<u>(4,685)</u>	<u>138,888</u>
Total revenues	<u>7,919,922</u>	<u>7,910,256</u>	<u>(9,666)</u>	<u>7,839,886</u>
Expenditures				
Current				
General government				
Governing body				
Salaries and employee benefits	316,466	319,627		300,775
Other operating expenditures	99,781	86,059		58,526
Contract services	120,885	86,249		106,378
Total	<u>537,132</u>	<u>491,935</u>	<u>45,197</u>	<u>465,679</u>
Elections				
Salaries and employee benefits	74,791	75,521		66,178
Other operating expenditures	30,295	23,617		18,521
Total	<u>105,086</u>	<u>99,138</u>	<u>5,948</u>	<u>84,699</u>
Finance				
Salaries and employee benefits	240,500	241,031		224,168
Other operating expenditures	15,600	12,591		11,447
Total	<u>256,100</u>	<u>253,622</u>	<u>2,478</u>	<u>235,615</u>
Taxes				
Salaries and employee benefits	195,810	194,858		183,329
Other operating expenditures	74,625	52,822		79,533
Contract services	7,730	1,560		1,532
Capital outlay	1,500	-		-
Total	<u>279,665</u>	<u>249,240</u>	<u>30,425</u>	<u>264,394</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 1 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND – BUDGET AND ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Expenditures (continued)				
Current (continued)				
General government (continued)				
Register of deeds				
Salaries and employee benefits	\$ 133,158	\$ 130,803	\$	\$ 124,363
Other operating expenditures	14,101	11,614		38,252
Contract services	14,530	13,969		13,877
Capital outlay	8,725	8,725		-
Total	170,514	165,111	5,403	176,492
Planning				
Other operating expenditures	6,091	2,669	3,422	2,597
Buildings and grounds				
Salaries and employee benefits	181,151	178,931		158,293
Other operating expenditures	330,847	326,542		281,968
Capital outlay	10,600	553		6,950
Total	522,598	506,026	16,572	447,211
Total general government	1,877,186	1,767,741	109,445	1,676,687
Public safety				
Sheriff				
Salaries and employee benefits	908,358	897,987		827,848
Other operating expenditures	319,747	271,889		234,070
Contract services	2,036	1,982		1,569
Capital outlay	309,220	204,835		-
Total	1,539,361	1,376,693	162,668	1,063,487
Emergency management				
Salaries and employee benefits	54,574	54,814		51,044
Other operating expenditures	78,091	26,995		40,195
Capital outlay	6,200	22,900		82,122
Total	138,865	104,709	34,156	173,361
Department of motor vehicles				
Salaries and employee benefits	47,379	47,070		44,267
Other operating expenditures	6,844	6,263		126
Total	54,223	53,333	890	44,393
Fire protection				
Forest fire control	78,183	75,168		58,981
Contribution to the fire department	198,000	173,000		282,000
Total	276,183	248,168	28,015	340,981

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 1 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND – BUDGET AND ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	<u>2024</u>		Variance Positive (Negative)	<u>2023</u>
	<u>Budget</u>	<u>Actual</u>		
Expenditures (continued)				
Current (continued)				
Public safety (continued)				
Building inspector				
Salaries and employee benefits	\$ 93,320	\$ 86,109	\$	\$ 86,824
Other operating expenditures	13,712	11,479		25,457
Total	<u>107,032</u>	<u>97,588</u>	<u>9,444</u>	<u>112,281</u>
Medical examiner				
Other operating expenditures	5,650	600	5,050	1,800
Animal control				
Salaries and employee benefits	76,080	77,214		71,453
Other operating expenditures	21,190	14,018		14,299
Total	<u>97,270</u>	<u>91,232</u>	<u>6,038</u>	<u>85,752</u>
Total public safety	<u>2,218,584</u>	<u>1,972,323</u>	<u>246,261</u>	<u>1,822,055</u>
Human services				
Health				
MTW health	61,386	61,386	-	61,386
Medical transportation				
Emergency medical services	684,968	684,485	483	683,306
Social services				
Administration				
Salaries and employee benefits	1,153,032	987,692		972,016
Other operating expenditures	291,397	245,443		241,891
Contracted services	58,300	53,023		61,229
Total	<u>1,502,729</u>	<u>1,286,158</u>	<u>216,571</u>	<u>1,275,136</u>
Public assistance				
Medical assistance payments	4,000	243		523
Income maintenance	38,000	28,927		30,707
Total	<u>42,000</u>	<u>29,170</u>	<u>12,830</u>	<u>31,230</u>
Food stamps/coupons				
Other operating expenditures	2,500	1,087	1,413	1,070
Legal aid children				
Other operating expenditures	25,645	14,885	10,760	18,680
Senior citizens assistance				
Other operating expenditures	113,940	92,353	21,587	94,424
Transportation - nutritional				
Salaries and employee benefits	120,381	119,606		109,117
Contracted services	9,257	9,257		8,631
Other operating expenditures	38,951	38,602		33,439
Total	<u>168,589</u>	<u>167,465</u>	<u>1,124</u>	<u>151,187</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 1 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND – BUDGET AND ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Expenditures (continued)				
Current (continued)				
Human Services (continued)				
Crisis intervention				
Other operating expenditures	\$ 17,751	\$ 1,083	\$ 16,668	\$ 7,374
Foster care				
Other operating expenditures	41,635	3,475	38,160	10,556
Blind administration				
Other operating expenditures	2,200	-	2,200	1,974
Other Social Services				
Other operating expenditures	156,054	111,274	44,780	129,357
Total human services	2,821,721	2,453,773	367,948	2,465,680
Education				
Public schools - current	596,265	596,265	-	596,265
Total education	596,265	596,265	-	596,265
Environmental protection				
Drainage				
Contract services	34,000	8,402	25,598	31,692
Solid waste				
Salaries and employee benefits	12,961	13,711		13,581
Other operating expenses	121,000	114,681		107,945
Contract services	511,584	504,114		480,578
Total	645,545	632,506	13,039	602,104
Total environmental protection	679,545	640,908	38,637	633,796
Economic and physical development				
Agriculture extension				
Salaries and employee benefit	-	-		-
Other operating expenditures	178,493	173,068		137,778
Appropriations - Albemarle Commission	2,839	2,428		2,775
Appropriations - River Festival	18,000	13,000		7,020
Appropriations - Albemarle RC&D	750	750		750
Appropriations - PFS	32,000	32,000		12,000
Total	232,082	221,246	10,836	160,323
Board of Supervisors - soil conservation				
Salaries and employee benefits	65,632	65,138		61,280
Other operating expenditures	9,370	7,089		3,782
Total	75,002	72,227	2,775	65,062
Total economic and physical development	307,084	293,473	13,611	225,385
Cultural and recreational				
Pettigrew Regional Library	146,696	146,696	-	144,481
Recreation Commission	42,331	39,864		39,864
Total cultural and recreational	189,027	186,560	2,467	184,345

