

TYRRELL COUNTY, NORTH CAROLINA

FINANCIAL AND COMPLIANCE REPORT

As of and for the Year Ended June 30, 2022

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.....	24-69
Required Supplementary Information	
Schedule of County’s Proportionate Share of the Net Pension Liability (Asset) for Local Government Employees’ Retirement System	70
Schedule of County Contributions for Local Government Employees’ Retirement System.....	71
Schedule of County’s Proportionate Share of the Net Pension Liability (Asset) for Register of Deeds’ Supplemental Pension Fund	72
Schedule of County Contributions for Register of Deeds’ Supplemental Pension Fund.....	73
Schedule of Changes in Total Pension Liability Law Enforcement Officers’ Special Separation Allowance	74
Schedule of Total Pension Liability as a Percentage of Covered Payroll Law Enforcement Officers’ Special Separation Allowance.....	75
Schedule of Changes in Total OPEB Liability and Related Ratios.....	76

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 77-83

Schedule 2 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 ARPA Fund – Budget and Actual 84

Schedule 3 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Capital Outlay Fund – Budget and Actual 85

Schedule 4 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Revaluation Fund – Budget and Actual 86

Schedule 5 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Representative Payee Fund – Budget and Actual 87

Schedule 6 – Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Deed of Trust Fund – Budget and Actual 88

Schedule 7 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Fines and Forfeitures Fund – Budget and Actual 89

Schedule 8 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Budget and Actual – School Capital Outlay Fund 90

Schedule 9 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Budget and Actual –Grants Fund 91

Schedule 10 – Schedule of Revenues, Expenditures, and Changes in Fund
 Balance – Budget and Actual – Golden Leaf Disaster Recovery
 Grant Fund 92

Schedule 11 – Schedule of Revenues, Expenditures, and Changes in Fund
 Balance – SCIF Grant Fund 93

Schedule 12 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Opioid Settlement Fund - Budget and Actual 94

Schedule 13 – Combining Balance Sheet – Non-major Governmental Funds 95-96

Schedule 14 – Combining Schedule of Revenues, Expenditures, and Changes in Fund
 Balances – Non-major Governmental Funds 97-98

Schedule 15 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 ESFRLP-DR Fund - Budget and Actual 99

Schedule 16 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 CDBG Projects Fund - Budget and Actual 100

Schedule 17 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Elevation Project Fund - Budget and Actual 101

Schedule 18 – Schedule of Revenues, Expenditures, and Changes in Fund
 Balance – Schools Technology & Learning Center Fund - Budget
 and Actual 102

Schedule 19 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Stream Debris Removal Project Fund - Budget and Actual 103

Schedule 20 – Schedule of Revenues and Expenditures — Water and Sewer Operation
 Proprietary Fund - Budget and Actual 104-105

Schedule 21 – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Tourism Development Authority - Budget and Actual - 106

Other Supplemental Information

Schedule 22 – Schedule of Ad Valorem Taxes Receivable 107

Schedule 23 – Analysis of Current Tax Levy – County-Wide Levy 108

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*..... 109-110

Report of Independent Auditor on Compliance with Requirements Applicable to
Each Major Federal Program and on Internal Control over Compliance Required
by the Uniform Guidance and the State Single Audit Implementation Act..... 111-113

Report of Independent Auditor on Compliance with Requirements Applicable to
Each Major State Program and on Internal Control over Compliance Required
by the Uniform Guidance and the State Single Audit Implementation Act..... 114-116

Schedule of Findings and Questions Costs..... 117-118

Summary Schedule of Prior Audit Findings..... 119

Schedule of Expenditures of Federal and State Awards 120-121

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, 2022 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, 2022, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons 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 93% of the assets, 91% of the net position, and 98% of the revenues of the aggregate discretely presented component units as of June 30, 2022, and the respective changes in financial position, and where applicable, cashflows thereof for the year then ended. 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, and 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. In our opinion, 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.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2022 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.

Cherry Bekaert LLP

Raleigh, North Carolina
November 30, 2022

TYRRELL COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2022

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, 2022. 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 \$15,949,859 (net position).
- The government's total net position increased by \$1,729,607.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$2,562,569 after a net increase in fund balances of \$787,543. Approximately 52.4% of this total amount, or \$1,342,940 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$243,373.
- The County's total long-term liabilities decreased by \$951,086 during the current fiscal year. The key factors in the change were decreases in net pension liabilities and principal payments on debt.

Overview of the Financial Statements

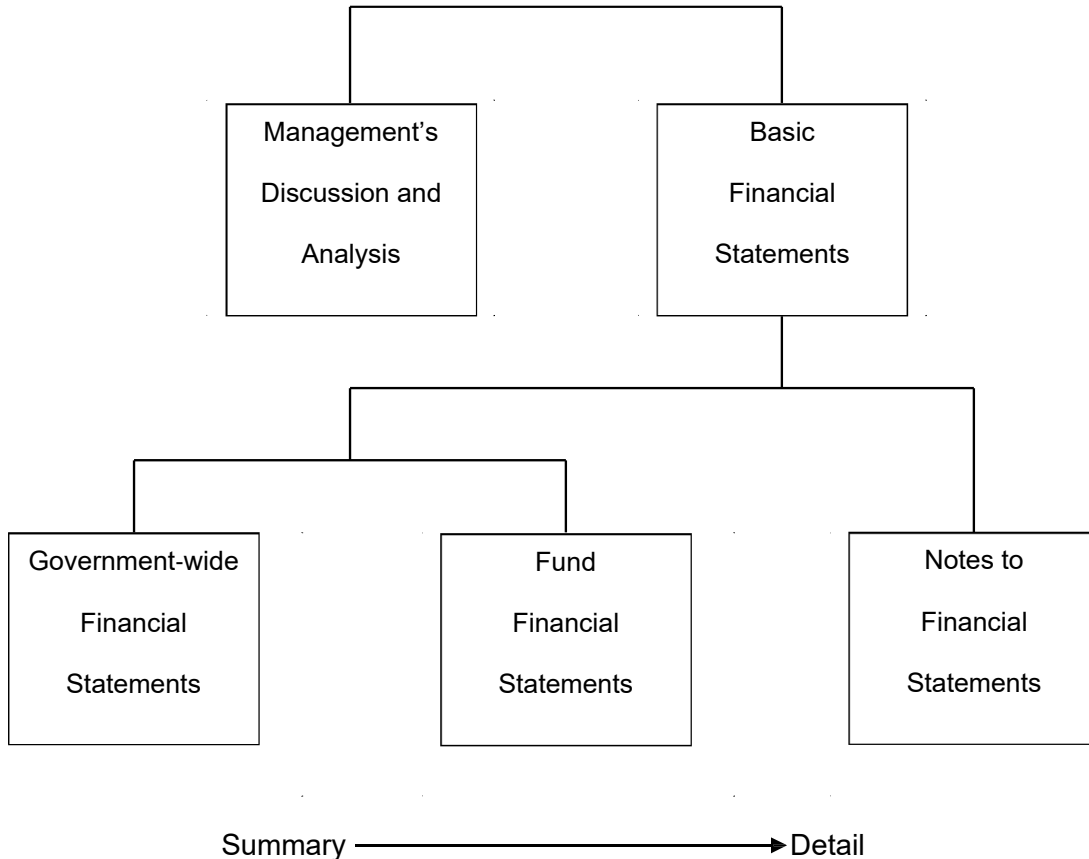
This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of the following three components: government-wide financial statements, fund financial statements, and notes to the financial statements. 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, 2022

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, 2022

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, 2022

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. However, Tyrrell County's statutory obligation to finance school construction results in significant liabilities without any corresponding assets. As with many counties in North Carolina, the County's deficit in unrestricted net position is due primarily to the portion of the County's outstanding debt incurred for the Board of Education within Tyrrell County. 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 \$15,949,859 as of June 30, 2022. The County's net position increased by \$1,729,607 during fiscal year ended June 30, 2022. One of the largest portions \$16,182,731 (101.5%) 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 \$1,476,626 (9.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$1,709,498) (-10.7%) is unrestricted. This number is affected negatively by the fact that the County carries debt in the amount of \$131,021 as of June 30, 2022 for the School Gymnasium but not the related capital asset.

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

JUNE 30, 2022

	<u>Governmental Activities</u> 2021	<u>Governmental Activities</u> 2022	<u>Business-Type Activities</u> 2021	<u>Business-Type Activities</u> 2022	<u>Total Primary Government</u> 2021	<u>Total Primary Government</u> 2022
Assets						
Current and other assets	\$ 3,188,015	\$ 3,745,561	\$ 1,751,117	\$ 2,218,950	\$ 4,939,132	\$ 5,964,511
Capital assets	3,165,768	3,881,533	17,568,978	17,101,100	20,734,746	20,982,633
Total assets	<u>6,353,783</u>	<u>7,627,094</u>	<u>19,320,095</u>	<u>19,320,050</u>	<u>25,673,878</u>	<u>26,947,144</u>
Deferred outflows of resources	<u>1,398,304</u>	<u>1,543,275</u>	<u>159,658</u>	<u>173,948</u>	<u>1,557,962</u>	<u>1,717,223</u>
Liabilities						
Accounts payable and accrued liabilities	383,640	283,674	23,999	58,592	407,639	342,266
Total long-term liabilities	6,527,986	5,609,731	5,145,054	4,981,830	11,673,040	10,591,561
Total liabilities	<u>6,911,626</u>	<u>5,893,405</u>	<u>5,169,053</u>	<u>5,040,422</u>	<u>12,080,679</u>	<u>10,933,827</u>
Deferred inflows of resources	<u>833,346</u>	<u>1,594,461</u>	<u>97,563</u>	<u>186,220</u>	<u>930,909</u>	<u>1,780,681</u>
Net position						
Net investment in capital assets	2,680,136	3,430,631	13,131,978	12,752,100	15,812,114	16,182,731
Restricted	1,100,252	1,297,098	158,742	179,528	1,258,994	1,476,626
Unrestricted	(3,773,273)	(3,045,226)	922,417	1,335,728	(2,850,856)	(1,709,498)
Total net position	<u>\$ 7,115</u>	<u>\$ 1,682,503</u>	<u>\$ 14,213,137</u>	<u>\$ 14,267,356</u>	<u>\$ 14,220,252</u>	<u>\$ 15,949,859</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 97%.
- The County received various grants to fund projects such as:
 - The purchase of vehicles, rifles, tasers and body cameras for the Sheriff's Department
 - The purchase of elections equipment
 - The purchase of an excavator to be used for Disaster Recovery
 - Neighborhood Revitalization for Residential Housing Rehabilitation
 - Relocation of the County Maintenance Garage
 - Construction of the Tyrrell County Food Pantry
 - Design Plans for an Elevated Storage Tank and Booster Pump Station to improve pressure in the Gum Neck Community
 - Inclusive Playground equipment repairs/replacement
 - Preservation of Deed books 11 and 14
 - The County received ARPA funding reported under Revenue Replacement for salaries and broadband/GREAT grant.
 - The Hurricane Dorian Watershed Restoration Project was completed, and the Hurricane Matthew Stream Debris Removal project is still in progress.

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

JUNE 30, 2022

	<u>Governmental Activities</u> 2021	<u>Governmental Activities</u> 2022	<u>Business-Type Activities</u> 2021	<u>Business-Type Activities</u> 2022	<u>Total Primary Government</u> 2021	<u>Total Primary Government</u> 2022
Revenues						
Program Revenues						
Charges for Services	\$ 434,721	\$ 457,088	\$ 1,332,907	\$ 1,646,827	\$ 1,767,628	\$ 2,103,915
Operating Grants and Contributions	1,854,945	3,164,892	-	-	1,854,945	3,164,892
Capital Grants and Contributions	205,036	241,857	-	-	205,036	241,857
General Revenues						
Property Taxes	4,405,179	4,728,084	-	-	4,405,179	4,728,084
Other Taxes	1,020,973	1,120,099	-	-	1,020,973	1,120,099
Other	81,924	99,039	104	934	82,028	99,973
Total Revenues	<u>8,002,778</u>	<u>9,811,059</u>	<u>1,333,011</u>	<u>1,647,761</u>	<u>9,335,789</u>	<u>11,458,820</u>
Expenses						
General government	1,913,933	1,527,322	-	-	1,913,933	1,527,322
Public safety	1,539,731	1,452,454	-	-	1,539,731	1,452,454
Human services	2,378,812	2,476,463	-	-	2,378,812	2,476,463
Education	596,578	595,216	-	-	596,578	595,216
Environmental protection	559,240	569,976	-	-	559,240	569,976
Economic and physical development	443,035	1,102,816	-	-	443,035	1,102,816
Cultural and recreational	180,216	185,956	-	-	180,216	185,956
Interest on Debt	34,915	29,061	-	-	34,915	29,061
Water and Sewer	-	-	1,540,589	1,789,949	1,540,589	1,789,949
Total Expenses	<u>7,646,460</u>	<u>7,939,264</u>	<u>1,540,589</u>	<u>1,789,949</u>	<u>9,187,049</u>	<u>9,729,213</u>
Increase (decrease) in net position before capital contributions	356,318	1,871,795	(207,578)	(142,188)	148,740	1,729,607
Transfers	-	(196,407)	-	196,407	-	-
Capital contributions	237,250	-	-	-	237,250	-
Increase (decrease) in net position	593,568	1,675,388	(207,578)	54,219	385,990	1,729,607
Net Position, beginning as previously reported	(588,000)	7,115	14,420,715	14,213,137	13,832,715	13,834,262
Cumulative effect of change in accounting principle	1,547	-	-	-	1,547	-
Net Position, beginning	<u>(586,453)</u>	<u>7,115</u>	<u>14,420,715</u>	<u>14,213,137</u>	<u>13,834,262</u>	<u>14,220,252</u>
Net Position, ending	<u>\$ 7,115</u>	<u>\$ 1,682,503</u>	<u>\$ 14,213,137</u>	<u>\$ 14,267,356</u>	<u>\$ 14,220,252</u>	<u>\$ 15,949,859</u>

Governmental Activities – Governmental activities increased the County’s net position by \$1,675,388. Key elements of this increase are as follows:

- Receipt of ARPA Funding
- Increase in Property and Motor Vehicle Tax revenue
- Increase in Local Option Sales Tax
- Increase in Solid Waste disposal costs

Business-type Activities – Business-type activities increased the County’s net position by \$54,219. Key elements for this overall decrease 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
- Increase in Water and Sewer Charges collected
- Receipt of ARPA funding under Revenue Replacement

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

JUNE 30, 2022

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 in the General Fund was \$1,423,870 while total fund balance reached \$2,031,538. The County currently has an available fund balance of 19.3% of general fund expenditures, the total fund balance represents 27.6% 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 \$359,399. Appropriated fund balance decreased by \$81,506.

