

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
For the Fiscal Year Ended June 30, 2022



**County of Currituck, North Carolina**

Prepared by the Currituck County Finance Department

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**County of Currituck, North Carolina**  
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## **COUNTY OF CURRITUCK**

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Currituck, North Carolina 27929  
Telephone (252) 232-2075 / Fax (252) 232-3551M

### **BOARD OF COMMISSIONERS**

Bob White, Chairman  
Selina S. Jarvis, Vice-Chairman  
Paul M. Beaumont  
J. Owen Etheridge  
Mary "Kitty" Etheridge  
Kevin E. McCord  
Michael H. Payment

Donald I. McRee, Jr.  
County Manager

Megan Morgan  
County Attorney

Leeann Walton  
Clerk to the Board

December 28, 2022

The Board of Commissioners  
Currituck County, North Carolina

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of Currituck County for the fiscal year ended June 30, 2022. The financial statements and supplemental schedules contained herein have been audited by the independent, certified public accounting firm of Carr, Riggs & Ingram, P.L.L.C., and that firm's unmodified opinion is included in the Financial Section of this report. The report itself, however, is presented by the County, which is responsible for the accuracy of the data and for the completeness and fairness of its presentation including all disclosures. We believe the data presented is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

This report consists of management's representations concerning the finances of Currituck County. To provide a reasonable basis for making these representations, management of Currituck County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Currituck County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Currituck County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County of Currituck's MD&A can be found immediately following the report of the independent auditors.

## **DESCRIPTION OF THE COUNTY**

Founded in 1668, Currituck (Indian for “land of the wild goose”) is the most northeastern county in North Carolina. Currituck County is one of the state’s four original counties. In addition to the more than 22 miles of beaches along the Atlantic Ocean, the County has numerous sounds, rivers, and creeks that provide some of the most memorable game fishing, waterfowl hunting, and other recreational activities that can be experienced. The County has a permanent population of 29,602 although, the strong tourism industry produces a large seasonal population that results in an average daily population from mid-April through September estimated to be approximately 45,000 to 55,000. There are no incorporated areas located within Currituck County.

The County has a Commissioner-Manager form of government. The Board of Commissioners consists of seven members that serve staggered four-year terms. Members are elected County-wide on a partisan basis in even numbered years. The Commissioners hold policy-making and legislative authority. They also annually adopt a balanced budget and establish a tax rate for the support of County operations. The Commissioners appoint the county manager whose responsibility it is to implement policies, manage daily operations, and appoint department heads.

The County provides its citizens with a wide range of services that include public safety, transportation, environmental protection, economic and physical development, human services, cultural and recreational services, and others. This report includes all the County’s activities in maintaining these services. The County also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are the Currituck County Board of Education, Albemarle Regional Health Services, Albemarle Commission, Albemarle Regional Solid Waste Authority, East Albemarle Regional Library and others.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Currituck County’s leading “industry” is travel and tourism and related services. The Currituck Outer Banks is a major destination for tourists and more vacationers are visiting the Outer Banks during the non-peak months of March through May and September through November. The longer tourist season is stabilizing rental income and other economic benefits to local businesses. Development continues to grow throughout the County’s Outer Banks and along the mainland.

Currituck County is in the Hampton Roads Metropolitan Statistical Area (MSA). Currituck, located within sixteen miles of Interstate 64 and the Chesapeake Expressway, makes the county convenient to the Norfolk International Airport and to the deep-water ports in Hampton Roads. This favorable location continues to attract residents and the population has increased 23.17 percent from 2012 to 2022.

Not surprisingly, the largest businesses in Currituck County are intimately related to governmental activities and Travel and Tourism: retail trade, real estate and accommodation/services. The largest employers in Currituck County are Currituck County Board of Education, the County of Currituck Government followed by real estate, grocery stores and professional and technical services.

During the past year, the ad valorem tax base increased from \$6,778,769,583 to \$8,143,596,305, an increase of 20.13 percent, which reflects an increase in construction within the County. The octennial revaluation as required by the North Carolina General Statutes became effective on

January 1, 2022. The county-wide tax rate for the fiscal year ending June 30, 2022 was \$0.46 per \$100 down from \$.48 per \$100, which is favorable for new residents and businesses.

Currituck County continues its commitment to expand the Parks and Recreation facilities within the County. The County is currently designing a recreation facility for the Moyock area. Continued expansion of the multi-use paths, NC 12 beautification projects, and construction of an ABC Store are in process on the Currituck Outer Banks. The Maritime Museum construction is complete and the facility is open to the public. The County is transitioning the NC Wildlife Resource Center to be managed by the Tourism Development Authority (TDA) along with the Whalehead and Maritime museums.

To summarize, the County's very favorable tax rate, mild climate, location and overall quality of life ensure that its economic outlook is bright.

## **MAJOR INITIATIVES**

During the year the County was involved in a number of major projects, some of which will not be completed until future years. Highlights of these projects are discussed in the following paragraphs.

The Board of Commissioners and the Currituck County Board of Education continue their joint commitment of providing adequate school facilities. Both of the above boards are working together to meet the needs to maintain quality education for the children of our County. There are several major public school capital projects in progress, which include design of an elementary school that will be for students in Moyock, renovations to Moyock Elementary and Moyock Middle Schools, while the County continues to work with the Board of Education to maintain the current facilities. The County has purchased property to build an additional school in the Moyock area. (The Currituck County Board of Education is a separate reporting entity apart from the County; a detailed discussion of their activities and initiatives can be found in their Annual Comprehensive Financial Report.)

The County also had several initiatives in process throughout this year. Expansion of the airport runways continues to be a priority and design was underway at the end of this fiscal year. Replacement of fuel equipment at both the airport and the fuel facility for County vehicles is also in process. A park in Moyock, a maintenance facility for public works operations, replacement of walkovers in the Outer Banks and an ABC store in Corolla are the major County governmental projects for the upcoming year.

## **Factors Affecting Financial Condition**

In government, much more than in business, the budget is an integral part of a unit's accounting system and daily operations. An annual or projected budget ordinance, as amended by the governing body, creates a legal limit on spending authorizations. For Currituck County, annual budgets are adopted for the General, Special Revenue (except the Multi-Year Grant Fund), Tourism Development Authority Fund, Capital Projects (except the County Governmental Facilities Fund and the School Facilities Fund) and Proprietary Operating Funds. Multi-year project budgets are adopted for the Multi-Year Grant Fund, the County Governmental Facilities Fund, the School Facilities Fund, the Southern Outer Banks Water Construction Fund, and the Mainland Central Sewer Construction Fund. Appropriations in the General Fund and the Special Revenue Funds are made at the departmental level; Capital Projects appropriations are made at the project level; and Proprietary Fund appropriations are made at the function level. However,

for internal accounting purposes, budgetary control is generally maintained by object class (line item account). Purchase orders that would create an over encumbrance at that level are not written until appropriations are made available either through budget amendments or intradepartmental transfers approved by the county manager. The county manager may transfer amounts within a department up to \$10,000 or between departments within the same fund up to \$1,000 providing an official report on such transfers at the next regular meeting of the Board of Commissioners or make interfund loans for a period of not more than sixty days. However, the county manager may not transfer any amounts between funds or from any contingency line items within any funds.