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 1 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND – BUDGET AND ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Expenditures (continued)				
Current (continued)				
Debt service				
Note principal	\$ 38,068	\$ 38,108		\$ 34,730
Interest and fees	19,730	19,690		23,068
Total debt service	<u>57,798</u>	<u>57,798</u>	<u>-</u>	<u>57,798</u>
Total expenditures	<u>8,747,210</u>	<u>7,968,841</u>	<u>778,369</u>	<u>7,662,011</u>
Revenues over (under) expenditures	<u>(827,288)</u>	<u>(58,585)</u>	<u>768,703</u>	<u>177,875</u>
Other financing sources (uses)				
Sale of capital assets	28,150	41,679	13,529	33,027
Transfers from other funds	205,624	187,550	(18,074)	173,322
Transfers to other funds	<u>(32,954)</u>	<u>(5,000)</u>	<u>27,954</u>	<u>(21,900)</u>
Total other financing sources (uses)	<u>200,820</u>	<u>224,229</u>	<u>23,409</u>	<u>184,449</u>
Revenues and other financing sources under expenditures and other financing uses	<u>(626,468)</u>	<u>165,644</u>	<u>792,112</u>	<u>362,324</u>
Appropriated fund balance	<u>626,468</u>	<u>-</u>	<u>(626,468)</u>	<u>-</u>
Revenues and other financing sources (uses) and appropriated fund balance over expenditures	<u>\$ -</u>	<u>165,644</u>	<u>\$ 165,644</u>	<u>362,324</u>
Fund balance:				
Beginning of year - July 1		<u>2,273,844</u>		<u>1,911,520</u>
End of year - June 30		<u>\$ 2,439,488</u>		<u>\$ 2,273,844</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 2 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – CAPITAL OUTLAY FUND (A SUBFUND OF THE GENERAL FUND) – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024			2023
	Budget	Actual	Variance Positive (Negative)	
Revenues				
Investment earnings	\$ -	\$ 2,823	\$ 2,823	\$ 1,903
Revenues over expenditures	-	2,823	2,823	1,903
Revenues and other financing sources (uses)	<u>\$ -</u>	2,823	<u>\$ 2,823</u>	1,903
Fund balances:				
Beginning of year - July 1		<u>52,599</u>		<u>50,696</u>
End of year - June 30		<u>\$ 55,422</u>		<u>\$ 52,599</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 3 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REVALUATION FUND (A SUBFUND OF THE GENERAL FUND) – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024			2023
	Budget	Actual	Variance Positive (Negative)	
Revenues				
Investment earnings	\$ 5,000	\$ 5,226	\$ 226	\$ 3,029
Expenditures				
Contract services	54,895	54,894	1	-
Revenues over expenditures	(49,895)	(49,668)	227	3,029
Other financing sources (uses):				
Transfers from other funds	18,074	18,074	-	16,900
Appropriated fund balance	31,821	-	(31,821)	-
Revenues and other financing sources (uses) and appropriated fund balance over expenditures	<u>\$ -</u>	(31,594)	<u>\$ (31,594)</u>	19,929
Fund balances:				
Beginning of year - July 1		89,251		69,322
End of year - June 30		<u>\$ 57,657</u>		<u>\$ 89,251</u>

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE 4 – MAJOR FUND-SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – DIRECTED GRANTS FUND