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, 2022, totals \$20,982,633 (net of accumulated depreciation). These assets include land, buildings, machinery, vehicles, and equipment.

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

- Construction in Progress for a County Maintenance Garage and Food Pantry
- Major well repairs and new registers installed for the Water Fund
- Alligator lift station pump repairs for the Sewer Fund
- 3 new vehicles for the Sheriff’s Department
- 8 scanners with software for the Elections Department
- Excavator
- Gas pack for Health Department
- Major Improvements to a 2001 Freightliner
- 1999 21’ Parker boat, motor, and trailer

	<u>Governmental Activities</u> 2021	<u>Governmental Activities</u> 2022	<u>Business-Type Activities</u> 2021	<u>Business-Type Activities</u> 2022	<u>Total Primary Government</u> 2021	<u>Total Primary Government</u> 2022
Land	\$ 851,558	\$ 851,558	\$ 68,261	\$ 68,261	\$ 919,819	\$ 919,819
Buildings and improvements	1,873,801	1,783,236	7,136	4,952	1,880,937	1,788,188
Equipment and vehicles	203,159	356,574	128,275	87,800	331,434	444,374
Plant and distribution system	-	-	17,365,306	16,940,087	17,365,306	16,940,087
Construction in progress	237,250	890,165	-	-	237,250	890,165
Total Capital Assets, net	<u>\$ 3,165,768</u>	<u>\$ 3,881,533</u>	<u>\$ 17,568,978</u>	<u>\$ 17,101,100</u>	<u>\$ 20,734,746</u>	<u>\$ 20,982,633</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, 2022

Long-term Debt – As of June 30, 2022, the County had total long-term liabilities outstanding of \$10,331,923. This debt consists of term debt with the United States Department of Agriculture for renovations of the court facilities. Bank financed installment agreement for the construction of the school gymnasium. Revenue bonds for the construction of both water and sewer projects. It also consists of compensated absences, net pension liabilities, and other postemployment benefits.

	<u>Governmental Activities</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>	<u>Total Primary Government</u>
	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>
Term debt	\$ 817,468	\$ 581,923	\$ -	\$ -	\$ 817,468	\$ 581,923
Revenue bonds	-	-	4,437,000	4,349,000	4,437,000	4,349,000
Net pension liabilities	1,063,681	529,963	125,935	53,720	1,189,616	583,683
Compensated absences	186,519	163,216	27,079	23,429	213,598	186,645
Other postemployment benefits	4,070,287	4,074,991	555,040	555,681	4,625,327	4,630,672
Total Long-Term Debt	<u>\$ 6,137,955</u>	<u>\$ 5,350,093</u>	<u>\$ 5,145,054</u>	<u>\$ 4,981,830</u>	<u>\$ 11,283,009</u>	<u>\$ 10,331,923</u>

Tyrrell County's total long-term liabilities decreased by \$951,086 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, 2022

Economic Factors and Next Year's Budgets and Rates

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

- Increase in farmland production.
- Eastern 4-H Center returned to pre-pandemic utilization.
- Increase in crabbing/aquaculture provided additional employment and revenue.
- Assisted Living Center provided additional economic engine.
- Marked increase in hunting and birding.
- Expansion of facilities by Pocosin School of Fine Craft.
- Increased retail in Columbia
- Red wolf program success.
- Resurfacing Hwy 64.
- Significant ABC store revenue enhancement.
- Increase in tourism related to swan viewing.
- Increase in student achievement with full implementation of early college and additions to Career Technical Education.
- Focus on a regional passenger ferry has been consistent and productive.
- Increased ecotourism.
- Increased B&B rentals.

Budget Highlights for the Fiscal Year Ending June 30, 2023

Governmental Activities — Budgeted expenditures in the General Fund are expected to rise approximately 5.9% to \$8,174,749. The largest increments are in employee compensation, including funding compensation and benefits adjustments. Local Option Sales Tax was estimated to increase by a conservative 3.75% over prior year. The property tax rate was held to \$.95 per one hundred dollars of taxable value and the Solid Waste and LCID Fees were unchanged.

Business-type Activities – The County is currently in negotiations with State executive and legislative leaders to minimize the impact of the shutdown and the 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
GOVERNMENT-WIDE FINANCIAL STATEMENTS
EXHIBIT 1 – STATEMENT OF NET POSITION

JUNE 30, 2022

	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	\$ 1,427,813	\$ 1,823,299	\$ 3,251,112	\$ -	\$ 202,071
Restricted cash and cash equivalents	970,873	179,528	1,150,401	47,198	-
Receivables, net	591,368	158,212	749,580	2,600	-
Due from other governments	651,345	-	651,345	-	-
Leases receivable	99,309	-	99,309	-	-
Inventories	-	57,911	57,911	-	177,100
Net pension asset - ROD	4,853	-	4,853	-	-
Capital assets:					
Nondepreciable	1,741,723	68,261	1,809,984	-	21,735
Depreciable, net	2,139,810	17,032,839	19,172,649	-	269,553
Total capital assets	3,881,533	17,101,100	20,982,633	-	291,288
Total assets	7,627,094	19,320,050	26,947,144	49,798	670,459
Deferred outflows of resources	1,543,275	173,948	1,717,223	-	7,354
Liabilities					
Accounts payable and accrued liabilities	283,474	58,592	342,066	79	80,320
Customer deposits	200	-	200	-	-
Unearned revenue	259,638	-	259,638	-	-
Long-term liabilities:					
Due in less than one year	167,363	90,000	257,363	-	16,556
Due in more than one year	5,182,730	4,891,830	10,074,560	-	78,127
Total long-term liabilities	5,350,093	4,981,830	10,331,923	-	94,683
Total liabilities	5,893,405	5,040,422	10,933,827	79	175,003
Deferred inflows of resources	1,594,461	186,220	1,780,681	-	8,678
Net position					
Net investment in capital assets	3,430,631	12,752,100	16,182,731	-	201,989
Restricted for:					
Stabilization by State statute	741,451	-	741,451	-	-
Controlled substance tax	15,045	-	15,045	-	-
Drug forfeiture funds	15,143	-	15,143	-	-
Court facilities	76,061	-	76,061	-	-
Register of Deeds	15,472	-	15,472	-	-
School capital outlay	297,824	-	297,824	-	-
USDA reserve	61,811	179,528	241,339	-	-
Tax revaluation	69,323	-	69,323	-	-
Tourism Development	-	-	-	49,719	-
Health services	115	-	115	-	-
Capital improvements	-	-	-	-	55,100
Pensions	4,853	-	4,853	-	-
Working capital	-	-	-	-	26,217
Unrestricted	(3,045,226)	1,335,728	(1,709,498)	-	210,826
Total net position	\$ 1,682,503	\$ 14,267,356	\$ 15,949,859	\$ 49,719	\$ 494,132

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

TYRRELL COUNTY, NORTH CAROLINA
GOVERNMENT-WIDE FINANCIAL STATEMENTS
EXHIBIT 2 – STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

<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	\$ 1,527,322	\$ 106,058	\$ 158,075	\$ -
Public safety	1,452,454	350,730	127,862	-
Human services	2,476,463	300	1,297,064	-
Education	595,216	-	-	-
Environmental protection	569,976	-	26,930	-
Economic and physical development	1,102,816	-	1,554,961	135,687
Cultural and recreational	185,956	-	-	106,170
Interest on debt	29,061	-	-	-
Total governmental activities	<u>7,939,264</u>	<u>457,088</u>	<u>3,164,892</u>	<u>241,857</u>
Business-type activities:				
Water and sewer	1,789,949	1,646,827	-	-
Total business-type activities	<u>1,789,949</u>	<u>1,646,827</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 9,729,213</u>	<u>\$ 2,103,915</u>	<u>\$ 3,164,892</u>	<u>\$ 241,857</u>
Component units:				
Tyrrell Tourism Development Authority	\$ 6,304	\$ 16,868	\$ -	\$ -
Tyrrell County ABC Board	787,221	878,812	-	-
Total component units	<u>\$ 793,525</u>	<u>\$ 895,680</u>	<u>\$ -</u>	<u>\$ -</u>

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

TYRRELL COUNTY, NORTH CAROLINA
GOVERNMENT-WIDE FINANCIAL STATEMENTS
EXHIBIT 2 – STATEMENT OF ACTIVITIES (CONTINUED)

YEAR ENDED JUNE 30, 2022

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Tyrrell County Tourism Development Authority	Tyrrell County ABC Board
Governmental activities:					
General government	\$ (1,263,189)	\$ -	\$ (1,263,189)	\$ -	\$ -
Public safety	(973,862)	-	(973,862)	-	-
Human Services	(1,179,099)	-	(1,179,099)	-	-
Education	(595,216)	-	(595,216)	-	-
Environmental protection	(543,046)	-	(543,046)	-	-
Economic and physical development	587,832	-	587,832	-	-
Cultural and recreational	(79,786)	-	(79,786)	-	-
Interest on debt	(29,061)	-	(29,061)	-	-
Total governmental activities	<u>(4,075,427)</u>	<u>-</u>	<u>(4,075,427)</u>	<u>-</u>	<u>-</u>
Business-type activities:					
Water and sewer	-	(143,122)	(143,122)	-	-
Total business-type activities	<u>-</u>	<u>(143,122)</u>	<u>(143,122)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>(4,075,427)</u>	<u>(143,122)</u>	<u>(4,218,549)</u>	<u>-</u>	<u>-</u>
Component units:					
Tyrrell Tourism Development Authority	-	-	-	10,564	-
Tyrrell County ABC Board	-	-	-	-	91,591
Total component units	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,564</u>	<u>91,591</u>
General revenues:					
Property taxes, levied for general purpose	4,728,084	-	4,728,084	-	-
Local option sales taxes	1,050,729	-	1,050,729	-	-
Other taxes and licenses	69,370	-	69,370	-	-
Unrestricted intergovernmental	52,730	-	52,730	-	-
Investment earnings, unrestricted	5,122	934	6,056	4	216
Miscellaneous, unrestricted	41,187	-	41,187	-	-
Transfers	(196,407)	196,407	-	-	-
Total general revenues	<u>5,750,815</u>	<u>197,341</u>	<u>5,948,156</u>	<u>4</u>	<u>216</u>
Change in net position	1,675,388	54,219	1,729,607	10,568	91,807
Net position - beginning	<u>7,115</u>	<u>14,213,137</u>	<u>14,220,252</u>	<u>39,151</u>	<u>402,325</u>
Net position - ending	<u>\$ 1,682,503</u>	<u>\$ 14,267,356</u>	<u>\$ 15,949,859</u>	<u>\$ 49,719</u>	<u>\$ 494,132</u>

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

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

JUNE 30, 2022

	Major		Non-Major	Total Governmental Funds
	General	ARPA Fund	Other Governmental Funds	
Assets				
Cash and cash equivalents	\$ 1,427,813	\$ -	\$ -	\$ 1,427,813
Restricted cash and cash equivalents	300,801	15,000	655,072	970,873
Receivables, net	495,644	-	95,724	591,368
Lease receivable	99,309	-	-	99,309
Due from other funds	69,667	-	-	69,667
Due from other governments	534,586	-	116,759	651,345
Total assets	\$ 2,927,820	\$ 15,000	\$ 867,555	\$ 3,810,375
Liabilities				
Accounts payable and accrued liabilities	\$ 261,255	\$ -	\$ 22,219	\$ 283,474
Customer deposits	200	-	-	200
Unearned revenue	-	15,000	244,638	259,638
Due to other funds	-	-	69,667	69,667
Total liabilities	261,455	15,000	336,524	612,979
Deferred inflows of resources	634,827	-	-	634,827
Fund balances				
Nonspendable:				
Restricted:				
Stabilization by State Statute	508,359	-	233,092	741,451
Controlled substance tax	15,045	-	-	15,045
Drug forfeiture funds	15,143	-	-	15,143
Court facilities	76,061	-	-	76,061
Register of Deeds	15,472	-	-	15,472
School capital outlay	-	-	297,824	297,824
Capital outlay	50,695	-	-	50,695
USDA reserve	61,811	-	-	61,811
Health services	-	-	115	115
Tax revaluation	69,323	-	-	69,323
Assigned:				
Recreation	47,746	-	-	47,746
Fire Protection	84,273	-	-	84,273
Subsequent year's expenditures	844,237	-	-	844,237
Unassigned	243,373	-	-	243,373
Total fund balances	2,031,538	-	531,031	2,562,569
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,927,820	\$ 15,000	\$ 867,555	\$ 3,810,375

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

TYRRELL COUNTY, NORTH CAROLINA

FUND FINANCIAL STATEMENTS

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

JUNE 30, 2022

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

Ending fund balance - governmental funds	\$	2,562,569
Capital assets are not financial resources, and therefore, are not reported in the funds		3,881,533
Net pension asset - ROD		4,853
Pension liabilities - LGERS and LEOSA		(529,963)
Pension and OPEB related deferrals		89,520
Deferred inflows of resources for unavailable taxes, special assessments and lease revenues		494,121
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		<u>(4,820,130)</u>
Net position of governmental activities	\$	<u>1,682,503</u>