In accordance with State law, the County's budget is prepared on the modified accrual basis, and its accounting records also are maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a fund liability is incurred, except for unmatured principal and interest on long-term debt and certain compensated absences. Governmental Fund types, such as the County's General Fund, Special Revenue Funds, and Capital Projects Funds are reported on the modified accrual basis in the financial statements. The County's Proprietary and Custodial Funds are reported on the full accrual basis in the financial statements, under which revenues are recorded when earned and expenses are recorded when incurred.

County management is responsible for the accounting system and for establishing and maintaining an internal control structure. The internal control structure is designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles and maintaining accountability for assets; and (3) compliance with applicable laws and regulations related to federal and State financial assistance programs. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits require estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately protect assets and provide reasonable assurance of the proper recording of financial transactions. As part of the County's single audit (discussed in more detail in a later paragraph), the independent auditor performed a review of the County's internal control structure. This review was not an audit and no opinion was issued on the County's internal control structure.

**Local Economy.** Currituck County enjoys a favorable economic environment due to the tourism industry. The County recognizes the importance of tourism to our economy and in an effort to assist potential visitors to have more access to information on the area, the County established a Visitor's Center in Corolla and a Welcome Center, located on the North Carolina and Virginia state lines.

Other priorities include priming the mainland for future development around the Mid-Currituck Bridge; encouraging business growth throughout the County; and working to identify and stimulate new industry clusters within the county that have the most potential for spurring job growth and investment.

Also worth noting are the continued development of the Maple Commerce Park and the addition of a new College of the Albemarle Public Safety Training Center in Maple.

**Long-term Financial Planning.** The governing board has developed a long-term construction plan for County governmental facilities, education facilities and proprietary facilities for solid waste and utilities. Education construction is funded by the County even though the completed project becomes an asset of the school. Proprietary fund construction is funded through user fees, but may also be supplemented by other funds that are available for capital construction. In addition, within the next five years, the County anticipates continued demands for additional law enforcement, recreational, emergency response facilities, utility expansion and schools.

**Cash management policies and practices.** Cash temporarily idle during the year was invested in savings accounts, certificates of deposit, obligations of the U. S. Treasury, commercial paper and the North Carolina Cash Management Trust throughout the year. The maturities range from 85 days to 5 years. The average yield on investments was 0.1234% for savings accounts, 1.4117% for commercial paper, 0.9044% for federal securities and 0.8989% for federal agencies. Due to the economy during FY 2022, the County's portfolio lost fair value of \$3,404,161 that is shown as negative interest in the respective funds. Until the investment markets have stabilized, excess investable funds have been moved to investment in commercial paper and the North Carolina Cash Management Trust.

**Risk management.** The County participates in the North Carolina Association of County Commissioners (NCACC) property and general liability, worker's compensation. The pools provide coverage for property, general liability, vehicle, crime, professional liability, environmental impairment, and worker's compensation benefits. The County contracts with CIGNA to provide health insurance benefits to full-time employees. The County also maintains flood insurance on structures located in flood prone areas. As of June 30, 2022 the Whalehead Club, Bridal suite restroom facility at Historic Corolla Park, the Maritime Museum and the Moyock Library were covered by flood insurance.

## **OTHER INFORMATION**

Currituck County is required by State law (G.S. 159-34) to have an annual independent financial audit. A compliance audit on federal and State financial assistance programs is also required under the federal Single Audit Act of 1996 and the State Single Audit Implementation Act. The County's auditors, Carr, Riggs and Ingram, P.L.L.C., were selected through a formal request for proposals process. The Auditors' report on the General Purpose Financial Statements which can be found in the Financial Section of this report. The auditors' reports required as a part of the single audit are found in the Compliance Section of this report. The findings and questioned costs reported in the Compliance Section are subject to a subsequent review by the appropriate grantor agencies. This review could result in reimbursements to grantor agencies if some expenditures are deemed inappropriate. However, every effort has been made to ensure that all disbursements are made in compliance with the applicable financial assistance program provisions. Required refunds, if any, should be immaterial.

This is the twentieth Annual Comprehensive Financial Report prepared by Currituck County. It is the County's intention to submit this year's report to the Government Finance Officers Association (GFOA) for its Certificate of Achievement for Excellence in Financial Reporting Program. This program recognizes governmental units that publish easily read and efficiently organized Annual Comprehensive Financial Reports that conform to program standards. A Certificate of Achievement is the highest form of recognition awarded in the field of governmental financial reporting.

## AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Currituck for its annual comprehensive financial report for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Department and support from the Administrative, Human Resources and Tax Departments. Credit must also be given to the governing board for their support for maintaining the highest standards of professionalism in the management of the Currituck County finances.

Respectfully submitted,

*Donald I. McRee, Jr.*

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Donald I. McRee, Jr.  
County Manager

*Sandra L. Hill*

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Sandra L. Hill  
Finance Director



Government Finance Officers Association

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Achievement  
for Excellence  
in Financial  
Reporting