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDING JUNE 30, 2023

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
SCIF grant	\$ 250,000	\$ 9,532	6,633	\$ 16,165	\$ (233,835)
Steinburg Appropriation	400,000	50,000	146,638	196,638	(203,362)
Investment earnings	-	13,364	29,620	42,984	42,984
	<u>650,000</u>	<u>72,896</u>	<u>182,891</u>	<u>255,787</u>	<u>(394,213)</u>
Expenditures					
SCIF expenditures					
Design plans for water tank	3,670	3,670	-	3,670	-
Drainage improvements	75,000	-	4,000	4,000	71,000
ROD Office renovation	121,330	-	-	-	121,330
Playground equipment	50,000	5,862	2,633	8,495	41,505
	<u>250,000</u>	<u>9,532</u>	<u>6,633</u>	<u>16,165</u>	<u>233,835</u>
Steinburg expenditures					
Software & hardware	135,000	-	27,712	27,712	107,288
Replace aging vehicles	50,000	50,000	-	50,000	-
Furnishings for Food Pantry	15,000	-	3,086	3,086	11,914
Records Preservation	50,000	-	50,000	50,000	-
Purchase Ambulance	75,000	-	-	-	75,000
Equipment for Senior Center	25,000	-	15,840	15,840	9,160
Equipment for Maintenance Dept	50,000	-	50,000	50,000	-
	<u>400,000</u>	<u>50,000</u>	<u>146,638</u>	<u>196,638</u>	<u>203,362</u>
Total expenditures	<u>650,000</u>	<u>59,532</u>	<u>153,271</u>	<u>212,803</u>	<u>437,197</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 13,364</u>	29,620	<u>\$ 42,984</u>	<u>\$ 42,984</u>
Fund balance:					
Beginning of year - July 1			<u>13,364</u>		
End of year - June 30			<u>\$ 42,984</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 5 – MAJOR FUND-SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – PUBLIC SCHOOL BUILDING CAPITAL FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental					
NBPSCF revenue	\$ 1,789,566	\$ 339,371	\$ 1,323,257	\$ 1,662,628	\$ (126,938)
PSBRRF revenue	8,380	-	-	-	(8,380)
Miscellaneous revenue	-	-	76	76	76
Total revenue	<u>1,797,946</u>	<u>339,371</u>	<u>1,323,333</u>	<u>1,662,704</u>	<u>(135,242)</u>
Expenditures					
NBPSCF expenditures					
Construction	1,757,000	309,748	1,317,006	1,626,754	130,246
Planning/design	84,398	38,945	6,251	45,196	39,202
Other contracts	161,168	24,819	-	24,819	136,349
Total NBPSCF	<u>2,002,566</u>	<u>373,512</u>	<u>1,323,257</u>	<u>1,696,769</u>	<u>305,797</u>
PSBRRF expenditures					
School Bldg Repair/Renov	8,380	-	-	-	8,380
Total expenditures	<u>2,010,946</u>	<u>373,512</u>	<u>1,323,257</u>	<u>1,696,769</u>	<u>314,177</u>
Revenues over (under) expenditures	<u>(213,000)</u>	<u>(34,141)</u>	<u>76</u>	<u>(34,065)</u>	<u>(449,419)</u>
Other financing sources (uses)					
Local school contribution	213,000	34,141	-	34,141	(178,859)
Total other financing sources	<u>213,000</u>	<u>34,141</u>	<u>-</u>	<u>34,141</u>	<u>(178,859)</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>76</u>	<u>\$ 76</u>	<u>\$ 76</u>
Fund balance					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ 76</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 6 – COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2024

	Representative Payee Fund	School Capital Outlay Fund	ARPA Fund	Opioid Settlement Fund	Total Non-major Special Revenue Funds
Assets					
Restricted cash and investments	\$ 14	\$ 533,036	15,000	\$ 106,097	\$ 654,147
Due from other governments	-	124,875	-	-	124,875
Accounts receivable	-	-	-	-	-
Total assets	\$ 14	\$ 657,911	\$ 15,000	\$ 106,097	\$ 779,022
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	15,000	-	15,000
Total liabilities	-	-	15,000	-	15,000
Fund balances					
Restricted:					
Stabilization by state statute	-	124,875	-	-	124,875
School capital outlay	-	533,036	-	-	533,036
Opioid settlement fund	-	-	-	106,097	106,097
Representative payee fund	14	-	-	-	14
Unassigned	-	-	-	-	-
Total fund balances	14	657,911	-	106,097	764,022
Total liabilities, deferred inflows of resources, and fund balances	\$ 14	\$ 657,911	\$ 15,000	\$ 106,097	\$ 779,022

TYRRELL COUNTY, NORTH CAROLINA

**SCHEDULE 6 – COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
(CONTINUED)**

JUNE 30, 2024

	CDBG Projects Fund	Elevation Project Fund	Stream Debris Removal Fund	Scuppernong River Dock Project	Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
Assets						
Restricted cash and investments	\$ 562	\$ -	\$ -	\$ -	\$ 562	\$ 654,709
Due from other governments	-	-	-	-	-	124,875
Accounts receivable	12,537	-	170	63,054	75,761	75,761
Total assets	\$ 13,099	\$ -	\$ 170	\$ 63,054	\$ 76,323	\$ 855,345
Liabilities						
Accounts payable	\$ 12,121	\$ -	\$ 170	2,665	\$ 14,956	\$ 14,956
Due to other funds	-	-	-	60,389	60,389	60,389
Unearned revenue	-	-	-	-	-	15,000
Total liabilities	12,121	-	170	63,054	75,345	90,345
Fund balances						
Restricted:						
Stabilization by state statute	12,537	-	170	63,054	75,761	200,636
School capital outlay	-	-	-	-	-	533,036
Opioid settlement fund	-	-	-	-	-	106,097
Representative payee fund	-	-	-	-	-	14
Unassigned	(11,559)	-	(170)	(63,054)	(74,783)	(74,783)
Total fund balances	978	-	-	-	978	765,000
Total liabilities, deferred inflows of resources, and fund balances	\$ 13,099	\$ -	\$ 170	\$ 63,054	\$ 76,323	\$ 855,345

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 7 – COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2024

	Representative Payee Fund	Deed of Trust Fund	Fines and Forfeitures Fund	School Capital Outlay Fund	Opioid Settlement Fund	Total Nonmajor Special Revenue Funds
Revenues						
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ 488,164	\$ 73,262	\$ 561,426
Sales and services	-	-	83,378	-	-	83,378
Permits and fees	-	2,337	-	-	-	2,337
Investment earnings	-	-	-	6,655	3,425	10,080
Miscellaneous revenue	-	-	-	-	-	-
Total revenues	-	2,337	83,378	494,819	76,687	657,221
Expenditures						
General government	-	2,337	83,378	-	-	85,715
Education	-	-	-	100,000	-	100,000
Human services	2,267	-	-	-	6,261	8,528
Capital outlay	-	-	-	-	-	-
Total expenditures	2,267	2,337	83,378	100,000	6,261	194,243
Excess (deficiency) of revenues over (under) expenditures	(2,267)	-	-	394,819	70,426	462,978
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(205,624)	-	(205,624)
Total other financing sources (uses)	-	-	-	(205,624)	-	(205,624)
Net change in fund balances	(2,267)	-	-	189,195	70,426	257,354
Fund balance - beginning	2,281	-	-	468,716	35,671	506,668
Fund balance - ending	\$ 14	\$ -	\$ -	\$ 657,911	\$ 106,097	\$ 764,022