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

TYRRELL COUNTY, NORTH CAROLINA

FUND FINANCIAL STATEMENTS

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

YEAR ENDED JUNE 30, 2022

	Major		Non-Major	Total Governmental Funds
	General	ARPA Fund	Other Governmental Funds	
Revenues				
Ad valorem taxes	\$ 4,822,977	\$ -	\$ -	\$ 4,822,977
Other taxes	704,021	-	-	704,021
Unrestricted intergovernmental revenue	52,730	-	-	52,730
Restricted intergovernmental revenue	1,471,201	765,061	1,616,464	3,852,726
Licenses and permits	321,796	-	3,528	325,324
Sales and services	24,763	-	77,103	101,866
Interest earned on investments	4,551	-	571	5,122
Miscellaneous	34,760	-	6,427	41,187
Total revenues	7,436,799	765,061	1,704,093	9,905,953
Expenditures				
Current:				
General government	1,577,769	-	154,436	1,732,205
Public safety	1,653,555	-	-	1,653,555
Economic and physical development	229,819	-	876,760	1,106,579
Human services	2,493,753	-	200	2,493,953
Cultural and recreational	185,956	-	-	185,956
Education	592,595	-	2,621	595,216
Environmental protection	569,976	-	-	569,976
Infrastructure	-	-	5,362	5,362
Capital outlay	-	-	314,595	314,595
Debt service:				
Principal payments	34,730	-	200,815	235,545
Interest and fees	23,068	-	5,993	29,061
Total expenditures	7,361,221	-	1,560,782	8,922,003
Excess (deficiency) of revenues over (under) expenditures	75,578	-	143,311	983,950
Other financing sources (uses)				
Transfers in	654,513	-	5,700	660,213
Transfers out	(5,700)	(765,061)	(85,859)	(856,620)
Total other financing sources (uses)	648,813	-	(80,159)	(196,407)
Net change in fund balances	724,391	-	63,152	787,543
Fund balance - beginning	1,307,147	-	467,879	1,775,026
Fund balance - ending	\$ 2,031,538	\$ -	\$ 531,031	\$ 2,562,569

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

TYRRELL COUNTY, NORTH CAROLINA

FUND FINANCIAL STATEMENTS

**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, 2022

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

Net change in fund balances - total governmental funds		\$	787,543
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.			715,765
Capital Outlay	\$	891,268	
Depreciation		(175,503)	
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.			235,545
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.			(94,893)
Some expenses reported in the statement of activities does not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds.			<u>31,428</u>
Change in net position of governmental activities		\$	<u>1,675,388</u>

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

TYRRELL COUNTY, NORTH CAROLINA
FUND FINANCIAL STATEMENTS
EXHIBIT 5 – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND

YEAR ENDED JUNE 30, 2022

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 4,513,481	\$ 4,601,481	\$ 4,822,977	\$ 221,496
Other taxes	598,389	613,889	704,021	90,132
Unrestricted intergovernmental revenue	63,600	63,600	52,730	(10,870)
Restricted intergovernmental revenue	1,355,309	1,602,436	1,471,201	(131,235)
Licenses and permits	308,108	309,628	321,796	12,168
Sales and services	25,414	25,414	24,763	(651)
Interest earned on investments	300	300	4,359	4,059
Miscellaneous	40,840	48,092	34,760	(13,332)
Total revenues	<u>6,905,441</u>	<u>7,264,840</u>	<u>7,436,607</u>	<u>171,767</u>
Expenditures:				
Current:				
General government	1,740,153	1,775,746	1,577,769	197,977
Public safety	1,654,655	1,797,231	1,653,555	143,676
Economic and physical development	272,175	265,617	229,819	35,798
Human services	2,595,683	2,696,001	2,493,753	202,248
Cultural and recreational	188,436	188,436	185,956	2,480
Education	592,595	592,595	592,595	-
Environmental protection	612,593	615,593	569,976	45,617
Debt service:				
Principal payments	33,121	34,730	34,730	-
Interest and fees	24,677	23,068	23,068	-
Total expenditures	<u>7,714,088</u>	<u>7,989,017</u>	<u>7,361,221</u>	<u>627,796</u>
Revenues over (under) expenditures	<u>(808,647)</u>	<u>(724,177)</u>	<u>75,386</u>	<u>799,563</u>
Other financing sources (uses):				
Transfers in	85,859	98,895	667,549	568,654
Transfers out	(5,000)	(21,000)	(16,000)	5,000
Total other financing sources (uses)	<u>80,859</u>	<u>77,895</u>	<u>651,549</u>	<u>573,654</u>
Revenues and other financing sources over expenditures and other financing uses	<u>(727,788)</u>	<u>(646,282)</u>	<u>726,935</u>	<u>1,373,217</u>
Appropriated fund balance	<u>727,788</u>	<u>646,282</u>	<u>-</u>	<u>(646,282)</u>
Net Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>726,935</u>	<u>\$ 726,935</u>
Fund Balances:				
Beginning of year, July 1			<u>1,184,585</u>	
End of year, June 30			<u>1,911,520</u>	
The legally budgeted Revaluation Fund and Capital Outlay Fund are consolidated into the General Fund for reporting purposes:				
Investment earnings			192	
Transfers to other funds			(13,036)	
Transfers from other funds			10,300	
Fund Balance, Beginning of year			<u>122,562</u>	
			<u>120,018</u>	
Fund Balance, End of year			<u>\$ 2,031,538</u>	

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

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

JUNE 30, 2022

	Water & Sewer Fund
Assets	
Current assets	
Cash and investments	\$ 1,823,300
Receivables, net	158,212
Inventories	57,910
Total current assets	<u>2,039,422</u>
Noncurrent assets	
Cash and Investments - Restricted	179,528
Capital assets, net of accumulated depreciation	17,101,100
Total noncurrent assets	<u>17,280,628</u>
Total assets	<u>19,320,050</u>
Deferred outflows of resources	<u>173,948</u>
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	58,592
Current portion of bonds	90,000
Total current liabilities	<u>148,592</u>
Noncurrent liabilities	
Notes payable, net of current portion	4,259,000
Compensated absences	23,429
Net pension liability - LGERS	53,720
Other postemployment benefits liability	555,681
Total noncurrent liabilities	<u>4,891,830</u>
Total liabilities	<u>5,040,422</u>
Deferred inflows of resources	<u>186,220</u>
Net position	
Net investment in capital assets	12,752,100
Restricted	179,528
Unrestricted	1,335,728
Total net position	<u>\$ 14,267,356</u>

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

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

YEAR ENDED JUNE 30, 2022

	Water & Sewer Fund
Operating revenues	
Charges for services	\$ 1,586,253
Other operating revenue	60,574
Total operating revenues	<u>1,646,827</u>
Operating expenses	
Salaries and employee benefits	438,307
Operating expenses	708,100
Depreciation	520,302
Total operating expenses	<u>1,666,709</u>
Operating loss	<u>(19,882)</u>
Nonoperating revenue (expense)	
Interest earned on investments	934
Transfers from other funds	196,407
Interest expense	(123,240)
Total nonoperating revenue	<u>74,101</u>
Increase in net position	<u>54,219</u>
Total net position - beginning	<u>14,213,137</u>
Total net position - ending	<u><u>\$ 14,267,356</u></u>

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

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

YEAR ENDED JUNE 30, 2022

	Water & Sewer Fund
Operating activities	
Cash received from customers	\$ 1,580,641
Cash paid for goods and services	(656,114)
Cash paid to employees for services	(439,166)
Other operating revenue	60,574
Net cash provided by operating activities	545,935
Capital and related financing activities	
Transfers from other funds	196,407
Acquisition of capital assets	(52,423)
Disposal of capital assets	-
Interest paid on long-term debt	(123,240)
Principal paid on long-term debt	(88,000)
Net cash used in capital and related financing activities	(67,256)
Investing activities	
Investment earnings	934
Net cash provided by investing activities	934
Net increase in cash and cash equivalents	479,613
Cash and cash equivalents	
Beginning of year	1,523,215
End of year	\$ 2,002,828
Reconciliation of operating (loss) to net cash provided by (used in) operating activities	
Operating loss	\$ (19,882)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation expense	520,302
Net pension expense	(8,590)
OPEB expense	11,381
Change in assets and liabilities:	
(Increase) decrease in receivables	(5,612)
(Increase) decrease in inventory	17,393
Increase (decrease) in accounts payable and accrued liabilities	34,593
Increase (decrease) in compensated absences	(3,650)
Total adjustments	565,817
Net cash provided by (used in) operating activities	\$ 545,935
Noncash investing, capital, and financing activities	
Cash and cash equivalents	
Unrestricted	\$ 1,823,300
Restricted	179,528
Total	\$ 2,002,828

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

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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 presented separately from governmental and business-type activities (discrete presentation).

Component Unit	Reporting Method	Criteria for Inclusion	For Separate Financial Statements
Tyrrell County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Tyrrell County ABC Board Post Office Box 449 Columbia, NC 27925
Tyrrell County Tourism Development Authority	Discrete	The 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, 2022

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.

American Rescue Plan Fund – This fund accounts for the transactions related to the American Rescue Plan Act. The County has elected to report this as a major fund for transparency.

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 County reports the following fund types:

Non-major Funds – The County maintains several non-major funds. The School Capital Outlay fund, Representative Payee fund, Deed of Trust fund, Fines and Forfeitures fund, SCIF Grant fund, Grants Fund, Opioid Settlement fund and Golden Leaf Disaster Recovery Grant fund are reported as a non-major special revenue funds. The Stream Debris Removal Project fund, Elevation Project fund, CDBG-NR Project fund, CDBG-CV Project fund, ESFRLP-DR fund and the Tyrrell County Schools Technology & Learning Center 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, 2022

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 on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. 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, 2022

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, the Golden Leaf Disaster Recovery Fund, SCIF Grant Fund, Grants Fund, the CDBG-NR Project Fund, the CDBG-CV Project Fund, the Schools Technology & Learning Center Fund, the Stream Debris Removal Project, the Elevation Project and the ESFRLP-DR 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, 2022

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		15,143
General Fund	Court facilities funds		76,061
General Fund	Register of Deeds		15,472
General Fund	USDA reserve		61,811
General Fund	Recreation		47,746
General Fund	Tax revaluation		69,323
General Fund	Controlled substance tax		15,045
ARPA Fund	Unassigned proceeds		15,000
CDBG	Unexpended grant funds		100,000
Opioid Settlement Fund	Unexpended settlement proceeds		10,254
SCIF Grant Fund	Unexpended grant funds		246,879
Representative Payee Fund	Representative payee funds		115
School Capital Outlay Fund	Unexpended restricted sales tax		297,824
	Total Governmental Activities	\$	970,873
Business-Type Activities			
Water & Sewer Funds	USDA reserve	\$	179,528
	Total Business-Type Activities	\$	179,528
Tyrrell County Tourism Development Authority Restricted Cash			
Business-Type Activities	Unexpended occupancy tax funds	\$	47,198
		\$	47,198

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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, 2020.

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 amortized 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

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.

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, 2022

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
Improvements	25 years
Equipment	10 years
Computer equipment	3 years
Furniture	10 years
Vehicles	6 years

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

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

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.

10. Long-term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities 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, 2022

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 \$10,254 as part of this settlement in Fiscal Year 2022. 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. No funds have been expended as of June 30th, 2022. 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.

13. Reimbursement for Pandemic-related Expenditures

In FY 2020/2021, the American Rescue Plan Act ("ARPA") established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. The County was allocated \$780,061 of fiscal recovery funds to be paid in two equal installments. The first installment of \$390,031 was received in June 2021. The second installment was received in June 2022. County staff and the Board of Commissioners have elected to use \$780,061 of the ARPA funds for revenue replacement in fiscal years 2022/2023. Revenue replacement funds have and will be transferred to the appropriate funds once the intended use of the funds is determined.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 1—Summary of significant accounting policies (continued)

14. 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:

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, 2022

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

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, 2022

Note 1—Summary of significant accounting policies (continued)

15. 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, 2022

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 (\$880,066) 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)	\$ 7,549,197
Less accumulated depreciation	<u>(3,667,664)</u>
Net capital assets	3,881,533
Pension related deferrals	89,520
Net pension asset - ROD	4,853
Deferred inflows of resources for taxes and special assessments	494,121
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are, therefore, not recorded in the fund statements:	
Notes payable	(581,923)
Pension liabilities - LGERS and LEOSSA	(529,963)
Other postemployment benefits	(4,074,991)
Compensated absences	<u>(163,216)</u>
Total adjustment	<u>\$ (880,066)</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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 \$887,846 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	\$ 891,268
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	(175,503)
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	235,545
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	23,303
Other postemployment benefits	(4,704)
Pension expense	531,556
Deferred inflows	(663,697)
Deferred outflows	144,971
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	
Decrease in deferred inflows of resources - at the end of year	(94,893)
Total adjustment	<u>\$ 887,846</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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, 2022, County's deposits had a carrying amount of \$733,190 and a bank balance of \$833,533. Of the bank balance, \$250,000 was covered by federal depository insurance and \$583,533 was covered by collateral held under the Pooling Method.

At June 30, 2022, the carrying amount of deposits for the Authority was \$47,198 and the bank balance was \$47,198. All of the bank balance was covered by federal depository insurance.

At June 30, 2022, the County had \$645 cash on hand.

At June 30, 2022, the carrying amount of deposits for the Board was \$201,571 and the bank balance was \$199,942. All of the bank balance was covered by federal depository insurance.

At June 30, 2022, the Board had \$500 cash on hand.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

2. Investments

At June 30, 2022, the County had the following investments and maturities.