Presented to

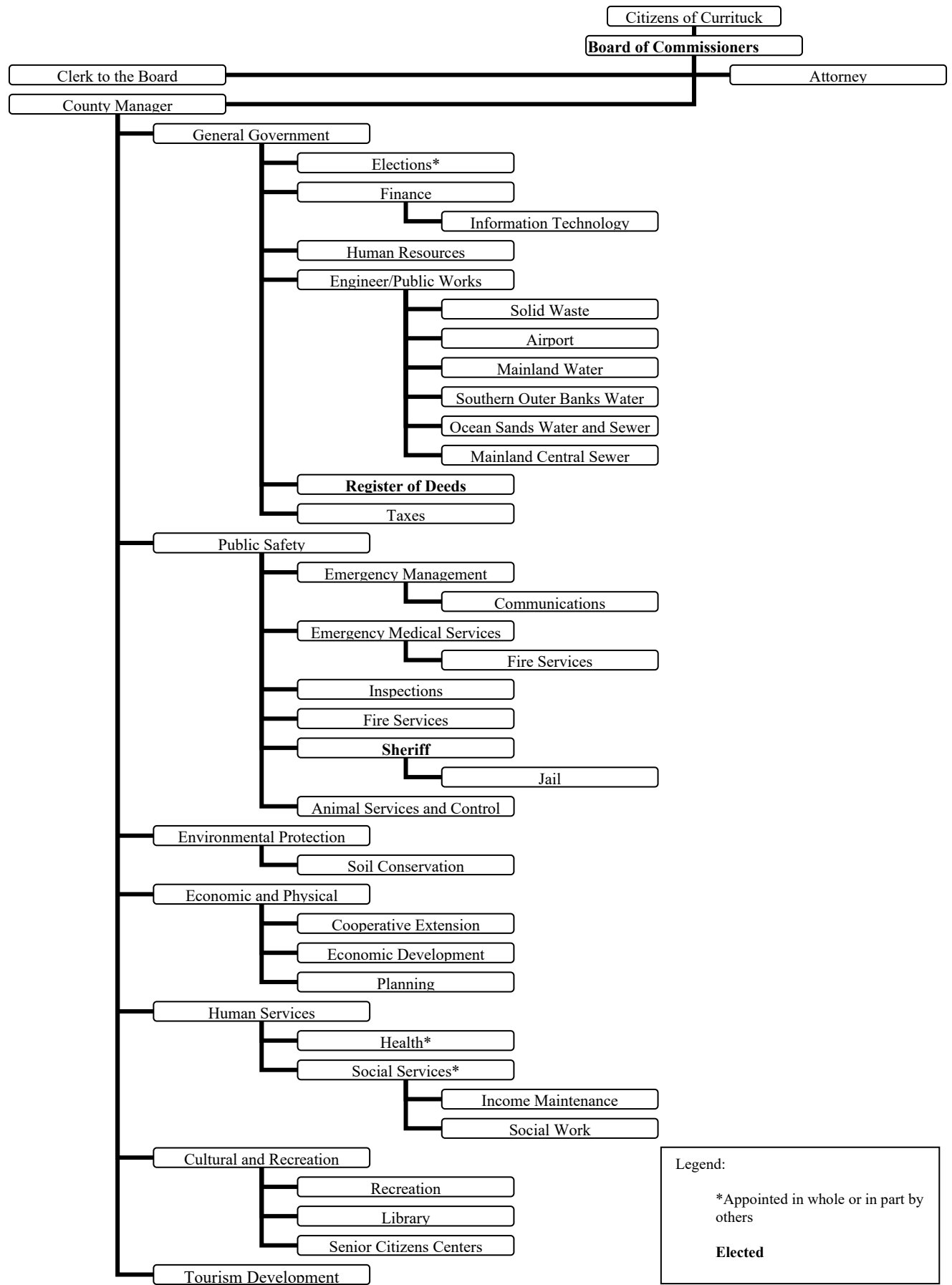
**County of Currituck  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO





# COUNTY OF CURRITUCK, NORTH CAROLINA

## BOARD OF COUNTY COMMISSIONERS

Bob White, Chairman

Selina Jarvis , Vice Chairman

Michael Payment

J. Owen Etheridge

Mary “Kitty” Etheridge

Paul M. Beaumont

Kevin McCord

## COUNTY OFFICIALS

Donald I. McRee, Jr.

County Manager

Leeann Walton

Clerk to the Board

Megan Morgan

County Attorney

Brandie Draves

Elections Supervisor

Matthew Beickert

Sheriff

Denise A. Hall

Register of Deeds

Cameron S. Lowe

Cooperative Extension Director

Mary Beth News

Emergency Management Director

Eric Weatherly

Engineer

Ralph Melton

Chief Fire and EMS Director

Sandra L. Hill

Finance Director

Melissa Futrell

Human Resources Director

Logan Steese

Information Technology Director

William News

Chief Building Inspector

Kevin Kemp

Development Services Director

Jason S. Weeks

Parks & Recreation Director

Samantha Hurd

Social Services Director

Tracy L. Sample

Tax Administrator

Tameron Kugler

Travel & Tourism Director

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## INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners  
Currituck 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 unit, each major fund, and the aggregate remaining fund information of Currituck County, North Carolina as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Currituck County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Currituck County, North Carolina as of June 30, 2022 and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund and the Currituck County Tourism Development Authority 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 the Currituck County ABC Board, which represents 100 percent of the assets, net position, and revenues of the aggregate discretely presented component unit as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows 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 Currituck County ABC 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Currituck 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. The financial statements of Currituck County ABC Board were not audited in accordance with *Government Auditing Standards*.

### ***Responsibilities of Management for the Audit of 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 raises substantial doubt about Currituck County's ability to continue as a going concern for the twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement and maintained 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 Currituck 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 Currituck 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 on pages 25 through 37, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, page 136, the Register of Deeds' Supplemental Pension Fund Schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions on page 137, the Firefighters' and Rescue Squad Workers' Pension Fund Schedules of the County's Proportionate Share of the Net Pension Liability and County Contributions on page 140, the Law Enforcement Officers' Special Separation Allowance Schedules of Changes in Net Pension Liability, Schedule of the Net Pension Liability as a Percentage of Covered-Employee Payroll, and Schedule of Employer Contributions, pages 138 and 139, the Other Postemployment Benefits' Schedules of Changes in the Net OPEB Liability and Related Ratios, County Contributions, and Investment Returns, pages 134 and 135, 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 basic financial statements of Currituck County, North Carolina. The accompanying combining and individual fund statements, budgetary schedules, other schedules,

and the Schedule of Expenditures of Federal and State Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

### ***Emphasis of Matter***

As discussed in Note IX to the financial statements, the County adopted Governmental Auditing Standards Board Statement No. 87, *Leases*, this fiscal year. In addition, the County funded an OPEB Trust and LEOSSA Trust, which required a change in accounting assumptions under Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Other than Pensions*. Our opinions are not modified with respect to these matters.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2022 on our consideration of Currituck County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of 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 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 Currituck County's internal control over financial reporting and compliance.

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

CARR, RIGGS & INGRAM, P.L.L.C.  
New Bern, North Carolina  
December 28, 2022

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## **Management's Discussion and Analysis**

### **For the Year Ended June 30, 2022**

As management of Currituck County, we offer readers of Currituck County's financial statements this narrative overview and analysis of the financial activities of Currituck County for the fiscal year ended June 30, 2022. We encourage readers to read the information presented here in conjunction with additional information presented here in conjunction with additional information that we have furnished in the County's financial statements which follow this narrative.