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 7 – COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)

YEAR ENDED JUNE 30, 2024

	CDBG Projects Fund	Stream Debris Removal Project	Scuppernong River Dock Project	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues					
Restricted intergovernmental	\$ 12,248	\$ 926,517	\$ 63,053	\$ 1,001,818	\$ 1,563,244
Sales and services	-	-	-	-	83,378
Permits and fees	-	-	-	-	2,337
Investment earnings	-	-	-	-	10,080
Miscellaneous revenue	-	1,650	928	2,578	2,578
Total revenues	<u>12,248</u>	<u>928,167</u>	<u>63,981</u>	<u>1,004,396</u>	<u>1,661,617</u>
Expenditures					
General government	-	933,167	-	933,167	1,018,882
Education	-	-	-	-	100,000
Human services	-	-	-	-	8,528
Capital outlay	12,248	-	63,981	76,229	76,229
Total expenditures	<u>12,248</u>	<u>933,167</u>	<u>63,981</u>	<u>1,009,396</u>	<u>1,203,639</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(5,000)</u>	<u>-</u>	<u>(5,000)</u>	<u>457,978</u>
Other financing sources (uses)					
Transfers in	-	5,000	-	5,000	5,000
Transfers out	-	-	-	-	(205,624)
Total other financing sources (uses)	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>(200,624)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>257,354</u>
Fund balance - beginning	<u>978</u>	<u>-</u>	<u>-</u>	<u>978</u>	<u>507,646</u>
Fund balance - ending	<u>\$ 978</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 978</u>	<u>\$ 765,000</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 8 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – ARPA FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
ARPA funds	\$ 780,061	\$ 765,061	\$ -	\$ 765,061	\$ (15,000)
Expenditures					
Broadband grant program	15,000	-	-	-	15,000
Revenues over expenditures	<u>765,061</u>	<u>765,061</u>	<u>-</u>	<u>765,061</u>	<u>-</u>
Other financing sources (uses):					
Transfer to Water/Sewer fund	(196,407)	(196,407)	-	(196,407)	-
Transfer to General fund	(568,654)	(568,654)	-	(568,654)	-
Total financing sources	<u>(765,061)</u>	<u>(765,061)</u>	<u>-</u>	<u>(765,061)</u>	<u>-</u>
Revenues and other financing sources (uses) and appropriated fund balance over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 9 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REPRESENTATIVE PAYEE FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures			
Human services			
Payments made for the benefit of beneficiaries	\$ 2,300	\$ 2,267	\$ 33
Total expenditures	<u>2,300</u>	<u>2,267</u>	<u>33</u>
Other financing sources (uses)			
Appropriated fund balance	<u>2,300</u>	<u>-</u>	<u>(2,300)</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>(2,267)</u>	<u>\$ (2,267)</u>
Fund balance			
Beginning of year - July 1		<u>2,281</u>	
End of year - June 30		<u>\$ 14</u>	

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 10 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – DEED OF TRUST FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Permits and fees			
Register of deeds	\$ 3,600	\$ 2,337	\$ (1,263)
Expenditures			
Payments of fees			
remitted to the State			
of North Carolina	3,600	2,337	1,263
Total expenditures	<u>3,600</u>	<u>2,337</u>	<u>1,263</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance			
Beginning of year - July 1		<u>-</u>	
End of year - June 30		<u>\$ -</u>	

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 11 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – FINES AND FORFEITURES FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Sales and services			
Penalties, fines, and forfeitures	\$ 100,000	\$ 83,378	\$ (16,622)
Expenditures			
Payments of penalties, fines, and forfeitures to the Tyrrell County Board of Education	100,000	83,378	16,622
Total expenditures	100,000	83,378	16,622
Revenues over (under) expenditures	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance			
Beginning of year - July 1		-	
End of year - June 30		<u>\$ -</u>	