<u>Investments by Type</u>	<u>Valuation Measurement Method</u>	<u>Book Value at June 30, 2022</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$ 3,667,678	N/A	AAAm
		<u>\$ 3,667,678</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's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard and Poor's as of June 30, 2022. The Authority has 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, 2022

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>
2019	\$ 840,680	\$ 275,323	\$ 1,116,003
2020	884,464	210,060	1,094,524
2021	944,806	139,359	1,084,165
2022	966,534	55,576	1,022,110
	<u>\$ 3,636,484</u>	<u>\$ 680,318</u>	<u>\$ 4,316,802</u>

4. Receivables

Receivables at the government-wide level at June 30, 2022 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	\$ 21,117	\$ 474,527	\$ 99,309	\$ 534,586	\$ 1,129,539
Other governmental	95,724	-	-	116,759	212,483
Total governmental activities	<u>\$ 116,841</u>	<u>\$ 474,527</u>	<u>\$ 99,309</u>	<u>\$ 651,345</u>	<u>\$ 1,342,022</u>
Business-type Activities:					
Water and sewer	\$ 274,203	\$ -	\$ -	\$ -	\$ 274,203
Allowance for doubtful accounts	(115,991)	-	-	-	(115,991)
Total business-type activities	<u>\$ 158,212</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,212</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	\$ 169,299	\$ -
Sales taxes	482,046	-
Total	<u>\$ 651,345</u>	<u>\$ -</u>

The Tourism Development Authority’s receivables consist of occupancy taxes from local hotels of \$2,600. Management expects all accounts receivable to be collected; therefore, no allowance for doubtful accounts has been recorded.

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 2022, the County recognized \$22,056 of lease revenue and \$-0- of interest revenue under the lease.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

5. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2022 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	237,250	652,915	-	890,165
Total capital assets not being depreciated	<u>1,088,808</u>	<u>652,915</u>	<u>-</u>	<u>1,741,723</u>
Capital assets being depreciated:				
Buildings and improvements	3,836,846	-	-	3,836,846
Equipment	1,039,528	93,714	-	1,133,242
Furniture	57,735	-	-	57,735
Vehicles	635,012	144,639	-	779,651
Total capital assets being depreciated	<u>5,569,121</u>	<u>238,353</u>	<u>-</u>	<u>5,807,474</u>
Less accumulated depreciation for:				
Buildings and improvements	1,963,045	90,565	-	2,053,610
Equipment	932,349	30,747	-	963,096
Furniture	37,552	5,504	-	43,056
Vehicles	559,215	48,687	-	607,902
Total accumulated depreciation	<u>3,492,161</u>	<u>\$ 175,503</u>	<u>\$ -</u>	<u>3,667,664</u>
Total capital assets being depreciated, net	<u>2,076,960</u>			<u>2,139,810</u>
Governmental capital assets, net	<u>\$ 3,165,768</u>			<u>\$ 3,881,533</u>

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

Governmental activities:	
General government	\$ 84,987
Public safety	81,700
Human services	7,255
Economic and physical development	1,561
Total	<u>\$ 175,503</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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
Total capital assets not being depreciated	68,261	-	-	68,261
Capital assets being depreciated:				
Plant and distribution systems	23,454,567	52,424	-	23,506,991
Buildings	21,837	-	-	21,837
Furniture	1,602	-	-	1,602
Vehicles and equipment	615,118	-	-	615,118
Total capital assets being depreciated	24,093,124	52,424	-	24,145,548
Less accumulated depreciation for:				
Plant and distribution system	6,089,261	477,643	-	6,566,904
Buildings	14,701	2,184	-	16,885
Furniture	1,601	-	-	1,601
Vehicles and equipment	486,844	40,475	-	527,319
Total accumulated depreciation	6,592,407	\$ 520,302	\$ -	7,112,709
Total capital assets being depreciated, net	17,500,717			17,032,839
Water and Sewer capital assets, net	\$ 17,568,978			\$ 17,101,100

Construction commitments

The government has active construction projects as of June 30, 2022. These projects consist of the construction of a maintenance garage and a food pantry. At June 30, 2022, the government's commitments with contracts are as follows:

Project	Spent to date	Remaining Commitment
Maintenance Garage	\$ 367,575	\$ 35,500
Food Pantry	522,590	153,211
	\$ 890,165	\$ 188,711

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

Discretely presented component unit

Activity for the ABC Board for the year ended June 30, 2022 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	<u>21,735</u>	<u>-</u>	<u>-</u>	<u>21,735</u>
Capital assets being depreciated:				
Building	357,527	-	-	357,527
Furniture and fixtures	<u>35,752</u>	<u>-</u>	<u>-</u>	<u>35,752</u>
Total capital assets being depreciated	<u>393,279</u>	<u>-</u>	<u>-</u>	<u>393,279</u>
Less accumulated depreciation	<u>111,958</u>	<u>\$ 11,768</u>	<u>\$ -</u>	<u>123,726</u>
Total capital assets being depreciated, net	<u>281,321</u>			<u>269,553</u>
ABC Board capital assets, net	<u><u>\$ 303,056</u></u>			<u><u>\$ 291,288</u></u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

B. Liabilities

1. Payables

Payables at June 30, 2022 were as follows:

	<u>Vendors</u>
Governmental activities:	
General	\$ 261,255
Other Governmental	22,219
Total governmental activities	<u>\$ 283,474</u>
Business-type activities:	
Water & Sewer Fund	\$ 58,592
Total business-type activities	<u>\$ 58,592</u>

2. 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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

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.

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, 2022 was 12.04% of compensation for law enforcement officers and 11.45% 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 \$260,156 for the year ended June 30, 2022.

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, 2022, the County reported a liability of \$423,426 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The 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, 2022, the County's proportion was .02761%, which was a decrease of .00108% from its proportion as of June 30, 2021 (measured as of June 30, 2020.)

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

For the year ended June 30, 2022, the County recognized pension expense of \$188,580. At June 30, 2022, 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	\$ 134,707	\$ -
Changes of assumptions	266,020	-
Net difference between projected and actual earnings on pension plan investments	-	604,948
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,952	8,596
Employer contributions subsequent to the measurement date	260,156	-
Total	<u>\$ 677,835</u>	<u>\$ 613,544</u>

\$260,156 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, 2023. 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>	
2023	\$ 41,429
2024	(5,265)
2025	(46,913)
2026	<u>(185,116)</u>
	<u>\$ (195,865)</u>

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

Inflation	3.05%
Salary Increases	3.50%
Investment rate of return	6.5%, net of pension plan investment expense, including inflation

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

The plan currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e. general, law enforcement officer), and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2020 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29%	1.4%
Global Equity	42%	5.3%
Real Estate	8%	4.3%
Alternatives	8%	8.9%
Credit	7%	6.0%
Inflation Protection	6%	4.0%
Total	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2016 asset, liability, and investment policy study for 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 3.05%. 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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

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)	\$ 1,643,704	\$ 423,426	\$ (580,792)

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.

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, 2020, the Separation Allowance's membership consisted of:

Retirees receiving benefits	2
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>11</u>
	<u>13</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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

Actuarial Assumptions – The entry age actuarial cost method was used in the December 31, 2020 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	2.25% 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, 2021.

The actuarial assumptions used in the December 31, 2020 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.

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 \$14,710 as benefits came due for the reporting period.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

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

At June 30, 2022, the County reported a total pension liability of \$160,257. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was rolled forward to June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the County recognized pension expense of \$20,586.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 23,427	\$ 23,021
Changes of assumptions	27,952	5,984
Total	<u>\$ 51,379</u>	<u>\$ 29,005</u>

The amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending June 30:</u>	
2023	\$ 2,516
2024	5,521
2025	11,037
2026	3,604
2027	<u>(304)</u>
	<u>\$ 22,374</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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 2.25%, 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 (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1% Decrease (1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Total pension liability	\$ 177,445	\$ 160,257	\$ 144,962

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

Beginning Balance	\$ 164,400
Service Cost	15,105
Interest on total pension liability	3,031
Difference between expected and actual experience	(2,283)
Changes in assumptions or other inputs	(5,286)
Benefit payments	<u>(14,710)</u>
Net Changes	<u>(4,143)</u>
Ending Balance of the Total Pension Liability	<u>\$ 160,257</u>

Changes of assumptions: Changes of assumptions and other inputs reflect a change in the discount rate from 1.93% at June 30, 2020 to 2.25% at December 31, 2021 (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, 2021 valuation were based on the results of an actuarial experience study as of December 31, 2019.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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, 2022 were \$25,782, which consisted of \$22,256 from the County and \$3,526 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, 2022 were \$34,580, which consisted of \$0- from the County and \$34,580 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, 2022

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 \$370 for the year ended June 30, 2022.

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

At June 30, 2022, the County reported an asset of \$4,853 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The 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, 2022, the County’s proportion was .02526%, which was a decrease of .000535% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the County recognized pension expense of \$713. At June 30, 2022, 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	\$ 52	\$ 59
Changes of assumptions	354	-
Net difference between projected and actual earnings on pension plan investments	-	15
Changes in proportion and differences between employer contributions and proportionate share of contributions	818	33
Employer contributions subsequent to the measurement date	370	-
Total	<u>\$ 1,594</u>	<u>\$ 107</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

\$370 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, 2023. 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>	
2023	\$ 556
2024	459
2025	(11)
2026	113
	<u>\$ 1,117</u>

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

Inflation	3.0%
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, 2020 valuation were based on the results of an actuarial experience study as of 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 fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2022 is 1.4%.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset, liability and investment policy study for 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 3.0%. 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 asset	\$ 3,855	\$ 4,853	\$ 5,692

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 December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The total pension liability for the LEOSSA was measured as of June 30, 2021, with an actuarial valuation date of December 31, 2020. 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:

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$ 423,426	\$ (4,853)	\$ -	\$ 418,573
Proportion Share of Net Pension Liability (Asset)	0.02761%	0.02526%	n/a	
Total Pension Liability	-	-	\$ 160,257	\$ 160,257
Pension Expense	188,580	713	20,586	\$ 209,879

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	LGERS	ROD	LEOSSA	Total
Differences between expected and actual experience	\$ 134,707	\$ 52	\$ 23,427	\$ 158,186
Changes of assumptions	266,020	354	27,952	294,326
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,952	818	-	17,770
Employer contributions subsequent to the measurement date	260,156	370	-	260,526
Deferred Inflows of Resources				
Differences between expected and actual experience	\$ -	\$ 59	\$ 23,021	\$ 23,080
Net difference between employer contributions and proportionate share of contributions	604,948	15	-	604,963
Changes of assumptions	-	-	5,984	5,984
Changes in proportion and differences between employer contributions and proportionate share of contributions	8,596	33	-	8,629

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, 2022, the County’s total contributions were \$96,197.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

Membership of the Retiree Health Plan consisted of the following at June 30, 2021, the date of the latest actuarial valuation:

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	21
Inactive Members Entitled to but not yet	
Receiving Benefits	-
Active Employees	60
Total	<u>81</u>

Actuarial Assumptions

The County's total OPEB liability of \$4,630,672 was measured as of June 30, 2021 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	3.25% to 8.41%, average, including inflation
Discount rate	2.16%
Healthcare cost trend rates	
Pre-Medicare	7.0% for 2021 decreasing to an ultimate rate of 4.5% by 2031
Medicare	5.125% for 2021 decreasing to an ultimate rate of 4.5% by 2024

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:

	2022
Beginning balance	\$ 4,625,327
Service cost	194,397
Interest on the total OPEB liability	105,421
Differences between expected and actual experience	(483,270)
Changes of assumptions or other inputs	288,417
Benefit payments and implicit subsidy credit	(99,620)
Other changes	-
Ending balance of the total OPEB liability	<u>\$ 4,630,672</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.21% to 2.16%:

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

Mortality rates were based on the A6-2010 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, 2021 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, 2021 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2021 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 (1.16%) or 1 percentage point higher (3.16%) than the current discount rate:

	<u>1% Decrease (1.16%)</u>	<u>Current Discount Rate (2.16%)</u>	<u>1% Increase (3.16%)</u>
Total OPEB Liability	\$ 5,625,788	\$ 4,630,672	\$ 3,868,130

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	\$ 3,796,258	\$ 4,630,672	\$ 5,746,962

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

For the year ended June 30, 2022, the County recognized OPEB expense of \$205,351. At June 30, 2022, 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	\$ 4,315	\$ 756,918
Changes of assumptions	885,903	240,401
Benefit payments and administrative costs made subsequent to the measurement date	96,197	-
Total	<u>\$ 986,415</u>	<u>\$ 997,319</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

\$96,197 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, 2023. 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>	
2023	\$ (94,467)
2024	(81,452)
2025	(24,791)
2026	68,253
2027	27,285
Thereafter	<u>(1,929)</u>
Total	<u>\$ (107,101)</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 \$50,000. 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, 2022

Note 2—Detail notes on all funds (continued)

3. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience - pension and OPEB	\$ 162,501	\$ 779,998
Changes of assumptions - pension and OPEB	1,180,229	246,385
Net difference between projected and actual earnings on pension plan investments - pension and OPEB	-	604,963
Changes in proportion and differences between employer contributions and proportionate share of contributions - pension and OPEB	17,770	8,629
Employer contributions subsequent to the measurement date	356,723	-
Prepaid taxes not yet earned (Government Wide and General Fund)	-	43,289
Lease receivable (Government Wide and General Fund)	-	97,417
Taxes receivable, net, less penalties (General Fund)	-	494,121
Total	<u>\$ 1,717,223</u>	<u>\$ 2,274,802</u>

4. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners 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, 2022

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 \$57,798 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, 2022

Note 2—Detail notes on all funds (continued)

5. Commitments

At June 30, 2022, the County had ten 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 solid waste, recyclable materials, white goods, and brown goods at the rate of \$15.58 per customer per cart account per month. 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, 2024. |
| 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. |

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

6. Long-Term Obligations

a. 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.