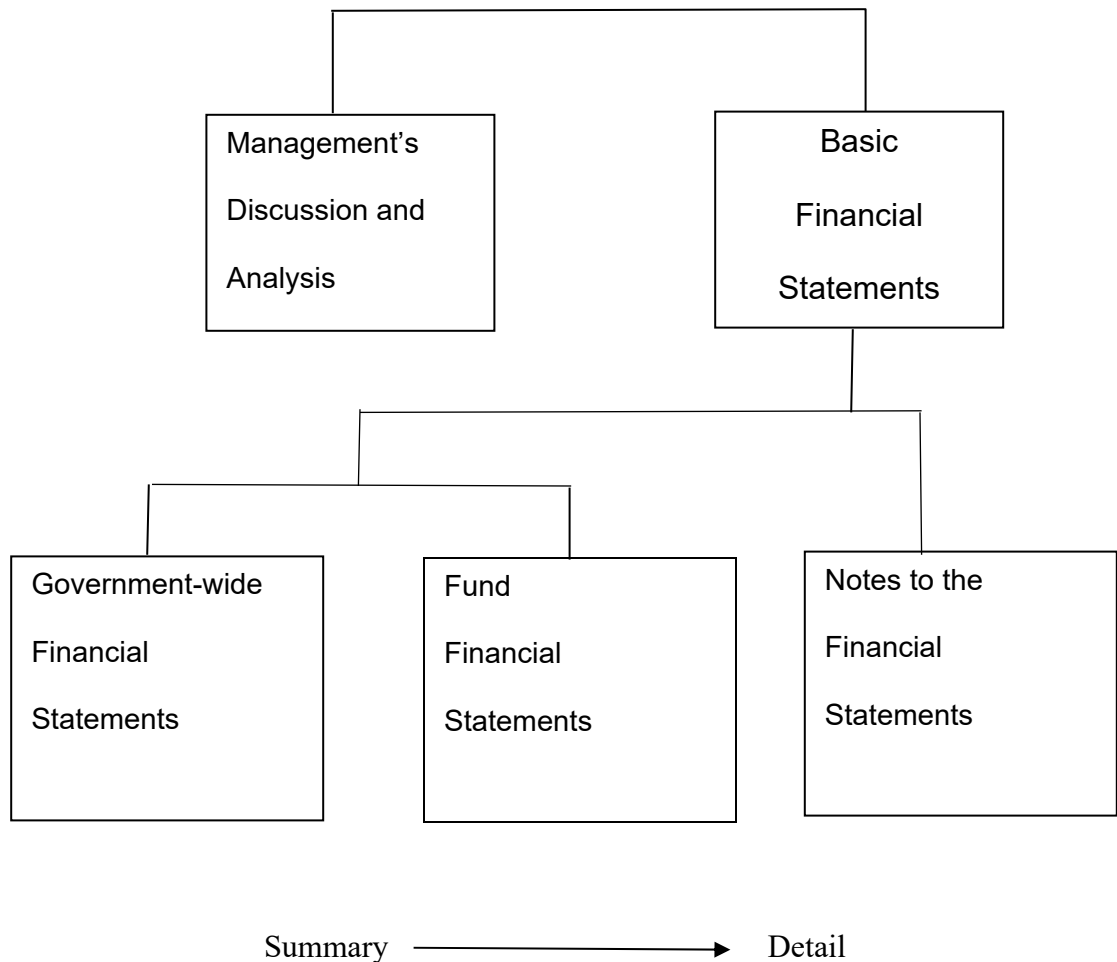
#### **Financial Highlights**

- The assets and deferred outflows of resources of Currituck County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$256,551,386 (*net position*).
- The government's total net position increased by \$27,768,849, before restatement, primarily due to increases in the completion of capital projects funded in prior years and increases in tax collections.
- As of the close of the current fiscal year, Currituck County's governmental funds reported combined ending fund balances of \$136,960,478 after a net increase in fund balance of \$17,771,627. Approximately 49.02% of this total amount, or \$67,132,836 is restricted or nonspendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$20,998,499 or 35.87% of total general fund expenditures for the fiscal year.
- Currituck County's governmental funds debt decreased by \$2,140,000 for scheduled payments beginning in 2021 for the construction of a public safety facility. Other governmental funds debt decreased by the scheduled payments of \$380,000.
- Currituck County's proprietary funds debt decreased by \$2,150,000 or 13.53%, which is attributed making scheduled payments for previous outstanding debt.
- Currently, the County does not hold any debt that has been rated by investment rating agencies.

#### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to Currituck County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Currituck County.

**Required Components of Annual Financial Report  
Figure 1**



**Basic Financial Statements**

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

The next statements (Exhibits 3 through 11) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County’s government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the County’s non-major governmental funds, all of

which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

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

## **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 County's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and State and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and solid waste services offered by Currituck County. The final category is the component unit. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable for the Board by appointing its members and because 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. Currituck 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 Currituck County can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 fewer financial resources available to finance the County's programs. The relationship between government 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.

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

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

**Custodial Funds** – Custodial funds are used to account for resources held for the benefit of parties outside the government. Currituck County has one custodial funds to account for inmate funds.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Currituck County has two fiduciary funds: the OPEB Trust Fund to account for restricted funds for retirement health insurance and the LEOSSA Trust Fund to account for Law Enforcement Special Separation Allowance funding.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 57 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Currituck County's progress in funding its obligation to provide pension and other benefits to its employees. Required supplementary information can be found beginning on page 134 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. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$256,551,386 as of June 30, 2022. The County's net position increased by \$27,768,849, before restatement, for the fiscal year ended June 30, 2022. One of the largest portions \$139,549,160 (54.39%) reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). As of June 30, 2022, long-term debt in governmental activities was for stormwater drainage for the Whalehead subdivision and the construction of public safety building. Currituck County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Currituck 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 Currituck County's net position \$67,058,289 (26.14%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$49,943,937 (19.47%) is unrestricted.

Figure 2  
Currituck County's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$145,291,714	\$124,544,571	\$ 29,480,052	\$ 24,541,479	\$174,771,766	\$149,086,050
Capital assets	119,006,281	116,019,493	50,733,210	52,379,705	169,739,491	168,399,198
Total assets	264,297,995	240,564,064	80,213,262	76,921,184	344,511,257	317,485,248
Total deferred outflows of resources	12,527,499	14,628,510	787,873	776,523	13,315,372	15,405,033
Long-term liabilities outstanding	53,266,860	62,361,704	14,558,560	16,304,607	67,825,420	78,666,311
Current portion of long-term liabilities	3,196,306	3,135,363	1,840,735	2,182,767	5,037,041	5,318,130
Other liabilities	6,575,314	4,718,567	1,118,525	782,636	7,693,839	5,501,203
Total liabilities	63,038,480	70,215,634	17,517,820	19,270,010	80,556,300	89,485,644
Total deferred inflows of resources	18,721,354	6,847,330	1,997,589	416,677	20,718,943	7,264,007
Net position:						
Net investment in capital assets	102,559,955	100,350,733	36,989,205	36,484,705	139,549,160	136,835,438
Restricted	67,058,289	57,756,484	-	-	67,058,289	57,756,484
Unrestricted	25,447,416	20,022,393	24,496,521	21,526,315	49,943,937	41,548,708
Total net position	\$195,065,660	\$178,129,610	\$ 61,485,726	\$ 58,011,020	\$256,551,386	\$236,140,630

Several particular aspects of the County's financial operations influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 99.30%, in-line with the statewide average of 99.10%.
- Increased property values resulting from the revaluation that became effective January 1, 2022.

- Increased charges for services revenue due to growth in the use of County facilities.
- Continued low cost of debt due to the County's history of capital planning and high bond rating.
- Management's proactive stance on monitoring spending across County departments to ensure compliance with the budget.