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 12 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – SCHOOL CAPITAL OUTLAY FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Revenues				
Restricted intergovernmental revenue				
Local option sales tax - Article 40	\$ 93,611	\$ 92,622	\$ (989)	\$ 88,847
Local option sales tax - Article 42	187,223	185,243	(1,980)	177,693
Local option sales tax - Article 44	205,624	210,299	4,675	195,219
Investment earnings	6,500	6,655	155	4,487
Total revenues	<u>492,958</u>	<u>494,819</u>	<u>1,861</u>	<u>466,246</u>
Expenditures				
Education	287,334	100,000	187,334	100,000
Debt service				
Note principal	-	-	-	131,020
Interest and fees	-	-	-	1,396
Total expenditures	<u>287,334</u>	<u>100,000</u>	<u>187,334</u>	<u>232,416</u>
Other financing sources (uses)				
Transfers to other funds	(205,624)	(205,624)	-	(173,270)
Revenues over expenditures	<u>\$ -</u>	<u>189,195</u>	<u>\$ 189,195</u>	<u>60,560</u>
Fund balances:				
Beginning of year - July 1		468,716		408,156
End of year - June 30		<u>\$ 657,911</u>		<u>\$ 468,716</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 13 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – OPIOID SETTLEMENT FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Opioid Settlement Revenue	\$ -	\$ 34,601	\$ 73,262	\$ 107,863	\$ 107,863
Interest income	-	1,070	3,425	4,495	4,495
	-	35,671	76,687	112,358	112,358
Expenditures					
Opioid Settlement expense	6,261	-	6,261	6,261	-
Total expenditures	6,261	-	6,261	6,261	-
Appropriated fund balance	6,261	-	-	-	(6,261)
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 35,671</u>	<u>\$ 70,426</u>	<u>\$ 106,097</u>	<u>\$ 106,097</u>
Fund balance:					
Beginning of year - July 1			<u>35,671</u>		
End of year - June 30			<u>\$ 106,097</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 14 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE– CDBG PROJECTS FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental Community Development Block Grant - NR	\$ 750,000	\$ 701,125	\$ -	\$ 701,125	\$ (48,875)
Community Development Block Grant- CV	900,000	300,688	12,248	312,936	(587,064)
Miscellaneous					
Cannon Foundation Grant	100,000	100,000	-	100,000	-
Other	-	540	-	540	540
Total revenues	<u>1,750,000</u>	<u>1,102,353</u>	<u>12,248</u>	<u>1,114,601</u>	<u>(635,399)</u>
Expenditures					
NR Grant					
Administration	50,000	50,000	-	50,000	-
Rehabilitation	396,565	347,693	-	347,693	48,872
Neighborhood Facilities	295,500	295,059	-	295,059	441
Food Pantry	100,000	100,000	-	100,000	-
Sewer Improvements	12,935	12,935	-	12,935	-
CV Grant					
Administration	57,000	30,688	127	30,815	26,185
Food Pantry & Health Dept	843,000	270,000	12,121	282,121	560,879
Total expenditures	<u>1,755,000</u>	<u>1,106,375</u>	<u>12,248</u>	<u>1,118,623</u>	<u>636,377</u>
Other financing sources					
Transfer from general fund	5,000	5,000	-	5,000	-
Total other financing sources	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 978</u>	<u>-</u>	<u>\$ 978</u>	<u>\$ 978</u>
Fund balance					
Beginning of year - July 1			<u>978</u>		
End of year - June 30			<u>\$ 978</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 15 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - STREAM DEBRIS REMOVAL PROJECT FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental					
Hurricane Debris Removal Grant	\$ 1,084,882	\$ 117,066	\$ 926,517	\$ 1,043,583	\$ (41,299)
Other-local contributions	8,159	4,204	1,650	5,854	(2,305)
Total revenues	<u>1,093,041</u>	<u>121,270</u>	<u>928,167</u>	<u>1,049,437</u>	<u>(43,604)</u>
Expenditures					
Debris removal	1,084,882	117,066	926,517	1,043,583	41,299
In-kind contribution	13,159	4,204	6,650	10,854	2,305
Total expenditures	<u>1,098,041</u>	<u>121,270</u>	<u>933,167</u>	<u>1,054,437</u>	<u>43,604</u>
Other financing sources					
Transfer from other funds	5,000	-	5,000	5,000	-
Total other financing sources	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ -</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 16 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – SCUPPERNONG RIVER DOCK – BUDGET AND ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental					
CAMA Grant	\$ 25,650	\$ -	\$ 18,906	\$ 18,906	\$ (6,744)
USFW Big Grant	49,970	-	44,147	44,147	(5,823)
Other-Local Contribution	11,180	-	928	928	(10,252)
Total revenues	<u>86,800</u>	<u>-</u>	<u>63,981</u>	<u>63,981</u>	<u>(22,819)</u>
Expenditures					
Permit & Design Fees	16,850	-	18,893	18,893	(2,043)
Site Improvement-Materials	44,200	-	44,160	44,160	40
Site Improvement-Labor	24,350	-	-	-	24,350
Administration	1,400	-	928	928	472
Total expenditures	<u>86,800</u>	<u>-</u>	<u>63,981</u>	<u>63,981</u>	<u>22,819</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 17 – SCHEDULE OF REVENUES AND EXPENDITURES – WATER AND SEWER OPERATION PROPRIETARY FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Operating revenues				
Water:				
Charges for services		\$ 1,100,877		\$ 1,150,217
Connection fees		10,700		10,475
Tap fees		12,100		14,801
Late fees		33,966		29,214
Other operating revenues		<u>232,825</u>		<u>168,173</u>
Total Water Operating Revenues	1,165,000	1,390,468	\$ 225,468	1,372,880
Sewer:				
Charges for services		224,871		231,279
Other miscellaneous revenue		<u>54,193</u>		<u>54,777</u>
Total Sewer Operating Revenues	<u>242,000</u>	<u>279,064</u>	<u>37,064</u>	<u>286,056</u>
Total operating revenues	<u>1,407,000</u>	<u>1,669,532</u>	<u>262,532</u>	<u>1,658,936</u>
Nonoperating revenues and other financing sources				
Interest earned on investments	<u>37,000</u>	<u>37,883</u>	<u>883</u>	<u>23,456</u>
Total Nonoperating revenues and other financing sources	<u>37,000</u>	<u>37,883</u>	<u>883</u>	<u>23,456</u>
Total revenues, other financing sources	<u>1,444,000</u>	<u>1,707,415</u>	<u>263,415</u>	<u>1,682,392</u>
Operating expenditures				
Water expenditures				
Salaries and employee benefits		423,300		397,194
Operating expenditures		<u>572,041</u>		<u>509,056</u>
Total water expenditures	<u>1,034,055</u>	<u>995,341</u>	<u>38,714</u>	<u>906,250</u>
Sewer expenditures				
Salaries and employee benefits		24,748		37,086
Operating expenditures		<u>136,113</u>		<u>120,401</u>
Total sewer expenditures	<u>231,601</u>	<u>160,861</u>	<u>70,740</u>	<u>157,487</u>
Total operating expenditures	<u>1,265,656</u>	<u>1,156,202</u>	<u>109,454</u>	<u>1,063,737</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 17 – SCHEDULE OF REVENUES AND EXPENDITURES – WATER AND SEWER OPERATION PROPRIETARY FUND – BUDGET AND ACTUAL (CONTINUED)