\$ 450,902

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

\$ 131,021

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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		School Gymnasium	
	Principal	Interest	Principal	Interest
2023	\$ 36,342	\$ 21,456	\$ 131,021	\$ 1,401
2024	38,068	19,730	-	-
2025	39,876	17,922	-	-
2026	41,770	16,028	-	-
2027	43,754	14,044	-	-
2028-2031	251,092	36,997	-	-
Total	<u>\$ 450,902</u>	<u>\$ 126,177</u>	<u>\$ 131,021</u>	<u>\$ 1,401</u>

b. Revenue Bond

Serviced by the County’s Water and Sewer Fund:

\$2,794,000 Water Revenue Bonds, Series 2013A, issued for water system improvements. Principal installments are due annually on June 1 with annual interest payments due on June 1 at an interest rate of 3.125%. \$ 2,443,000

\$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%. \$ 627,000

\$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%. \$ 932,000

\$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%. \$ 347,000

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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
2023	\$ 50,000	\$ 76,344	\$ 14,000	\$ 15,675	\$ 19,000	\$ 20,970	\$ 7,000	\$ 7,808
2024	52,000	74,781	15,000	15,325	19,000	20,543	7,000	7,650
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
2028-2032	311,000	321,125	85,000	64,850	109,000	89,145	40,000	33,188
2033-2037	363,000	269,438	96,000	53,700	121,000	76,343	45,000	28,463
2038-2042	424,000	208,969	109,000	41,050	135,000	62,123	51,000	23,175
2043-2047	496,000	138,438	123,000	26,775	152,000	46,193	57,000	17,190
2048-2052	582,000	55,719	139,000	10,525	169,000	28,350	63,000	10,508
2053-2057	-	-	-	-	149,000	8,460	55,000	3,128
Total	<u>\$ 2,443,000</u>	<u>\$ 1,359,251</u>	<u>\$ 627,000</u>	<u>\$ 271,625</u>	<u>\$ 932,000</u>	<u>\$ 411,168</u>	<u>\$ 347,000</u>	<u>\$ 153,115</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, 2022, are as follows:

	<u>Water Bonds</u>	<u>Sewer Bonds</u>
Operating revenues	\$ 1,357,549	\$ 289,277
Operating expenses*	<u>(953,286)</u>	<u>(193,121)</u>
Operating income	404,263	96,156
Nonoperating revenues (expenses)**	<u>882</u>	<u>52</u>
Income available for debt service	<u>405,145</u>	<u>96,208</u>
Debt service, principal paid (Revenue bond only)	63,000	25,000
Debt service, interest paid (Revenue bond only)	93,900	29,340
Debt service coverage ratio	2.58	1.77

** 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 \$4,700,876. Principal and interest paid for the current year and total customer net revenues were \$156,900 and \$405,145, respectively.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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 \$1,843,283. Principal and interest paid for the current year and total customer net revenues were \$54,340 and \$102,596 respectively.

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

	<u>Balance</u> <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Current</u> <u>Portion</u>
Governmental activities:					
Term loan - court facility	\$ 485,632	\$ -	\$ 34,730	\$ 450,902	\$ 36,342
Term loan - Gymnasium	331,836	-	200,815	131,021	131,021
Compensated absences	186,519	-	23,303	163,216	-
Total pension liability (LEOSSA)	164,400	-	4,143	160,257	-
Net pension liability (LGERS)	899,281	-	529,575	369,706	-
OPEB	<u>4,070,287</u>	<u>4,704</u>	<u>-</u>	<u>4,074,991</u>	<u>-</u>
Total governmental activities	<u>\$ 6,137,955</u>	<u>\$ 4,704</u>	<u>\$ 792,566</u>	<u>\$ 5,350,093</u>	<u>\$ 167,363</u>
Business-type activities:					
Water Revenue bonds	\$ 2,492,000	\$ -	\$ 49,000	\$ 2,443,000	\$ 50,000
Water Revenue bonds	641,000	-	14,000	627,000	14,000
Sewer Revenue Bonds	950,000	-	18,000	932,000	19,000
Sewer Revenue Bonds	354,000	-	7,000	347,000	7,000
Compensated absences	27,079	-	3,650	23,429	-
Net pension liability (LGERS)	125,935	-	72,215	53,720	-
OPEB	<u>555,040</u>	<u>641</u>	<u>-</u>	<u>555,681</u>	<u>-</u>
Total business-type activities	<u>\$ 5,145,054</u>	<u>\$ 641</u>	<u>\$ 163,865</u>	<u>\$ 4,981,830</u>	<u>\$ 90,000</u>
ABC Board:					
Construction Note	\$ 105,251	\$ -	\$ 15,952	\$ 89,299	16,556
Net pension liability (LGERS)	14,651	-	10,204	4,447	-
Vacation payable	<u>271</u>	<u>666</u>	<u>-</u>	<u>937</u>	<u>-</u>
Total business-type activities	<u>\$ 120,173</u>	<u>\$ 666</u>	<u>\$ 26,156</u>	<u>\$ 94,683</u>	<u>\$ 16,556</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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

C. Inter-fund Balances and Activity

The composition of inter-fund balances as of June 30, 2022 is as follows:

	Interfund	
	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 18,730	\$ -
SCIF Fund	-	1,862
General Fund	1,862	-
CDBG Fund	-	49,075
General Fund	49,075	-
Elevation Project Fund	-	18,730
	<u>\$ 69,667</u>	<u>\$ 69,667</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, 2022.

Transfers to/from other funds at June 30, 2022, consist of the following:

From the General Fund for the Maintenance Garage Project	\$ 5,700
From the General Fund to the Revaluation Fund	10,300
From the School Capital Outlay Fund to the General Fund	85,859
From the ARP Fund to the General Fund	568,654
From the ARP Fund to the Water/Sewer Fund	196,407
From the Capital Outlay Fund to the General Fund	13,036
	<u>\$ 879,956</u>

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Detail notes on all funds (continued)

D. Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-Type</u>
Capital assets	\$ 3,881,533	\$ 17,101,100
Less: Long-term debt	(450,902)	(4,349,000)
Net investment in capital assets	<u>\$ 3,430,631</u>	<u>\$ 12,752,100</u>

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>\$ 2,031,538</u>
Less:	
Stabilization by State Statute	508,359
Controlled substance tax	15,045
Drug forfeiture funds	15,143
Court facilities	76,061
Register of Deeds	15,472
Capital outlay	50,695
USDA reserve	61,811
Tax revaluation	69,323
Recreation	47,746
Fire Protection	84,273
Subsequent year's expenditures	844,237
Remaining Fund Balance	<u>\$ 243,373</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, 2022, 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, 2022. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$146,092 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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 3—Joint ventures (continued)

The County participates with 25 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. 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, 2022. 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 Joy Futrell, Vice President of Operations, Trillium Health Resources, 144 Community College Road, Ahoskie, NC 29710.

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, 2022. 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, 2022. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$3,258 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, 2022. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$12,000 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, 2022. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$3,782 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.

TYRRELL COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 3—Joint ventures (continued)

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, 2022, 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 school refunded unspent JCPC funds in the amount of \$1,682.

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.

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, 2022, the County made appropriations to NCSU in the amount of \$121,275 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 November 30, 2022, 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 NINE YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.02761%	0.02869%	0.02839%	0.03029%	0.03505%	0.03392%	0.03419%	0.03361%	0.00341%
County's proportionate share of the net pension liability (asset)	\$ 423,426	\$ 1,025,216	\$ 775,309	\$ 718,582	\$ 468,302	\$ 719,896	\$ 153,443	\$ (198,214)	\$ 411,036
County's covered payroll	\$2,206,230	\$ 2,271,719	\$ 2,219,587	\$ 2,300,438	\$ 2,030,939	\$ 2,168,566	\$ 2,071,619	\$ 1,677,022	\$ 1,702,945
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	19.19%	45.13%	34.93%	31.24%	23.06%	33.20%	7.41%	-11.82%	24.14%
Plan fiduciary net position as a percentage of the total pension liability	95.51%	88.81%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

** Information is not required to be presented retroactively. This schedule will not present 10 years of information until fiscal year 2023.

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

LAST NINE YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 260,156	\$ 228,527	\$ 208,187	\$ 175,595	\$ 164,972	\$ 159,574	\$ 140,888	\$ 138,232	\$ 135,365
Contribution in relation to the contractually required contribution	<u>260,156</u>	<u>228,527</u>	<u>208,187</u>	<u>175,595</u>	<u>164,972</u>	<u>159,574</u>	<u>140,888</u>	<u>138,232</u>	<u>135,365</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 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
Contributions as a percentage of covered payroll	11.57%	10.36%	9.16%	7.91%	7.17%	7.86%	6.50%	6.67%	8.07%

** Information is not required to be presented retroactively. This schedule will not present 10 years of information until fiscal year 2023.

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

LAST NINE YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.02526%	0.03061%	0.03008%	0.03189%	0.03070%	0.03724%	0.03382%	0.04226%	0.03636%
County's proportionate share of the net pension liability (asset)	\$ (4,853)	\$ (7,015)	\$ (5,938)	\$ (5,282)	\$ (5,242)	\$ (6,964)	\$ (7,838)	\$ (9,576)	\$ (7,766)
County's covered payroll	\$ 48,197	\$ 48,197	\$ 47,252	\$ 46,326	\$ 37,670	\$ 60,931	\$ 54,711	\$ 76,083	\$ 76,083
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-10.07%	-14.55%	-12.57%	-11.40%	-13.92%	-11.43%	-12.86%	-17.50%	10.21%
Plan fiduciary net position as a percentage of the total pension liability	156.53%	173.62%	164.11%	153.31%	153.77%	160.17%	197.29%	193.88%	190.50%

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

** Information is not required to be presented retroactively. This schedule will not present 10 years of information until fiscal year 2023.

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

LAST NINE YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 370	\$ 303	\$ 293	\$ 286	\$ 273	\$ 267	\$ 304	\$ 271	\$ 345
Contribution in relation to the contractually required contribution	370	303	293	286	273	267	304	271	345
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	50,607	48,197	48,197	47,252	46,326	37,670	\$ 60,931	\$ 54,711	\$ 76,083
Contributions as a percentage of covered-employee payroll	0.73%	0.63%	0.61%	0.61%	0.59%	0.71%	0.50%	0.50%	0.45%

** Information is not required to be presented retroactively. This schedule will not present 10 years of information until fiscal year 2023.

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY LAW ENFORCEMENT
OFFICERS' SPECIAL SEPARATION ALLOWANCE

LAST SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 164,400	\$ 106,622	\$ 84,318	\$ 117,738	\$ 122,441	\$ 111,580
Service cost	15,105	9,255	8,821	11,423	10,406	13,567
Interest on the total pension liability	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	(2,283)	21,547	21,361	(44,587)	(29,842)	-
Changes of assumptions or other inputs	(5,286)	38,450	3,335	(3,425)	10,650	(4,120)
Benefit payments	(14,710)	(14,710)	(14,027)	(543)	(631)	(2,524)
Other changes	-	-	-	-	-	-
Ending balance of the total pension liability	<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 SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 160,257	\$ 164,400	\$ 106,622	\$ 84,318	\$ 117,738	\$ 122,441
Covered payroll	440,574	399,718	407,008	424,870	425,942	493,228
Total pension liability as a percentage of covered payroll	36.37%	41.13%	26.20%	19.85%	27.64%	24.82%

** 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 SIX YEARS

	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 4,625,327	\$ 3,544,281	\$ 4,026,877	\$ 4,053,488	\$ 4,053,488	\$ 4,258,658
Service cost	194,397	125,714	153,633	164,142	164,142	188,168
Interest on the total OPEB liability	105,421	126,705	154,826	142,804	142,804	126,705
Differences between expected and actual experience	(483,270)	(8,439)	(650,805)	(3,344)	(3,344)	16,375
Changes of assumptions or other inputs	288,417	937,632	(45,785)	(245,209)	(245,209)	(437,318)
Benefit payments and implicit subsidy credit	(99,620)	(100,566)	(94,465)	(85,004)	(85,004)	(99,100)
Other changes	-	-	-	-	-	-
Ending balance of the total OPEB liability	<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	\$ 2,114,633	\$ 1,967,588	\$ 1,967,588	\$ 2,063,295	\$ 2,063,295	\$ 2,063,295
Total OPEB liability as a percentage of covered payroll	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:

<u>Fiscal Year</u>	<u>Rate</u>
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, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Revenues				
Ad valorem taxes				
Current year	\$ 4,553,981	\$ 4,769,867	\$	\$ 4,526,457
Penalties and interest	47,500	53,110		45,085
Total ad valorem taxes	4,601,481	4,822,977	221,496	4,571,542
Local option sales taxes				
Articles 39, 40, & 42	552,489	634,651		574,448
Total local option sales taxes	552,489	634,651	82,162	574,448
Other taxes and licenses				
Deed stamp excise tax	49,700	58,758		33,390
Scrap tire disposal tax	6,000	5,335		5,240
Video programming tax	550	377		445
White goods disposal tax	1,800	1,765		1,973
Solid waste tax	3,000	2,668		2,936
Occupancy tax	350	467		387
Total other taxes and licenses	61,400	69,370	7,970	44,371
Unrestricted intergovernmental revenues				
Controlled substance tax	3,600	2,075		3,873
Payments in lieu of taxes	45,000	40,558		40,902
Beer and wine tax	15,000	10,097		12,588
Total unrestricted intergovernmental revenues	63,600	52,730	(10,870)	57,363
Restricted intergovernmental revenues				
Federal and State grants	1,566,936	1,435,090		1,363,914
Court facility fees	34,000	29,599		29,586
ABC bottles tax	1,500	6,512		2,533
Total restricted intergovernmental revenues	1,602,436	1,471,201	(131,235)	1,396,033
Licenses and permits				
Gun permits	3,500	2,785		4,450
Officer service fees	188,186	186,948		185,111
Animal control fees	1,600	693		1,649
Building permits and inspection fees	19,300	27,608		25,231
Candidate filing fees	-	1,856		-
License revocation fees	79,142	79,402		65,153
Other fees	17,900	22,504		20,827
Total licenses and permits	309,628	321,796	12,168	302,421