**Figure 3  
Currituck County Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 6,559,967	\$ 5,962,520	\$ 18,030,484	\$ 15,820,105	\$ 24,590,451	\$ 21,782,625
Operating grants and contributions	7,891,944	4,642,149	98,951	55,069	7,990,895	4,697,218
Capital grants and contributions	2,546,889	1,189,063	-	-	2,546,889	1,189,063
<b>General revenues:</b>						
Property taxes	41,017,378	32,687,766	664,093	640,427	41,681,471	33,328,193
Other taxes	47,910,066	49,580,874	-	-	47,910,066	49,580,874
Other, Unrestricted	479,854	1,317,764	236,674	267,472	716,528	1,585,236
Investment earnings, unrestricted	(2,303,086)	181,931	(446,754)	41,242	(2,749,840)	223,173
<b>Total revenues</b>	<b>104,103,012</b>	<b>95,562,067</b>	<b>18,583,448</b>	<b>16,824,315</b>	<b>122,686,460</b>	<b>112,386,382</b>
<b>Expenses:</b>						
General government	10,449,940	7,556,420	-	-	10,449,940	7,556,420
Public safety	26,822,245	27,624,989	-	-	26,822,245	27,624,989
Transportation	1,650,849	1,324,549	-	-	1,650,849	1,324,549
Economic and physical development	8,703,035	8,503,879	-	-	8,703,035	8,503,879
Environmental protection	1,460,874	1,538,969	-	-	1,460,874	1,538,969
Human services	4,777,142	4,648,114	-	-	4,777,142	4,648,114
Cultural and recreation	4,381,998	6,539,776	-	-	4,381,998	6,539,776
Education	20,322,535	14,320,422	-	-	20,322,535	14,320,422
Interest on long-term debt	478,838	519,211	-	-	478,838	519,211
Solid Waste	-	-	6,012,049	5,894,800	6,012,049	5,894,800
Water and sewer	-	-	9,799,970	9,050,855	9,799,970	9,050,855
<b>Total expense</b>	<b>79,047,456</b>	<b>72,576,329</b>	<b>15,812,019</b>	<b>14,945,655</b>	<b>94,859,475</b>	<b>87,521,984</b>
Increase in net position before transfers, special item and capital contributions	25,055,556	22,985,738	2,771,429	1,878,660	27,826,985	24,864,398
Gain (Loss) on sale of capital assets	(58,136)	157,616	-	-	(58,136)	157,616
Transfers	(1,200,000)	(144,385)	1,200,000	144,385	-	-
<b>Increase in net position</b>	<b>23,797,420</b>	<b>22,998,969</b>	<b>3,971,429</b>	<b>2,023,045</b>	<b>27,768,849</b>	<b>25,022,014</b>
Net position, beginning	178,129,610	61,485,726	58,011,020	256,551,386	236,140,630	318,037,112
Net position, beginning, restated	171,268,240	155,130,641	57,514,297	55,987,975	228,782,537	211,118,616
<b>Net position, ending</b>	<b>\$ 195,065,660</b>	<b>\$ 178,129,610</b>	<b>\$ 61,485,726</b>	<b>\$ 58,011,020</b>	<b>\$ 256,551,386</b>	<b>\$ 236,140,630</b>

**Governmental activities.** Governmental activities increased the County's net position by \$23,797,420 before restatement. Key elements of this increase are as follows:

- Increased revenues from property and other taxes
- Increased revenues from other taxes resulting from increased land transfers

- Increased revenues from charges for services
- Increased grants such as the ARPA funding

**Business-type activities:** Business-type activities increased Currituck County’s net position by \$3,971,429. The main element of this increase is from increased consumption revenue in public utility systems and retirement of debt due to scheduled annual payments.

The cumulative effect of all activities increased Currituck County’s net position by \$27,768,849.

### **Financial Analysis of the County’s Funds**

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

**Governmental Funds.** The focus of Currituck County’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Currituck 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 Currituck County. At the end of the current fiscal year, Currituck County’s unassigned fund balance available in the General Fund was \$20,998,499, while total fund balance reached \$32,773,507. The County currently has an available fund balance of 35.87% of general fund expenditures, while total fund balance represents 56.01% of that same amount.

Figure 4 below illustrates the changes in fund balances for the County’s governmental funds as compared to the prior year.

**Figure 4  
Changes in Fund Balances for Governmental Funds**

	2022 Total	Restated 2021 Total	Change in Fund Balances
General	\$ 32,773,507	\$ 35,113,845	\$ (2,340,338)
County Governmental Fac	17,376,546	15,773,608	1,602,938
School Facilities	27,184,764	10,060,327	17,124,437
Tourism Development Au	26,676,459	22,715,476	3,960,983
Transfer Tax Capital Fund	12,859,605	19,237,565	(6,377,960)
Other Governmental	20,089,597	16,288,030	3,801,567
	<b>\$ 136,960,478</b>	<b>\$ 119,188,851</b>	<b>\$ 17,771,627</b>

Increased revenues from property and other taxes, as well as debt retirement account for the increased fund balance in the General fund. The total fund balance for the School Facilities reflects increases due to funding of projects in the current year that will be completed in future years with the most significant capital projects for the construction of additions to the Moyock Elementary School and the Moyock Middle School. These projects were in progress at the close of the year and should be completed in the next fiscal year. Fund balances in the Tourism Development Authority Fund, which increased due to most rental properties continuous occupancy throughout the season.

At June 30, 2022, the governmental funds of Currituck County reported a combined fund balance of \$136,960,478, an 14.91% increase over last year. This increase is primarily due to increases in revenues from property taxes and other taxes and the various projects as mentioned above.

**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. Highlights of the budgetary variances for the General Fund are shown in Figure 5.



Figure 5  
General Fund Budget to Actual Summary

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 36,255,533	\$ 37,614,847	\$ 1,359,314
Other taxes and licenses	9,232,442	12,011,666	2,779,224
Restricted intergovernmental	160,500	157,484	(3,016)
Unrestricted intergovernmental	2,941,462	3,442,393	500,931
Permits and fees	3,764,702	4,932,434	1,167,732
Sales and services	1,015,746	1,153,108	137,362
Investment earnings	266,833	(473,546)	(740,379)
Miscellaneous	1,511,041	1,644,940	133,899
Total revenues	<u>55,148,259</u>	<u>60,483,326</u>	<u>5,335,067</u>
<b>Expenditures</b>			
General government	11,791,506	9,050,902	2,740,604
Public safety	23,363,984	21,381,640	1,982,344
Transportation	854,748	747,373	107,375
Environmental protection	233,971	197,805	36,166
Economic and physical development	2,077,802	1,888,041	189,761
Human services	5,719,219	4,461,790	1,257,429
Cultural and recreational	2,797,205	2,470,609	326,596
Education	14,328,026	14,328,026	-
Debt service	3,053,508	3,052,753	755
	<u>64,219,969</u>	<u>57,578,939</u>	<u>6,641,030</u>
Revenues over (under) expenditures	(9,071,710)	2,904,387	11,976,097
<b>Other financing sources (uses):</b>			
Lease liability issued	-	696,581	696,581
Transfers to other funds	(15,683,507)	(15,683,507)	-
Transfers from other funds	12,268,579	10,420,105	(1,848,474)
	<u>(3,414,928)</u>	<u>(4,566,821)</u>	<u>(1,151,893)</u>
Revenues and other financing sources over expenditures and other financing uses	(12,486,638)	(1,662,434)	10,824,204
Appropriated fund balance	<u>12,486,638</u>	<u>-</u>	<u>(12,486,638)</u>
Revenues, appropriated fund balance, and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ (1,662,434)</u>	<u>\$ (1,662,434)</u>

Total amendments to the General Fund increased budgeted revenues by \$2,737,892. General fund revenues recognized increased over the prior year, with a total revenue increase of \$6,426,660. The overall actual General fund revenues were \$5,335,067 greater than budget, primarily due to increased property tax collections and other tax revenues. The final budget for expenditures was \$64,219,969, which was a \$3,101,408 increase over the original budget. The increase from the original budget is primarily due to the carry-forward of funds from the prior year for projects that were not completed by year end and increased costs for public safety.