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDING JUNE 30, 2023

	2024		Variance Positive (Negative)	2023
	Budget	Actual		
Other expenditures and financing (sources) uses				
Principal payments	\$ 97,500	\$ 93,000	\$ 4,500	\$ 90,000
Interest and fees	118,300	118,299	1	120,797
Capital outlay	163,093	161,593	1,500	15,266
Fund balance appropriated	(200,549)	-	200,549	
Total other expenditures and financing uses	<u>178,344</u>	<u>372,892</u>	<u>6,001</u>	<u>226,063</u>
Total expenditures and other financing uses	<u>1,444,000</u>	<u>1,529,094</u>	<u>(85,094)</u>	<u>1,289,800</u>
Revenues over expenditures	<u>\$ -</u>	<u>\$ 178,321</u>	<u>\$ 178,321</u>	<u>\$ 392,592</u>
Reconciliation of modified accrual basis to full accrual basis				
Total revenues and other financing sources		\$ 1,707,415		
Total expenditures and other financing uses		<u>1,529,094</u>		
		178,321		
Debt principal		93,000		
Capital outlay		161,593		
Depreciation		(510,620)		
Increase (decrease) in deferred outflows of resources - pensions		4,093		
(Increase) decrease in net pension liability		9,931		
(Increase) decrease in deferred inflows of resources- pensions		(72)		
(Increase) decrease in compensated absences		4,107		
Pension expense				
OPEB expense		16,713		
Capital contributions from Gum Neck Water Tank Fund		<u>107,375</u>		
Total reconciling items		<u>(113,880)</u>		
Change in net position		<u>\$ 64,441</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 18 – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GUM NECK WATER TANK FUND– BUDGET AND ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental					
NCDEQ Grant	\$ 2,452,000	\$ 82,250	\$ 107,375	\$ 189,625	\$ (2,262,375)
Total revenues	<u>2,452,000</u>	<u>82,250</u>	<u>107,375</u>	<u>189,625</u>	<u>(2,262,375)</u>
Expenditures					
Engineering	361,000	80,250	106,575	186,825	174,175
Property/Easement Acquisition	30,000	2,000	-	2,000	28,000
Legal Fees	25,000	-	-	-	25,000
Administration	5,000	-	400	400	4,600
Construction	1,846,000	-	400	400	1,845,600
Contingency	185,000	-	-	-	185,000
Total expenditures	<u>2,452,000</u>	<u>82,250</u>	<u>107,375</u>	<u>189,625</u>	<u>2,262,375</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 19 – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - TOURISM DEVELOPMENT AUTHORITY – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE TOTALS FOR THE YEAR ENDING JUNE 30, 2023

	2024			2023
	Budget	Actual	Variance Positive (Negative)	
Revenues				
Occupancy tax	\$ 13,702	\$ 26,587	\$ 12,885	\$ 19,983
Interest income	-	1,516	1,516	39
	<u>13,702</u>	<u>28,103</u>	<u>14,401</u>	<u>20,022</u>
Expenditures				
General government	<u>17,852</u>	<u>9,038</u>	<u>8,814</u>	<u>13,581</u>
Revenues over expenditures	<u>(4,150)</u>	<u>19,065</u>	<u>23,215</u>	<u>6,441</u>
Appropriated fund balance	<u>4,150</u>	<u>-</u>	<u>(4,150)</u>	<u>-</u>
Revenues and other financing sources (uses)	<u>\$ -</u>	<u>19,065</u>	<u>\$ 19,065</u>	<u>6,441</u>
Fund balances				
Beginning of year - July 1		<u>56,160</u>		<u>49,719</u>
End of year - June 30		<u>\$ 75,225</u>		<u>\$ 56,160</u>

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE 20 – SCHEDULE OF AD VALOREM TAXES RECEIVABLE

YEAR ENDED JUNE 30, 2024

Fiscal Years	Uncollected Balance June 30, 2023	Additions	Collections and Credits	Uncollected Balance June 30, 2024
2023-2024	\$ -	\$ 4,781,529	\$ 4,599,445	\$ 182,084
2022-2023	118,935	-	50,038	68,897
2021-2022	68,254	-	26,019	42,235
2020-2021	51,387	-	18,604	32,783
2019-2020	35,603	-	10,449	25,154
2018-2019	27,148	-	5,425	21,723
2017-2018	21,054	-	3,946	17,108
2016-2017	21,127	-	3,269	17,858
2015-2016	23,553	-	4,669	18,884
2014-2015	16,448	-	4,342	12,106
2013-2014	12,848	-	12,848	-
	\$ 396,357	\$ 4,781,529	\$ 4,739,054	\$ 438,832
Ad valorem taxes receivable - net				\$ 438,832
Reconciliation with revenues:				
Ad valorem taxes - General Fund				\$ 4,770,245
Reconciling items				
Refunds				7,883
Penalties paid				6,148
Abatements				7,131
Interest and penalties collected				(51,988)
Amounts written off for prior years				(365)
Total reconciling items				(31,191)
Total collections and credits				\$ 4,739,054