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, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Revenues (continued)				
Sales and services				
Rents and other	\$ 22,414	\$ 23,572	\$	\$ 22,164
Jail fees	3,000	1,191		1,058
Total sales and services	<u>25,414</u>	<u>24,763</u>	<u>(651)</u>	<u>23,222</u>
Interest earned on investments	<u>300</u>	<u>4,359</u>	<u>4,059</u>	<u>332</u>
Miscellaneous				
Donations and contributions	9,680	2,410		3,754
Other revenues	38,412	32,350		104,762
Total miscellaneous	<u>48,092</u>	<u>34,760</u>	<u>(13,332)</u>	<u>108,516</u>
Total revenues	<u>7,264,840</u>	<u>7,436,607</u>	<u>171,767</u>	<u>7,078,248</u>
Expenditures				
Current				
General government				
Governing body				
Salaries and employee benefits	288,184	284,848		265,088
Other operating expenditures	70,603	59,502		51,417
Contract services	97,028	61,893		62,842
Total	<u>455,815</u>	<u>406,243</u>	<u>49,572</u>	<u>379,347</u>
Elections				
Salaries and employee benefits	70,309	60,893		61,275
Other operating expenditures	22,950	13,056		19,656
Capital outlay	41,000	41,000		-
Total	<u>134,259</u>	<u>114,949</u>	<u>19,310</u>	<u>80,931</u>
Finance				
Salaries and employee benefits	200,020	198,819		185,917
Other operating expenditures	10,935	6,884		9,218
Total	<u>210,955</u>	<u>205,703</u>	<u>5,252</u>	<u>195,135</u>
Taxes				
Salaries and employee benefits	163,306	160,080		152,161
Other operating expenditures	82,624	74,164		66,322
Contract services	6,721	1,528		7,393
Capital outlay	1,500	99		675
Total	<u>254,151</u>	<u>235,871</u>	<u>18,280</u>	<u>226,551</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, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Expenditures (continued)				
Current (continued)				
General government (continued)				
Register of deeds				
Salaries and employee benefits	\$ 114,699	\$ 112,132	\$	\$ 105,222
Other operating expenditures	21,943	21,920		12,134
Contract services	12,600	12,314		12,518
Total	149,242	146,366	2,876	129,874
Planning				
Other operating expenditures	5,706	3,163	2,543	2,640
Emergency protective measures				
Salaries and employee benefits	-	-		957
Other operating expenditures	2,364	2,191	173	14,592
Total	2,364	2,191	173	15,549
Buildings and grounds				
Salaries and employee benefits	178,053	160,786		157,172
Other operating expenditures	385,201	302,497		367,471
Total	563,254	463,283	99,971	524,643
Total general government	1,775,746	1,577,769	197,977	1,554,670
Public safety				
Sheriff				
Salaries and employee benefits	784,899	756,400		727,599
Other operating expenditures	349,558	319,264		208,986
Contract services	2,200	1,489		2,418
Capital outlay	103,305	51,928		7,812
Total	1,239,962	1,129,081	110,881	946,815
Emergency management				
Salaries and employee benefits	45,616	45,315		42,688
Other operating expenditures	44,048	36,199		16,297
Total	89,664	81,514	8,150	58,985
Department of motor vehicles				
Salaries and employee benefits	39,743	39,523		37,012
Other operating expenditures	180	174		78
Total	39,923	39,697	226	37,090
Fire protection				
Forest fire control	56,755	51,196		50,451
Contribution to the fire department	115,600	115,600		115,600
Capital outlay	67,327	67,326		40,000
Total	239,682	234,122	5,560	206,051

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, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Expenditures (continued)				
Current (continued)				
Public safety (continued)				
Building inspector				
Salaries and employee benefits	\$ 77,235	\$ 77,143	\$	\$ 72,107
Other operating expenditures	26,040	9,818		8,850
Contract services	30	30		60
Total	103,305	86,991	16,314	81,017
Medical examiner				
Other operating expenditures	5,650	3,700	1,950	2,550
Animal control				
Salaries and employee benefits	63,851	63,679		56,744
Other operating expenditures	15,194	14,771		11,636
Total	79,045	78,450	595	68,380
Total public safety	1,797,231	1,653,555	143,676	1,400,888
Human services				
Health				
MTW health	61,386	61,386		56,751
Medical transportation				
Emergency medical services	684,830	684,034	796	683,521
Social services				
Administration				
Salaries and employee benefits	999,894	921,747		933,449
Other operating expenditures	261,855	225,102		207,411
Contracted services	60,000	60,914		60,000
Total	1,321,749	1,207,763	113,986	1,200,860
Public assistance				
Medical assistance payments	6,500	1,404		3,540
Income maintenance	36,000	22,569		22,495
Total	42,500	23,973	18,527	26,035
Food stamps/coupons				
Other operating expenditures	2,500	1,299	1,201	984
Legal aid children				
Other operating expenditures	25,000	16,976	8,024	12,386
Senior citizens assistance				
Other operating expenditures	97,792	88,136	9,656	45,213
Transportation - nutritional				
Salaries and employee benefits	102,695	94,646		88,616
Contracted services	8,631	8,631		8,631
Other operating expenditures	38,751	34,757		32,818
Total	150,077	138,034	12,043	130,065

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, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Expenditures (continued)				
Current (continued)				
Human Services (continued)				
Crisis intervention				
Other operating expenditures	\$ 16,908	\$ 9,221	\$ 7,687	\$ 16,608
Foster care				
Other operating expenditures	34,201	15,578	18,623	18,737
Blind administration				
Other operating expenditures	1,909	1,908	1	1,848
Other Social Services				
Other operating expenditures	256,949	245,445	11,504	147,294
Capital outlay	-	-	-	29,031
Veteran's Services				
Other operating expenditures	200	-	200	-
Total	200	-	200	-
Total human services	2,696,001	2,493,753	202,248	2,369,333
Education				
Public schools - current	592,595	592,595	-	592,595
Total education	592,595	592,595	-	592,595

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, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Environmental protection				
Drainage				
Contract services	\$ 43,000	\$ 11,320	\$ 31,680	\$ -
Solid waste				
Salaries and employee benefits	12,503	11,222		11,112
Capital outlay	-	-		-
Other operating expenses	100,808	88,653		98,314
Contract services	459,282	458,781		449,814
Total	572,593	558,656	13,937	559,240
Total environmental protection	615,593	569,976	45,617	559,240
Economic and physical development				
Agriculture extension				
Salaries and employee benefit	140	-		133
Other operating expenditures	179,151	146,121		167,792
Appropriations - Albemarle Commission	3,258	3,258		3,682
Appropriations - River Festival	8,000	8,000		8,000
Appropriations - Albemarle RC&D	750	750		750
Appropriations - PFS	12,000	12,000		10,000
Total	203,299	170,129	33,170	190,357
Board of Supervisors - soil conservation				
Salaries and employee benefits	54,378	54,024		50,735
Other operating expenditures	7,940	5,666		3,774
Total	62,318	59,690	2,628	54,509
Total economic and physical development	265,617	229,819	35,798	244,866

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, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Cultural and recreational				
Pettigrew Regional Library	\$ 146,092	\$ 146,092	\$ -	\$ 140,055
Recreation Commission	42,344	39,864		40,161
Total cultural and recreational	<u>188,436</u>	<u>185,956</u>	<u>2,480</u>	<u>180,216</u>
Debt service				
Note principal	34,730	34,730		41,225
Interest and fees	23,068	23,068		24,721
Total debt service	<u>57,798</u>	<u>57,798</u>	<u>-</u>	<u>65,946</u>
Total expenditures	<u>7,989,017</u>	<u>7,361,221</u>	<u>627,796</u>	<u>6,967,754</u>
Revenues over (under) expenditures	<u>(724,177)</u>	<u>75,386</u>	<u>799,563</u>	<u>110,494</u>
Other financing sources (uses)				
Transfers from other funds	98,895	667,549	568,654	149,564
Transfers to other funds	(21,000)	(16,000)	5,000	(55,000)
Total other financing sources (uses)	<u>77,895</u>	<u>651,549</u>	<u>573,654</u>	<u>94,564</u>
Revenues and other financing sources under expenditures and other financing uses	<u>(646,282)</u>	<u>726,935</u>	<u>1,373,217</u>	<u>205,058</u>
Appropriated fund balance	<u>646,282</u>	<u>-</u>	<u>(646,282)</u>	<u>-</u>
Revenues and other financing sources (uses) and appropriated fund balance over expenditures	<u>\$ -</u>	<u>726,935</u>	<u>\$ 726,935</u>	<u>205,058</u>
Fund balance:				
Beginning of year - July 1		<u>1,184,585</u>		<u>979,527</u>
End of year - June 30		<u>\$ 1,911,520</u>		<u>\$ 1,184,585</u>

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 2 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – ARPA FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	<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>-</u>	<u>765,061</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>-</u>	<u>(765,061)</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 3 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – CAPITAL OUTLAY FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Positive (Negative)	
Revenues				
Investment earnings	\$ -	\$ 82	\$ 82	\$ 7
Revenues over expenditures	-	82	82	7
Other financing sources (uses):				
Transfers from other funds	-	-	-	30,000
Transfers to other funds	(13,036)	(13,036)	-	-
	(13,036)	(13,036)	-	30,000
Appropriated fund balance	13,036	-	(13,036)	-
Revenues and other financing sources (uses)	\$ -	(12,954)	\$ (12,954)	30,007
Fund balances:				
Beginning of year - July 1		63,650		33,643
End of year - June 30		\$ 50,696		\$ 63,650

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 4 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REVALUATION FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Positive (Negative)	
Revenues				
Investment earnings	\$ 6	\$ 110	\$ 104	\$ 7
Expenditures				
Contract services	10,306	-	10,306	-
Revenues over expenditures	<u>(10,300)</u>	<u>110</u>	<u>10,410</u>	<u>7</u>
Other financing sources (uses):				
Transfers from other funds	10,300	10,300	-	25,000
Revenues and other financing sources (uses) and appropriated fund balance over expenditures	<u>\$ -</u>	<u>10,410</u>	<u>\$ 10,410</u>	<u>25,007</u>
Fund balances:				
Beginning of year - July 1		<u>58,912</u>		<u>33,905</u>
End of year - June 30		<u>\$ 69,322</u>		<u>\$ 58,912</u>

TYRRELL COUNTY, NORTH CAROLINA**SCHEDULE 5 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – REPRESENTATIVE PAYEE FUND – BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Restricted intergovernmental	\$ 12,000	\$ 300	\$ (11,700)
Expenditures			
Human services			
Payments made for the benefit of beneficiaries	12,000	200	11,800
Total expenditures	12,000	200	11,800
Revenues over (under) expenditures	<u>\$ -</u>	100	<u>\$ 100</u>
Fund balance			
Beginning of year - July 1		15	
End of year - June 30		<u>\$ 115</u>	

TYRRELL COUNTY, NORTH CAROLINA

**SCHEDULE 6 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – DEED OF TRUST FUND – BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Permits and fees			
Register of deeds	\$ 3,530	\$ 3,528	\$ (2)
Expenditures			
Payments of fees			
remitted to the State of North Carolina	3,530	3,528	2
Total expenditures	3,530	3,528	2
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 7 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – FINES AND FORFEITURES FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Sales and services			
Penalties, fines, and forfeitures	\$ 94,000	\$ 77,103	\$ (16,897)
Expenditures			
Payments of penalties, fines, and forfeitures to the Tyrrell County Board of Education	94,000	77,103	16,897
Total expenditures	94,000	77,103	16,897
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 8 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – SCHOOL CAPITAL OUTLAY FUND – BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDING JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Positive (Negative)	
Revenues				
Restricted intergovernmental revenue				
Local option sales tax - Article 40	\$ 82,393	\$ 82,252	\$ (141)	\$ 84,789
Local option sales tax - Article 42	164,785	164,503	(282)	169,577
Local option sales tax - Article 44	149,665	169,323	19,658	147,788
Investment earnings	25	192	167	22
Total revenues	396,868	416,270	19,402	402,176
Expenditures				
Insurance	4,200	2,621	1,579	3,983
Capital outlay	100,000	100,000	-	100,000
Debt service				
Note principal	200,787	200,815	(28)	196,615
Interest and fees	6,022	5,993	29	10,194
Total expenditures	311,009	309,429	1,580	310,792
Other financing sources (uses)				
Transfers to other funds	(85,859)	(85,859)	-	(44,968)
Revenues over expenditures	\$ -	20,982	\$ 20,982	46,416
Fund balances:				
Beginning of year - July 1		387,174		340,758
End of year - June 30		\$ 408,156		\$ 387,174

TYRRELL COUNTY, NORTH CAROLINA

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

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Grant funds	\$ 84,270	\$ -	\$ 84,270	\$ 84,270	\$ -
Expenditures					
Capital outlay	84,270	-	84,270	84,270	-
Total expenditures	<u>84,270</u>	<u>-</u>	<u>84,270</u>	<u>84,270</u>	<u>-</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 10 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOLDEN LEAF DISASTER RECOVERY FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Golden Leaf grant	\$ 391,000	\$ 237,250	\$ 130,325	\$ 367,575	\$ (23,425)
Sales tax refund	6,600	-	6,427	6,427	(173)
	397,600	237,250	136,752	374,002	(23,598)
Expenditures					
Construction	403,300	237,250	130,325	367,575	35,725
Total expenditures	403,300	237,250	130,325	367,575	35,725
Other financing sources					
Transfer from general fund	(5,700)	-	5,700	5,700	-
Total other financing sources	(5,700)	-	5,700	5,700	-
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	12,127	<u>\$ 12,127</u>	<u>\$ 12,127</u>
Fund balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ 12,127</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 11 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – SCIF GRANT FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	<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	\$ -	\$ 5,362	\$ 5,362	\$ (244,638)
Investment earnings	-	-	379	379	379
	<u>250,000</u>	<u>-</u>	<u>5,741</u>	<u>5,741</u>	<u>(244,259)</u>
Expenditures					
Design plans for water tank	125,000	-	3,500	3,500	121,500
Drainage improvements	75,000	-	-	-	75,000
Playground equipment	50,000	-	1,862	1,862	48,138
	<u>250,000</u>	<u>-</u>	<u>5,362</u>	<u>5,362</u>	<u>244,638</u>
Other financing sources					
Local contribution	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	379	<u>\$ 379</u>	<u>\$ 379</u>
Fund balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 379</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 12 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – OPIOID SETTLEMENT FUND – BUDGET AND ACTUAL