**Proprietary Funds.** Currituck County’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. At the end of the fiscal year, unrestricted net position of the Solid Waste Fund amounted to \$2,404,323, and those for the Water and Sewer Districts totaled \$22,092,198. The total change in net position for the proprietary funds is shown in Figure 6.

**Figure 6**  
**Changes in Net Position for Proprietary Funds**

	June 30 2022	June 30, 2021 Before Restatement	Change in Net Position
Solid Waste	\$ 2,810,980	\$ 1,718,031	\$ 1,092,949
Ocean Sands Water and Sewer	8,380,618	7,968,316	412,302
Mainland Water	13,913,654	12,110,268	1,803,386
Southern Outer Banks Water	22,275,195	20,832,789	1,442,406
Mainland Central Sewer	11,414,975	11,756,979	(342,004)
<b>Non-Major Proprietary Funds</b>			
Ocean Sands Water & Sewer System Developmental Fees	252,021	182,008	70,013
Mainland Water System Developmental Fees	901,570	2,206,788	(1,305,218)
Southern Outer Banks Water System Developmental Fees	1,166,206	864,966	301,240
Mainland Central Sewer System Developmental Fees	370,507	370,875	(368)
<b>Total</b>	<b><u>\$ 61,485,726</u></b>	<b><u>\$ 58,011,020</u></b>	<b><u>\$ 3,474,706</u></b>

## Capital Asset and Debt Administration

**Capital assets.** Currituck County’s capital assets for its governmental and business – type activities as of June 30, 2022, totaled \$169,739,491, net of depreciation. These assets include buildings, land, machinery and equipment, park facilities, water and sewer distribution systems and vehicles.

Major capital asset transactions during the year include:

- Airport apron rehabilitation
- Airport terminal fencing
- Design and construction of beach walkovers
- Land for new school in Moyock

Figure 7  
Currituck County's Capital Assets  
(net of depreciation)

	2022			2021
	Governmental Activities	Business-type Activities	Total	Total
Land	\$ 21,828,329	\$ 1,907,991	\$ 23,736,320	\$ 22,845,457
Buildings and system	62,066,114	35,947,586	98,013,700	80,167,929
Computer equipment	1,441,490	671,428	2,112,918	1,632,794
Furniture & fixtures	26,623,044	-	26,623,044	25,972,883
Other equipment	1,970,794	11,728,932	13,699,726	12,438,951
Vehicles and motorized equipment	2,815,725	317,645	3,133,370	2,939,059
Construction in progress	2,260,785	159,628	2,420,413	22,402,125
Total	\$ 119,006,281	\$ 50,733,210	\$ 169,739,491	\$ 168,399,198

Additional information on the County’s capital assets can be found in note II.A. 5, beginning on page 87 of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2022, Currituck County had total bonded debt outstanding of \$8,495,000, which is backed by certain revenues of the Mainland Water System. The County also had installment purchase agreements for stormwater improvements in the Whalehead Subdivision Watershed Service District and Ocean Sands Water and Sewer District and for construction of a building, with outstanding balances of \$380,000, \$5,250,000, and \$16,050,000 respectively. These debt instruments are backed by their respective assets.

Figure 8

**Currituck County's Outstanding Debt**  
**General Obligation, Revenue Bonds and Installment Purchase Agreements**

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Installment Purchase	\$ 16,430,000	\$ 18,950,000	\$ 5,250,000	\$ 6,175,000	\$ 21,680,000	\$ 25,125,000
Revenue bonds	-	-	8,495,000	9,720,000	8,495,000	9,720,000
Leases	674,118	-	48,647	-	722,765	-
Compensated absences	1,293,801	1,240,965	109,979	95,187	1,403,780	1,336,152
Net pension liability (LGERS)	4,204,546	10,314,349	276,008	549,222	4,480,554	10,863,571
Net pension liability (LEOSSA)	3,345,520	3,819,855	-	-	3,345,520	3,819,855
Net OPEB liability	30,515,181	31,171,898	2,219,661	1,947,965	32,734,842	33,119,863
<b>Total debt</b>	<b>\$ 56,463,166</b>	<b>\$ 65,497,067</b>	<b>\$ 16,399,295</b>	<b>\$ 18,487,374</b>	<b>\$ 72,862,461</b>	<b>\$ 83,984,441</b>

Currituck County's total debt decreased by \$11,121,980 during the past fiscal year. This change in total debt is attributable to \$4,670,000 reduction from scheduled debt payments, increase of \$722,765 related to leases, increase of \$67,628 from compensated absences and the remaining reduction of \$7,242,373 from pension liabilities.

As mentioned in the financial highlights section of this document, Currituck County retired all debt that was rated by rating agencies in prior fiscal year. Currently the County has no rated debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Currituck County is \$630,687,704, see Schedule 10, page 220. The County has no bonds authorized but un-issued at June 30, 2022.

Additional information regarding Currituck County's long-term debt can be found in note II.B.7 of this audited financial report.

**Economic Factors and Next Year End 2023 Budgets and Rates**

The following key economic indicator reflects the economy of the County.

- As of June 30, 2022, Currituck County had one of the lowest unemployment rates in the State with a rate of 3.6%, compared to the State average of 3.9%.

**Budget Highlights for the Fiscal Year Ending June 30, 2023**

**Governmental Activities:** Currituck County's octennial revaluation became effective for Fiscal Year 2022 with the property tax rate decreasing to \$.46 down from \$.48 per \$100 of assessed value. The revenue neutral rate of \$.4143 means that, even with a lower rate in effect for Fiscal Year 2022, there are more available funds budgeted to address increased education needs and commitments. Schools are budgeted to receive approximately 3.51% more in current expense

funding than in Fiscal Year 2022. There are also plans for expanding several schools and building new schools in the County to manage the significant population growth in the last several years and the anticipated growth in the next five years. Additional debt will be necessary in the next few years to fund school construction and capital needs.

Budgeted expenditures in the General Fund for Fiscal Year 2023 are anticipated to be approximately \$68,400,218, a 16.90% increase over the prior year. The overall operating budget of \$106,591,698 is a 6.28% overall increase.

**Business – type Activities:** For the upcoming fiscal year, the County will continue to evaluate the operations of all business-type activities. The County is in the process of considering options for sewer expansion in Moyock as well as expansion of solid waste facilities in the Moyock area.