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 21 – ANALYSIS OF CURRENT TAX LEVY – COUNTY-WIDE LEVY

YEAR ENDED JUNE 30, 2024

	County Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy					
Property taxed at current year rates	\$ 443,742,948	0.95	\$ 4,215,558	\$ 3,797,326	\$ 418,232
Penalties	N/A		6,465	6,465	-
Public utilities	10,736,361	0.95	101,995	101,995	-
Solid waste	N/A		462,465	462,465	-
Total	<u>454,479,309</u>		<u>4,786,483</u>	<u>4,368,251</u>	<u>418,232</u>
Discoveries					
Current year taxes	1,319,369	0.95	12,534	12,534	-
Solid Waste	-		-	-	-
Total	<u>1,319,369</u>		<u>12,534</u>	<u>12,534</u>	<u>-</u>
Abatements	<u>(1,840,843)</u>		<u>(17,488)</u>	<u>(17,488)</u>	<u>-</u>
Total Property Valuation	<u>\$ 453,957,835</u>				
Net levy			4,781,529	4,363,297	418,232
Uncollected taxes at June 30, 2024			<u>182,084</u>	<u>178,416</u>	<u>3,668</u>
Current year's taxes collected			<u>\$ 4,599,445</u>	<u>\$ 4,184,881</u>	<u>\$ 414,564</u>
Current net levy collection percentage			<u>96.19%</u>	<u>95.91%</u>	<u>99.12%</u>

Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of County Commissioners
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 the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tyrrell County, North Carolina (the "County"), as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 13, 2025.

Our report includes a reference to other auditors who audited the financial statements of the Tyrrell County Alcoholic Beverage Control Board (the "Board"), as described in our report on the County's financial statements. The financial statements of the Board were not audited in accordance with *Government Auditing Standards* and, accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Board or that are reported on separately by the other auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Cherry Bekaert LLP".

Raleigh, North Carolina
January 13, 2025

**Report of Independent Auditor on Compliance for Each Major Federal Program and
on Internal Control Over Compliance Required by the Uniform Guidance and
the State Single Audit Implementation Act**

To the Board of County Commissioners
Tyrrell County, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Tyrrell County, North Carolina's (the "County"), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2024. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance, and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A deficiency *in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

Cherry Bekaert LLP

Raleigh, North Carolina
January 13, 2025

Report of Independent Auditor on Compliance for Each Major State Program and on Internal Control over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

To the Board of County Commissioners
Tyrrell County, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Tyrrell County, North Carolina's (the "County"), compliance with the types of compliance requirements identified as subject to audit 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 the County's major state programs for the year ended June 30, 2024. The County's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance, and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A deficiency *in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

Cherry Bekaert LLP

Raleigh, North Carolina
January 13, 2025

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2024

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements are presented in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

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

Federal Awards

Internal control over major federal programs:

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

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

Unmodified

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

yes no

Identification of major federal programs:

Assistance Listing Numbers

Names of Federal Program or Cluster

93.778

Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

yes no

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2024

Section I—Summary of Auditor’s Results (continued)

State Awards

Internal control over major state programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to state awards noted? _____ yes X no

Type of auditor’s report issued on compliance for major state programs: Unmodified

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

Identification of major state programs:

Program Name

DSS Crosscutting
Needs-Based Public School Building Capital Fund
North Carolina Department of Public Safety - Grant-in-Aid
Stream Debris Removal – Disaster Recovery Act of 2016

Section II—Findings Related to the Audit of the Basic Financial Statements

None reported.

Section III—Federal and State Award Findings and Questioned Costs

None reported.

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2024

No findings in the prior year.

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	State/Pass-Through Grantor's Number	Federal Expenditures (Direct and Pass-Through)	State Expenditures	Passed to Subrecipients
FEDERAL AWARDS:					
<u>U.S. Department of Agriculture</u>					
Passed-Through N.C. Department of Health and Human Services:					
Division of Social Services:					
Administration:					
<u>SNAP Cluster (Note 4):</u>					
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 1,703	\$ -	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		142,466	-	-
Total U.S. Dept. of Agriculture			<u>144,169</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>					
Passed-Through N.C. Department of Commerce					
COVID 19 - Community Development Block Grant, State's Program	14.218	20-V-3532	12,248	-	-
Total U.S. Dept. of Housing and Urban Development			<u>12,248</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of the Interior</u>					
Division of US Fish and Wildlife Service					
Sportfishing and Boating Safety Act	15.622		44,147	-	-
Total U.S. Dept. of the Interior			<u>44,147</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Treasury</u>					
Local Assistance and Tribal Consistency Fund	21.032		230,804	-	-
Passed-Through N.C. Department of Environmental Quality					
Division of Water Infrastructure					
Coronavirus State and Local Fiscal Recovery Funds	21.027	SRP-D-ARP-0231	107,375	-	-
Total U.S. Dept. of Treasury			<u>338,179</u>	<u>-</u>	<u>-</u>

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	State/Pass-Through Grantor's Number	Federal Expenditures (Direct and Pass-Through)	State Expenditures	Passed to Subrecipients
<u>U.S. Department of Homeland Security</u>					
Passed -through NC Dept of Public Safety					
Division of Emergency Management:					
Emergency Mgmt Performance Grant	97.042	EMA-2023-EP-00003	\$ 19,849	\$ 19,849	\$ -
Total U.S. Dept. of Homeland Security			<u>19,849</u>	<u>19,849</u>	<u>-</u>
<u>U.S. Department of Health & Human Services</u>					
Passed-through the NC Dept of Health and Human Services:					
Division of Social Services:					
MaryLee Allen Promoting Safe and Stable Families	93.556		5,870	-	-
Temporary Assistance for Needy Families (TANF) - Work First	93.558		68,774	-	-
<u>Foster Care and Adoption Cluster (Note 4):</u>					
Foster Care - Title IV-E	93.658		549	-	-
Total Foster Care and Adoption Cluster			<u>549</u>	<u>-</u>	<u>-</u>
Child Support Enforcement	93.563		46,003	(112)	-
Refugee and Entrant Assistance State/Replacment Designee Administered Programs	93.566		(2,998)	-	-
<u>Low-Income Home Energy Assistance:</u>					
Weatherization Assistance and Heating and Air Repair	93.568		3,698	-	-
COVID-19 Weatherization Assistance and Heating and Air Repair	93.568		6,865	-	-
Total Low-income Home Energy Assistance			<u>10,563</u>	<u>-</u>	<u>-</u>