FROM INCEPTION AND FOR YEAR ENDED JUNE 30, 2022

	<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	\$ -	\$ -	\$ 10,254	\$ 10,254	\$ 10,254
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ 10,254	<u>\$ 10,254</u>	<u>\$ 10,254</u>
Fund balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 10,254</u>		

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE 13 – COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL
FUNDS

JUNE 30, 2022

	Representative Payee Fund	School Capital Outlay Fund	SCIF Grant Fund	Golden Leaf Disaster Recovery Fund	Opioid Settlement Fund	Total Non-major Special Revenue Funds
Assets						
Restricted cash and investments	\$ 115	\$ 297,824	\$ 246,879	\$ -	\$ 10,254	\$ 555,072
Due from other governments	-	110,332	-	6,427	-	116,759
Accounts receivable	-	-	-	54,775	-	54,775
Total assets	\$ 115	\$ 408,156	\$ 246,879	\$ 61,202	\$ 10,254	\$ 726,606
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	1,862	49,075	-	50,937
Unearned revenue	-	-	244,638	-	-	244,638
Total liabilities	-	-	246,500	49,075	-	295,575
Fund balances						
Restricted:						
Stabilization by state statute	-	110,332	379	12,127	10,254	133,092
School capital outlay	-	297,824	-	-	-	297,824
Representative payee fund	115	-	-	-	-	115
Total fund balances	115	408,156	379	12,127	10,254	431,031
Total liabilities, deferred inflows of resources, and fund balances	\$ 115	\$ 408,156	\$ 246,879	\$ 61,202	\$ 10,254	\$ 726,606

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE 13 – COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2022

	CDBG Projects Fund	Elevation Project Fund	Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
Assets				
Restricted cash and investments	\$ 100,000	\$ -	\$ 100,000	\$ 655,072
Due from other governments	-	-	-	116,759
Accounts receivable	22,219	18,730	40,949	95,724
Total assets	\$ 122,219	\$ 18,730	\$ 140,949	\$ 867,555
Liabilities				
Accounts payable	\$ 22,219	\$ -	\$ 22,219	\$ 22,219
Due to other funds	-	18,730	18,730	69,667
Unearned revenue	-	-	-	244,638
Total liabilities	22,219	18,730	40,949	336,524
Fund balances				
Restricted:				
Stabilization by state statute	100,000	-	100,000	233,092
School capital outlay	-	-	-	297,824
Representative payee fund	-	-	-	115
Total fund balances	100,000	-	100,000	531,031
Total liabilities, deferred inflows of resources, and fund balances	\$ 122,219	\$ 18,730	\$ 140,949	\$ 867,555

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE 14 – COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2022

	Representative Payee Fund	Deed of Trust Fund	Fines and Forfeitures Fund	School Capital Outlay Fund	Grants Fund	SCIF Grant	Golden Leaf Disaster Recovery Grant	Opioid Settlement Fund	Total Nonmajor Special Revenue Funds
Revenues									
Restricted intergovernmental	\$ 300	\$ -	\$ -	\$ 416,078	\$ 84,270	\$ 5,362	\$ 130,325	\$ 10,254	\$ 646,589
Sales and services	-	-	77,103	-	-	-	-	-	77,103
Permits and fees	-	3,528	-	-	-	-	-	-	3,528
Investment earnings	-	-	-	192	-	379	-	-	571
Miscellaneous	-	-	-	-	-	-	6,427	-	6,427
Total revenues	300	3,528	77,103	416,270	84,270	5,741	136,752	10,254	734,218
Expenditures									
General government	-	3,528	77,103	-	-	-	-	-	80,631
Education	-	-	-	2,621	-	-	-	-	2,621
Economic and physical development	-	-	-	-	-	-	-	-	-
Human services	200	-	-	-	-	-	-	-	200
Infrastructure	-	-	-	-	-	5,362	-	-	5,362
Capital outlay	-	-	-	100,000	84,270	-	130,325	-	314,595
Debt service									
Note principal	-	-	-	200,815	-	-	-	-	200,815
Interest and fees	-	-	-	5,993	-	-	-	-	5,993
Total expenditures	200	3,528	77,103	309,429	84,270	5,362	130,325	-	610,217
Excess (deficiency) of revenues over (under) expenditures	100	-	-	106,841	-	379	6,427	10,254	124,001
Other financing sources (uses)									
Local contribution	-	-	-	-	-	-	5,700	-	5,700
Transfers out	-	-	-	(85,859)	-	-	-	-	(85,859)
Total other financing sources (uses)	-	-	-	(85,859)	-	-	5,700	-	(80,159)
Net change in fund balances	100	-	-	20,982	-	379	12,127	10,254	43,842
Fund balance - beginning	15	-	-	387,174	-	-	-	-	387,189
Fund balance - ending	\$ 115	\$ -	\$ -	\$ 408,156	\$ -	\$ 379	\$ 12,127	\$ 10,254	\$ 431,031

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 14 – COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2022

	ESFRLP-DR Fund	CDBG Projects Fund	Elevation Project Fund	Schools Technology & Learning Ctr Fund	Stream Debris Removal Project	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues							
Restricted intergovernmental	\$ 87,440	\$ 789,900	\$ 18,730	\$ -	\$ 73,805	\$ 969,875	\$ 1,616,464
Sales and services	-	-	-	-	-	-	77,103
Permits and fees	-	-	-	-	-	-	3,528
Investment earnings	-	-	-	-	-	-	571
Miscellaneous	-	-	-	-	-	-	6,427
Total revenues	87,440	789,900	18,730	-	73,805	969,875	1,704,093
Expenditures							
General government	-	-	-	-	73,805	73,805	154,436
Education	-	-	-	-	-	-	2,621
Economic and physical development	87,440	789,320	-	-	-	876,760	876,760
Human services	-	-	-	-	-	-	200
Infrastructure	-	-	-	-	-	-	5,362
Capital outlay	-	-	-	-	-	-	314,595
Debt service							
Note principal	-	-	-	-	-	-	200,815
Interest and fees	-	-	-	-	-	-	5,993
Total expenditures	87,440	789,320	-	-	73,805	950,565	1,560,782
Excess (deficiency) of revenues over (under) expenditures	-	580	18,730	-	-	19,310	143,311
Other financing sources (uses)							
Local contribution	-	-	-	-	-	-	5,700
Transfers out	-	-	-	-	-	-	(85,859)
Total other financing sources (uses)	-	-	-	-	-	-	(80,159)
Net change in fund balances	-	580	18,730	-	-	19,310	63,152
Fund balance - beginning		99,420	(18,730)	-	-	80,690	467,879
Fund balance - ending	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 531,031

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 15 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – ESFRLP-DR FUND

FROM INCEPTION AND YEAR ENDED JUNE 30, 2022

	<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					
Federal grant revenue	\$ 425,000	\$ 99,620	\$ 87,440	\$ 187,060	\$ (237,940)
Total revenues	<u>425,000</u>	<u>99,620</u>	<u>87,440</u>	<u>187,060</u>	<u>(237,940)</u>
Expenditures					
Hard costs	335,000	83,880	62,080	145,960	189,040
Soft costs	<u>90,000</u>	<u>15,740</u>	<u>25,360</u>	<u>41,100</u>	<u>48,900</u>
Total expenditures	<u>425,000</u>	<u>99,620</u>	<u>87,440</u>	<u>187,060</u>	<u>237,940</u>
Revenues, other financing sources (uses) over (under) expenditures	<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 16 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CDBG PROJECTS FUND

FROM INCEPTION AND YEAR ENDED JUNE 30, 2022

	<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	\$ 123,387	\$ 577,738	\$ 701,125	\$ (48,875)
General Fund Commitment Community Development Block Grant- CV	5,000	-	-	-	(5,000)
Miscellaneous Cannon Foundation Grant	900,000	-	212,162	212,162	(687,838)
	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total revenues	<u>1,755,000</u>	<u>223,387</u>	<u>789,900</u>	<u>1,013,287</u>	<u>(741,713)</u>
Expenditures					
NR Grant					
Administration	50,000	23,140	26,860	50,000	-
Rehabilitation	396,565	73,059	274,634	347,693	48,872
Neighborhood Facilities	295,500	27,768	262,729	290,497	5,003
Food Pantry	100,000	-	-	-	100,000
Sewer Improvements	12,935	-	12,935	12,935	-
CV Grant					
Administration	40,000	-	19,932	19,932	20,068
Food Pantry & Broadband Equip	582,780	-	192,230	192,230	390,550
Broadband service	<u>277,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>277,220</u>
Total expenditures	<u>1,755,000</u>	<u>123,967</u>	<u>789,320</u>	<u>913,287</u>	<u>841,713</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 99,420</u>	<u>\$ 580</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>
Fund balance					
Beginning of year - July 1			<u>99,420</u>		
End of year - June 30			<u>\$ 100,000</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 17 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – ELEVATION PROJECT FUND

FROM INCEPTION AND YEAR ENDED JUNE 30, 2022

	<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					
Federal grant revenue	\$ 203,348	\$ -	\$ 14,048	\$ 14,048	\$ (189,300)
State grant revenue	67,783	-	4,682	4,682	(63,101)
Total revenues	<u>271,131</u>	<u>-</u>	<u>18,730</u>	<u>18,730</u>	<u>(252,401)</u>
Expenditures					
Hard costs	261,031	14,200	-	14,200	246,831
Soft costs	10,100	4,530	-	4,530	5,570
Total expenditures	<u>271,131</u>	<u>18,730</u>	<u>-</u>	<u>18,730</u>	<u>252,401</u>
Revenues over (under) expenditures	<u>-</u>	<u>(18,730)</u>	<u>18,730</u>	<u>-</u>	<u>-</u>
Revenues, other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ (18,730)</u>	<u>18,730</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance					
Beginning of year - July 1			<u>(18,730)</u>		
End of year - June 30			<u>\$ -</u>		

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 18 – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SCHOOLS TECHNOLOGY & LEARNING CENTER FUND

FROM INCEPTION AND YEAR ENDED JUNE 30, 2022

	<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	<u>\$ 637,000</u>	<u>\$ 25,923</u>	<u>\$ -</u>	<u>\$ 25,923</u>	<u>\$(611,077)</u>
Expenditures					
Construction	730,000	-	-	-	730,000
Planning/design	<u>120,000</u>	<u>34,564</u>	<u>-</u>	<u>34,564</u>	<u>85,436</u>
	<u>850,000</u>	<u>34,564</u>	<u>-</u>	<u>34,564</u>	<u>815,436</u>
Revenues over (under) expenditures	<u>(213,000)</u>	<u>(8,641)</u>	<u>-</u>	<u>(8,641)</u>	<u>204,359</u>
Other financing sources (uses)					
Local school contribution	<u>213,000</u>	<u>8,641</u>	<u>-</u>	<u>8,641</u>	<u>(204,359)</u>
Total other financing sources	<u>213,000</u>	<u>8,641</u>	<u>-</u>	<u>8,641</u>	<u>(204,359)</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 – BUDGET AND ACTUAL - STREAM DEBRIS REMOVAL PROJECT FUND

FROM INCEPTION AND YEAR ENDED JUNE 30, 2022

	<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 Watershed Restoration Grant	\$ 101,670	\$ 38,284	63,386	\$ 101,670	\$ -
Hurricane Debris Removal Grant	968,882	83,948	10,419	94,367	(874,515)
	<u>1,070,552</u>	<u>122,232</u>	<u>73,805</u>	<u>196,037</u>	<u>(874,515)</u>
Expenditures					
Debris removal	968,882	83,948	10,419	94,367	874,515
Watershed Debris removal	101,670	38,284	63,386	101,670	-
In-kind contribution	15,159	15,159	-	15,159	-
Total expenditures	<u>1,085,711</u>	<u>137,391</u>	<u>73,805</u>	<u>211,196</u>	<u>874,515</u>
Other financing sources					
County in-kind match	15,159	15,159	-	15,159	-
Total other financing sources	<u>15,159</u>	<u>15,159</u>	<u>-</u>	<u>15,159</u>	<u>-</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 20 – SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL – PROPRIETARY FUND – WATER AND SEWER OPERATIONS

YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Operating revenues				
Water:				
Charges for services		\$ 1,116,282		\$ 885,877
Connection fees		12,850		12,825
Tap fees		5,778		1,012
Late fees		29,802		14,874
Other operating revenues		192,837		143,168
Total Water Operating Revenues	\$ 1,277,635	1,357,549	\$ 79,914	1,057,756
Sewer:				
Charges for services		228,703		205,488
Other miscellaneous revenue		60,574		54,903
Total Sewer Operating Revenues	296,639	289,277	(7,362)	260,391
Total operating revenues	1,574,274	1,646,826	72,552	1,318,147
Nonoperating revenues and other financing sources				
Interest earned on investments	400	934	534	104
Total Nonoperating revenues and other financing sources	400	934	534	104
Total revenues, other financing sources	1,574,674	1,647,760	73,086	1,318,251
Operating expenditures				
Water expenditures				
Salaries and employee benefits		392,998		366,083
Operating expenditures		560,516		319,928
Total water expenditures	1,070,135	953,514	116,621	686,011
Sewer expenditures				
Salaries and employee benefits		46,166		43,262
Operating expenditures		147,671		128,756
Total sewer expenditures	242,399	193,837	48,562	172,018
Total operating expenditures	1,312,534	1,147,351	165,183	858,029