### **Requests for Information**

This report is designed to provide an overview of the County’s finances for those with an interest in this area. This document is also available online at [www.currituckgovernment.com](http://www.currituckgovernment.com) under the Finance Department. Questions concerning any of the information found in this report or requests for additional information should be directed to the Currituck County Finance Director, Currituck County Finance Department, 153 Courthouse Road, Suite 102, Currituck, North Carolina 27929 or e-mail [Sandra.Hill@CurrituckCountyNC.gov](mailto:Sandra.Hill@CurrituckCountyNC.gov).

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**County of Currituck, North Carolina**  
**Statement of Net Position**  
**June 30, 2022**

				Component Unit
	Governmental Activities	Business-type Activities	Total	Currituck County ABC Board
<b>ASSETS</b>				
Cash and cash equivalents	\$ 27,302,431	\$ 5,503,442	\$ 32,805,873	\$ 1,856,389
Restricted cash	1,592,439	2,770,627	4,363,066	-
Investments	107,155,818	18,451,751	125,607,569	-
Receivables (net)	426,936	1,610	428,546	-
Other receivables (net)	809,887	2,001,055	2,810,942	7,965
Lease receivables	505,183	751,494	1,256,677	-
Accrued interest receivables - lease	1,204	1,791	2,995	-
Due from other governments	5,895,497	-	5,895,497	-
Due from component unit	727,717	-	727,717	-
Internal balances	51,360	(51,360)	-	-
Inventories	65,212	-	65,212	657,298
Prepaid items	-	-	-	40,773
Net pension asset	100,238	-	100,238	-
Right to Use Asset	657,792	49,642	707,434	-
Capital assets:				
Land, improvements, non-depreciable collections and construction in progress	24,089,114	2,067,619	26,156,733	425,900
Other capital assets, net of depreciation	94,917,167	48,665,591	143,582,758	1,139,719
Total capital assets	119,006,281	50,733,210	169,739,491	1,565,619
Total assets	264,297,995	80,213,262	344,511,257	4,128,044
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	12,527,499	787,873	13,315,372	101,229
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	6,529,100	982,437	7,511,537	291,262
Unearned revenue	46,214	18,308	64,522	-
Customer deposits	-	115,574	115,574	-
Customer prepayment	-	2,207	2,207	-
Due to primary government	-	-	-	725,382
Long-term liabilities:				
Due within one year				
Long-term debt current portion	2,580,943	1,785,741	4,366,684	-
Compensated absences	615,363	54,994	670,357	6,767
Total current liabilities	9,771,620	2,959,261	12,730,881	1,023,411
Due in more than one year				
Compensated absences	678,438	54,985	733,423	-
Net pension liability - LGERS	4,204,546	276,008	4,480,554	61,804
Net pension liability - LEOSSA	3,345,520	-	3,345,520	-
Other employee benefit plan	30,515,181	2,219,661	32,734,842	193,297
Long-term debt less current portion	14,523,175	12,007,906	26,531,081	-
Total long-term liabilities	53,266,860	14,558,560	67,825,420	255,101
Total liabilities	63,038,480	17,517,820	80,556,300	1,278,512
<b>DEFERRED INFLOWS OF RESOURCES</b>	18,721,354	1,997,589	20,718,943	89,396
<b>NET POSITION</b>				
Net investment in capital assets	102,559,955	36,989,205	139,549,160	1,565,620
Restricted for:				
Stabilization by State Statute	7,486,903	-	7,486,903	-
Public Safety	4,025,332	-	4,025,332	-
School Capital Assets	957,424	-	957,424	-
Tourism	26,550,761	-	26,550,761	-
Human Services	46,540	-	46,540	-
Working capital	-	-	-	175,341
Capital assets	27,991,329	-	27,991,329	-
Unrestricted (deficit)	25,447,416	24,496,521	49,943,937	1,120,404
Total net position	\$ 195,065,660	\$ 61,485,726	\$ 256,551,386	\$ 2,861,365

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

**County of Currituck County, North Carolina**  
**Statement of Activities**  
**For the Year Ended June 30, 2022**

Functions/Programs	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>				
Governmental Activities:				
General government	\$ 10,449,940	\$ 3,415,516	\$ 157,484	\$ -
Public safety	26,822,245	2,080,944	4,422,364	1,332,700
Transportation	1,650,849	703,055	3,863	809,189
Economic and physical development	8,703,035	290,277	1,140	-
Environmental protection	1,460,874	-	23,171	-
Human services	4,777,142	-	3,283,922	-
Cultural and recreation	4,381,998	70,175	-	-
Education	20,322,535	-	-	405,000
Interest on long-term debt	478,838	-	-	-
Total governmental activities	79,047,456	6,559,967	7,891,944	2,546,889
Business-type activities:				
Solid Waste	6,012,049	5,797,447	68,951	-
Water and Sewer	9,799,970	12,233,037	30,000	-
Total business-type activities	15,812,019	18,030,484	98,951	-
	94,859,475	24,590,451	7,990,895	2,546,889
Component units:				
ABC Board	6,251,940	6,251,861	-	-
Total component units	\$ 6,251,940	\$ 6,251,861	\$ -	\$ -

General revenues:

Taxes:

- Property taxes, levied for general purpose
- Property taxes, levied for sewer district
- Property taxes, levied for public safety
- Property taxes, levied for watershed improvement
- Local option sales taxes
- Land transfer taxes
- Occupancy taxes
- Deed stamp excise tax
- Franchise taxes
- Other taxes

Investment earnings (loss), unrestricted

Miscellaneous, unrestricted

Gain (loss) on sales of assets

Total general revenues, excluding transfers and special items

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning, as previously reported

Cumulative restatement - change in accounting principle

Beginning of Year, July 1, as restated

Net position, ending

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



Exhibit 2

<u>Net (Expense) Revenue and Changes in Net Position</u>				
<u>Primary Government</u>			<u>Component Unit</u>	
<u>Governmental</u>	<u>Business-type</u>		<u>Currituck</u>	
<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>County ABC</u>	
			<u>Board</u>	
\$ (6,876,940)	\$ -	\$ (6,876,940)	\$ -	
(18,986,237)	-	(18,986,237)	-	
(134,742)	-	(134,742)	-	
(8,411,618)	-	(8,411,618)	-	
(1,437,703)	-	(1,437,703)	-	
(1,493,220)	-	(1,493,220)	-	
(4,311,823)	-	(4,311,823)	-	
(19,917,535)	-	(19,917,535)	-	
(478,838)	-	(478,838)	-	
(62,048,656)	-	(62,048,656)	-	
-	(145,651)	(145,651)	-	
-	2,463,067	2,463,067	-	
-	2,317,416	2,317,416	-	
(62,048,656)	2,317,416	(59,731,240)	-	
			(79)	
			(79)	
37,574,403	-	37,574,403	-	
-	664,093	664,093	-	
1,744,758	-	1,744,758	-	
1,698,217	-	1,698,217	-	
17,124,799	-	17,124,799	-	
9,962,417	-	9,962,417	-	
17,936,277	-	17,936,277	-	
1,981,763	-	1,981,763	-	
313,055	-	313,055	-	
591,755	-	591,755	-	
(2,303,086)	(446,754)	(2,749,840)	-	
479,854	236,674	716,528	79	
(58,136)	-	(58,136)	-	
87,046,076	454,013	87,500,089	79	
(1,200,000)	1,200,000	-	-	
85,846,076	1,654,013	87,500,089	-	
23,797,420	3,971,429	27,768,849	-	
178,129,610	58,011,020	236,140,630	2,861,365	
(6,861,370)	(496,723)	(7,358,093)	-	
171,268,240	57,514,297	228,782,537	-	
\$ 195,065,660	\$ 61,485,726	\$ 256,551,386	\$ 2,861,365	