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	State/Pass-Through Grantor's Number	Federal Expenditures (Direct and Pass-Through)	State Expenditures	Passed to Subrecipients
SSBG - Other Services and Training	93.667		\$ 57,275	\$ -	\$ -
Division of Aging and Adult Services:					
Division of Social Services:					
SSBG - State Adult Day Care	93.667		35,584	-	-
Total Social Service Block Grant (SSBG)			<u>92,859</u>	<u>-</u>	<u>-</u>
Division of Child Development and Early Education					
Subsidized Child Care					
<u>Child Care Development Fund Cluster (Note 4):</u>					
Division of Social Services					
Funds - Administration	93.596		50,066	-	-
Stephanie Tubbs Jones Child Welfare Services Program					
Permanency Planning - Family for Kids	93.645		1,173	-	-
Passed-through the NC Dept of Health and Human Services:					
Division of Health Benefits					
Division of Social Services					
Childrens' Health Insurance Program - N.C. Health Choice	93.767		31,318	73	-
<u>Medicaid Cluster (Note 4):</u>					
Medical Assistance Program	93.778		370,894	120,814	-

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	State/Pass-Through Grantor's Number	Federal Expenditures (Direct and Pass-Through)	State Expenditures	Passed to Subrecipients
<u>U.S. Department of Health & Human Services</u>					
Passed-through Albemarle Commission:					
Division of Aging and Adult Services:					
<u>Aging Cluster:</u>					
Special Programs for the Aging - Title III, Part C					
Nutrition Services	93.045		\$ 7,377	\$ -	\$ -
Total Aging Cluster			<u>7,377</u>	<u>-</u>	<u>-</u>
Passed through NC Dept of Insurance					
CDAP - State Health Insurance Assistance Program	93.324		7,187	-	-
Medicare Improvement for Patients & Providers Act	93.071		2,527	-	-
CIP - Senior Medicare Patrol Project	93.048		1,677	-	-
			<u>693,839</u>	<u>120,775</u>	<u>-</u>
Total U.S. Dept. of Health & Human Services					
<u>U.S. Department of Justice</u>					
Passed-through the N.C. Dept of Public Safety					
Edward Byrne Justice Assistance Grant	16.738		24,459	-	-
Total U.S. Dept. of Justice			<u>24,459</u>	<u>-</u>	<u>-</u>
Total Federal Programs					
			<u>1,276,890</u>	<u>140,624</u>	<u>-</u>
STATE AWARDS:					
<u>N.C. Department of Agriculture & Consumer Services</u>					
Division of Soil and Water Conservation:					
Hurricane Matthew Debris Removal			-	926,517	-
Agriculture Cost Share Program			-	26,190	-
Total N.C. Department of Agriculture & Consumer Services			<u>-</u>	<u>952,707</u>	<u>-</u>

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	State/Pass-Through Grantor's Number	Federal Expenditures (Direct and Pass-Through)	State Expenditures	Passed to Subrecipients
<u>N.C. Department of Environmental Quality</u>					
Division of Coastal Management:					
CAMA-PARTF			\$ -	\$ 18,906	\$ -
White Goods Mgmt Program			-	1,897	-
Solid Waste Disposal Program			-	2,916	-
Scrap Tire Program			-	6,643	-
Total N.C. Department of Environmental Quality			-	30,362	-
 <u>North Carolina Department of Transportation</u>					
Rural Operating Assistance Program					
ROAP Elderly & Disabled Transportation Assistance Program		DOT-16CL	-	92,353	-
Total N.C. Department of Transportation			-	92,353	-
 <u>N.C. Department of Public Safety</u>					
Grant in Aid		TYRRELLCOUNTY 2023-24	-	211,299	-
Juvenile Crime Prevention Program			-	55,356	55,356
Total N.C. Department of Public Safety			-	266,655	55,356
 <u>N.C. Department of Public Instruction</u>					
Needs-Based Public School Capital Fund			-	1,323,257	1,323,257
Total N.C. Department of Public Instruction			-	1,323,257	1,323,257
 <u>N.C. Office of State Budget and Management</u>					
State Capital & Infrastructure Fund (SCIF)		#20631	-	6,633	-
Direct Appropriation - 2022 Appropriations Act		#20632	-	146,638	-
Total N.C. Office of State Budget and Management			-	153,271	-

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	State/Pass-Through Grantor's Number	Federal Expenditures (Direct and Pass-Through)	State Expenditures	Passed to Subrecipients
<u>N.C. Department of Health & Human Services</u>					
Division of Aging:					
Senior Center General Purpose Grant			\$ -	\$ 3,718	\$ -
Direct Benefit Payments					
State Foster Home			-	(257)	-
State Foster Home Fund (SFHF) Maximization			-	765	-
Foster Care Kinship			-	4,008	-
Total N.C. Health & Human Services			-	8,234	-
Total State Programs			-	2,826,839	1,378,613
<u>Other Financial Assistance</u>					
N.C. Dept of Justice:					
Opioid Settlement Fund (Note 5)			-	6,261	-
TOTAL ASSISTANCE			\$ 1,276,890	\$ 2,973,724	\$ 1,378,613

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2024

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Tyrrell County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Tyrrell County, it is not intended to and does not present the financial position, changes in net position or cash flows of Tyrrell County.

Note 2: Summary of Significant Accounting Policies

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

Note 3: Indirect Cost Rate

Tyrrell County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4: Cluster of Programs

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

Note 5: Opioid Settlement Fund

The NC Department of Justice does not consider Opioid Settlement Funds either Federal or State Financial assistance since they are from a settlement with private major drug companies. Since these funds are subject to the State Single Audit Implementation Act, they are reported as "Other Financial Assistance" on the SEFSA, and considered State Awards for State single audit requirements.