TYRRELL COUNTY, NORTH CAROLINA

SCHEDULE 20 – SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL – PROPRIETARY FUND – WATER AND SEWER OPERATIONS (CONTINUED)

YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDING JUNE 30, 2021

	2022		Variance Positive (Negative)	2021
	Budget	Actual		
Other expenditures and financing (sources) uses				
Transfers from other funds	\$ -	\$ (196,407)	\$ 196,407	\$ -
Principal payments	88,000	88,000	-	86,000
Interest and fees	123,240	123,240	-	125,622
Capital outlay	50,900	33,313	17,587	18,430
Total other expenditures and financing uses	<u>262,140</u>	<u>48,146</u>	<u>213,994</u>	<u>230,052</u>
Total expenditures and other financing uses	<u>1,574,674</u>	<u>1,195,497</u>	<u>379,177</u>	<u>1,088,081</u>
Other financing sources (uses)				
Revenues over expenditures	<u>\$ -</u>	<u>\$ 452,263</u>	<u>\$ 452,263</u>	<u>\$ 230,170</u>
Reconciliation of modified accrual basis to full accrual basis				
Total revenues and other financing sources		\$ 1,647,760		
Total expenditures and other financing uses		<u>1,195,497</u>		
		452,263		
Debt principal		88,000		
Capital outlay		33,313		
Depreciation		(520,302)		
Increase (decrease) in deferred outflows of resources - pensions		8,677		
(Increase) decrease in compensated absences		3,650		
OPEB expense		<u>(11,382)</u>		
Total reconciling items		<u>(398,044)</u>		
Change in net position		<u>\$ 54,219</u>		

TYRRELL COUNTY, NORTH CAROLINA

**SCHEDULE 21 – SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET
AND ACTUAL – DISCRETELY PRESENTED COMPONENT UNIT - TOURISM
DEVELOPMENT AUTHORITY**

YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE TOTALS FOR THE YEAR ENDING JUNE 30, 2021

	2022			2021
	Budget	Actual	Variance Positive (Negative)	
Revenues				
Occupancy tax	\$ 10,289	\$ 16,868	\$ 6,579	\$ 12,898
Interest income	-	4	4	20
	<u>10,289</u>	<u>16,872</u>	<u>6,583</u>	<u>12,918</u>
Expenditures				
General government	<u>11,289</u>	<u>6,304</u>	<u>4,985</u>	<u>3,270</u>
Revenues over expenditures	<u>(1,000)</u>	<u>10,568</u>	<u>11,568</u>	<u>9,648</u>
Appropriated fund balance	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>
Revenues and other financing sources (uses)	<u>\$ -</u>	<u>10,568</u>	<u>\$ 10,568</u>	<u>9,648</u>
Fund balances				
Beginning of year - July 1		<u>39,151</u>		<u>29,503</u>
End of year - June 30		<u>\$ 49,719</u>		<u>\$ 39,151</u>

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE 22 – SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2022

Fiscal Years	Uncollected Balance June 30, 2021	Additions	Collections and Credits	Uncollected Balance June 30, 2022
2021-2022	\$ -	\$ 4,740,478	\$ 4,607,001	\$ 133,477
2020-2021	179,115	-	84,298	94,817
2019-2020	110,400	-	39,324	71,076
2018-2019	66,544	-	21,658	44,886
2017-2018	44,500	-	13,036	31,464
2016-2017	30,750	-	5,820	24,930
2015-2016	31,603	-	4,944	26,659
2014-2015	23,236	-	3,864	19,372
2013-2014	17,585	-	3,227	14,358
2012-2013	16,615	-	3,127	13,488
2011-2012	16,580	-	16,580	-
	\$ 536,928	\$ 4,740,478	\$ 4,802,879	\$ 474,527
Ad valorem taxes receivable - net				\$ 474,527
Reconciliation with revenues:				
Ad valorem taxes - General Fund				\$ 4,822,977
Reconciling items				
Refunds				1,380
Penalties paid				5,194
Abatements				26,420
Interest and penalties collected				(53,110)
Amounts written off for prior years				18
Total reconciling items				(20,098)
Total collections and credits				\$ 4,802,879

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE 23 – ANALYSIS OF CURRENT TAX LEVY – COUNTY-WIDE LEVY

YEAR ENDED JUNE 30, 2022

	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	\$ 429,473,474	0.95	\$ 4,079,998	\$ 3,718,368	\$ 361,630
Penalties	N/A		5,125	5,125	-
Public utilities	21,245,945	0.95	201,836	201,836	-
Solid waste	N/A		466,770	466,770	-
Total	450,719,419		4,753,729	4,392,099	361,630
Discoveries					
Current year taxes	55,368	0.95	526	526	-
Solid Waste	-		-	-	-
Total	55,368		526	526	-
Abatements	(1,450,316)		(13,778)	(13,778)	-
Total Property Valuation	\$ 449,324,471				
Net levy			4,740,478	4,378,847	361,630
Uncollected taxes at June 30, 2022			133,477	131,530	1,946
Current year's taxes collected			\$ 4,607,001	\$ 4,247,317	\$ 359,684
Current net levy collection percentage			97.18%	97.00%	99.46%

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, 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, 2022, and the related notes to financial statements, which collectively comprises the County’s basic financial statements, and have issued our report thereon dated November 30, 2022.

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. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported separately by the other auditor. The financial statements of the Board and Tyrrell County Development Authority were not audited in accordance with *Government Auditing Standards*.

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 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 determination of financial statement. 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.

Cherry Bekaert LLP

Raleigh, North Carolina
November 30, 2022

Report of Independent Auditor on Compliance with Requirements Applicable to 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, 2022. 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable 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 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 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
November 30, 2022

Report of Independent Auditor on Compliance with Requirements Applicable to 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 *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 state programs for the year ended June 30, 2022. 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, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable 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
November 30, 2022

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

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

Federal Awards

Internal control over major federal programs:

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

Identification of major federal programs:

Assistance Listing Numbers

Names of Federal Program or Cluster

21.027

Coronavirus State and Local Fiscal Recovery Funds

93.778

Medical Assistance Program (Medicaid: Title XIX)

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

\$750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

TYRRELL COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

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

North Carolina Department of Public Safety - Grant-in-Aid
North Carolina Department of Commerce - Golden Leaf: Disaster Recovery Grants Program

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 EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2022

No findings in the prior year.

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

YEAR ENDED JUNE 30, 2022

Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	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:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 140,839	\$ -	\$ -
Total U.S. Dept. of Agriculture			<u>140,839</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	189,943	-	-
CDBG- Neighborhood Revitalization	14.228	10-D-2976	577,158	-	-
Total U.S. Dept. of Housing and Urban Development			<u>767,101</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Treasury</u>					
Passed-Through the Office of State Budget and Management:					
Coronavirus State and Local Fiscal Recovery Funds	21.027		765,061	-	-
Total U.S. Dept. of Treasury			<u>765,061</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>					
Division of Emergency Management:					
Emergency Mgmt Performance Grant	97.042		19,643	19,643	-
Passed - through Bertie County:					
LEPC Tier II Grant	97.042		1,000	-	-
Total Emergency Mgmt Performance Grant			<u>20,643</u>	<u>19,643</u>	<u>-</u>
Hazard Mitigation Grant Program - Elevation Grant	97.039		14,048	4,682	-
Total U.S. Dept. of Homeland Security			<u>34,691</u>	<u>24,325</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:					
<u>Foster Care and Adoption Cluster:</u>					
Title IV-E Foster Care	93.658		18,045	2,655	-
Total Foster Care Adoption Cluster (Note 5)			<u>18,045</u>	<u>2,655</u>	<u>-</u>
Refugee Assistance Administration	93.566		(10)	-	-
<u>Temporary Assistance for Needy Families Cluster:</u>					
Work First - Services	93.558		42,350	-	-
Work First - Administration	93.558		17,522	-	-
Total TANF Cluster (Note 5)			<u>59,872</u>	<u>-</u>	<u>-</u>
<u>Low-Income Home Energy Assistance:</u>					
Energy Assistance Payments	93.568		117,997	-	-
Administration	93.568		15,450	-	-
Crisis Intervention Program	93.568		9,221	-	-
COVID-19 LIEAP Administration	93.568		972	-	-
Total Low-income			<u>143,640</u>	<u>-</u>	<u>-</u>
Division of Aging and Adult Services:					
Division of Social Services:					
Adult Protective Services	93.667		19,976	-	-
SSBG - Other Services and Training	93.667		63,029	-	-
Total Social Service Block Grant			<u>83,005</u>	<u>-</u>	<u>-</u>
Child Welfare Services - Permanency Planning	93.645		(1,305)	-	-
Child Support Enforcement Administration	93.563		42,893	-	-
Family preservation	93.556		4,925	-	-
Administration:					
State Children's Insurance Program - NC Health Choice	93.767		7,795	90	-
Total State Children's NC Health Choice			<u>7,795</u>	<u>90</u>	<u>-</u>
<u>Subsidized Child Care</u>					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services					
Child Care Development Fund - Administration	93.596		44,933	-	-
Total Child Care Fund Cluster:			<u>44,933</u>	<u>-</u>	<u>-</u>
Passed-through the NC Dept of Health and Human Services:					
Division of Medical Assistance:					
Medical Assistance Administration	93.778		313,000	-	-
Medical Assistance Transportation Administration	93.778		57,584	-	-
Adult Home Spec	93.778		3,725	711	-
MAC Cord/Trans	93.778		13,502	-	-
State County Special Assistance	93.778		7,960	-	-
Total Medical Assistance Program			<u>395,771</u>	<u>711</u>	<u>-</u>

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

YEAR ENDED JUNE 30, 2022

Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	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		\$ 1,603	\$ -	\$ -
Total Aging Cluster			<u>1,603</u>	<u>-</u>	<u>-</u>
Passed through NC Dept of Insurance:					
CDAP - State Health Insurance Assistance Program	93.324		5,475	-	-
Medicare Improvement for Patients & Providers Act	93.071		710	-	-
Total U.S. Dept. of Health & Human Services			<u>807,352</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Justice</u>					
Passed-through the N.C. Dept of Public Safety					
Edward Byrne Justice Assistance Grant	16.738		69,998	-	-
Total U.S. Dept. of Justice			<u>69,998</u>	<u>-</u>	<u>-</u>
<u>U. S. Election Assistance Commission</u>					
Passed through the State Board of Elections:					
HAVA Title I	39.011		7,130	-	-
2020 HAVA Funds - NC - (not sure about this placement)	90.404		20,834	-	-
Total US Election Assistance Commission			<u>27,964</u>	<u>-</u>	<u>-</u>
Total Federal Programs			<u>2,613,006</u>	<u>27,781</u>	<u>-</u>
STATE AWARDS:					
<u>N.C. Department of Agriculture & Consumer Services</u>					
Division of Soil and Water Conservation:					
Hurricane Matthew Debris Removal			-	10,419	-
Watershed Restoration Project			-	63,386	-
Agriculture Cost Share Program			-	26,930	-
Total N.C. Department of Agriculture & Consumer Services			<u>-</u>	<u>100,735</u>	<u>-</u>
<u>N.C. Department of Environmental Quality</u>					
Division of Coastal Management:					
White Goods Mgmt Program			-	1,765	-
Scrap Tire Program			-	5,335	-
Total N.C. Department of Environmental Quality			<u>-</u>	<u>7,100</u>	<u>-</u>
<u>N.C. Housing Finance Agency</u>					
Essential Single Family Rehab Loan Pool - Disaster Recovery		ESFRLPDR17	-	87,440	-
<u>N.C. Department of Commerce</u>					
Division of Rural Economic Development:					
Revitalization and Economic Development Grant			-	33,749	-
Golden Leaf:					
Disaster Recovery Grants Program			-	130,325	-
Total N.C. Department of Commerce			<u>-</u>	<u>164,074</u>	<u>-</u>
<u>North Carolina Department of Transportation</u>					
Rural Operating Assistance Program					
ROAP Elderly & Disabled Transportation Assistance Program		DOT-16CL	-	88,137	-
Total N.C. Department of Transportation			<u>-</u>	<u>88,137</u>	<u>-</u>
N.C. Department of Public Safety					
Grant in Aid					
Directed Grant Senate Bill-105		TC 2021-2022	-	211,240	-
Juvenile Crime Prevention Program		2021-2023	-	84,270	-
Total N.C. Department of Public Safety			<u>-</u>	<u>53,827</u>	<u>53,827</u>
<u>Office of State Budget and Management</u>					
State Capital & Infrastructure Fund (SCIF)		#20631	-	5,362	-
<u>N.C. Department of Health & Human Services</u>					
Division of Aging:					
Senior Center General Purpose Grant			-	3,564	-
Division of Social Services:					
Administration:					
Child Protective Services			-	153	-
Total N.C. Health & Human Services			<u>-</u>	<u>3,717</u>	<u>-</u>
Total State Programs			<u>\$ -</u>	<u>\$ 805,902</u>	<u>\$ 53,827</u>
TOTAL ASSISTANCE			<u>\$ 2,613,006</u>	<u>\$ 833,683</u>	<u>\$ 53,827</u>

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

YEAR ENDED JUNE 30, 2022

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, 2022. The information in this SEFSA is presented in accordance with the requirements of 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*. 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 assets, or cash flows of the 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

The 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 N.C. Department of Health and Human Services and are treated separately for state audit requirement purposes: SNAP, Subsidized Child Care, Foster Care and Adoption, and Temporary Assistance for Needy Families.