**County of Currituck, North Carolina**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2022**

	Major						Non-major	Total Governmental Funds
	General Fund	Tourism Development Authority Fund	ARPA - American Rescue Plan Act Fund	County Governmental Facilities Fund	School Facilities Fund	Transfer Tax Capital Fund	Other Governmental Funds	
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ 760,463	\$ -	\$ 491,661	\$ 24,805,820	\$ 363,983	\$ 880,503	\$ 27,302,431
Restricted cash and cash equivalents	1,372,070	-	-	-	141,307	-	79,062	1,592,439
Investments	30,043,355	26,106,835	-	16,878,824	4,510,368	12,495,622	17,120,815	107,155,818
Taxes receivable, net	412,631	-	-	-	-	-	14,305	426,936
Other receivables, net	552,239	60,646	-	114,041	36,360	-	46,601	809,887
Lease receivables	505,183	-	-	-	-	-	-	505,183
Accrued interest receivable - lease	1,204	-	-	-	-	-	-	1,204
Due from other governments	3,319,404	-	-	33,849	-	-	2,542,244	5,895,497
Due from component unit	727,717	-	-	-	-	-	-	727,717
Due from other funds	51,360	-	-	-	-	-	-	51,360
Inventories	160	65,052	-	-	-	-	-	65,212
<b>Total assets</b>	<b>\$ 36,985,323</b>	<b>\$ 26,992,996</b>	<b>\$ -</b>	<b>\$ 17,518,375</b>	<b>\$ 29,493,855</b>	<b>\$ 12,859,605</b>	<b>\$ 20,683,530</b>	<b>\$ 144,533,684</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued liabilities	\$ 3,228,229	\$ 316,537	\$ -	\$ 141,829	\$ 2,309,091	\$ -	\$ 533,414	\$ 6,529,100
Unearned revenue	-	-	-	-	-	-	46,214	46,214
<b>Total liabilities</b>	<b>3,228,229</b>	<b>316,537</b>	<b>-</b>	<b>141,829</b>	<b>2,309,091</b>	<b>-</b>	<b>579,628</b>	<b>6,575,314</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Leases	495,848	-	-	-	-	-	-	495,848
Property taxes receivable	412,631	-	-	-	-	-	14,305	426,936
Prepaid taxes	75,108	-	-	-	-	-	-	75,108
<b>Total deferred inflows of resources</b>	<b>983,587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,305</b>	<b>997,892</b>
Fund balances:								
Nonspendable:								
Inventories	160	65,052	-	-	-	-	-	65,212
Leases	9,335	-	-	-	-	-	-	9,335
Restricted:								
Stabilization by State Statute	4,653,162	60,646	-	147,890	36,360	-	2,588,845	7,486,903
Emergency Telephone System	-	-	-	-	-	-	-	-
County Governmental Assets	3,139,660	-	-	-	-	12,859,605	9,174,292	25,173,557
School Capital Assets	-	-	-	-	-	-	957,424	957,424
Tourism	-	26,550,761	-	-	-	-	-	26,550,761
Public Safety	-	-	-	-	-	-	4,025,332	4,025,332
Carova Beach Service District	-	-	-	-	-	-	23,415	23,415
Watershed Improvements	-	-	-	-	-	-	2,505,653	2,505,653
Whalehead Beach Solid Waste	-	-	-	-	-	-	288,704	288,704
Human services	-	-	-	-	-	-	46,540	46,540
Committed:								
Fire Equipment Replacement	-	-	-	-	-	-	738,264	738,264
County Governmental Assets	-	-	-	17,228,656	-	-	-	17,228,656
School Capital Assets	-	-	-	-	27,148,404	-	-	27,148,404
Tax Revaluation	723,094	-	-	-	-	-	-	723,094
Post Employment Benefit plans	645,930	-	-	-	-	-	-	645,930
Assigned:								
Subsequent year's expenditures	2,603,667	-	-	-	-	-	-	2,603,667
Unassigned	20,998,499	-	-	-	-	-	(258,872)	20,739,627
<b>Total fund balances</b>	<b>32,773,507</b>	<b>26,676,459</b>	<b>-</b>	<b>17,376,546</b>	<b>27,184,764</b>	<b>12,859,605</b>	<b>20,089,597</b>	<b>136,960,478</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 36,985,323</b>	<b>\$ 26,992,996</b>	<b>\$ -</b>	<b>\$ 17,518,375</b>	<b>\$ 29,493,855</b>	<b>\$ 12,859,605</b>	<b>\$ 20,683,530</b>	<b>\$ 144,533,684</b>

continued

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

**County of Currituck, North Carolina  
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 (Exhibit 1) are different because:

Total Fund Balance, Governmental Funds	\$ 136,960,478
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	119,006,281
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	657,792
Net pension asset - Register of Deeds	100,238
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position	2,415,021
Benefit payment and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	90,722
Net pension liability - LGERS	(4,204,546)
Net pension liability - LEOSSA	(3,345,520)
Net OPEB liability	(30,515,181)
Deferred inflows of resources for taxes and special assessments	426,936
Pension related deferrals	(1,365,369)
OPEB related deferrals	(6,763,273)
Some liabilities, including bonds payable and other postemployment benefits, are not due and payable in the current period and therefore are not reported in the funds.	<u>(18,397,919)</u>
Net position of governmental activities	<u><u>\$ 195,065,660</u></u>

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

**County of Currituck, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Period June 30, 2022**

	Major						Nonmajor	
	General Fund	Tourism Development Authority Fund	ARPA - American Rescue Plan Act Fund	County Governmental Facilities Fund	School Facilities Fund	Transfer Tax Capital Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Ad valorem taxes	\$ 37,614,847	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,442,975	\$ 41,057,822
Other taxes and licenses	12,011,666	17,936,277	-	-	-	9,962,417	7,999,706	47,910,066
Unrestricted intergovernmental	157,484	-	-	-	-	-	-	157,484
Restricted intergovernmental	3,442,393	1,140	2,696,318	1,809,189	405,000	-	603,368	8,957,408
Permits and fees	4,932,434	-	-	-	-	-	73,466	5,005,900
Sales and services	1,153,108	289,877	-	-	-	-	277,791	1,720,776
Investment earnings (loss)	(537,564)	(453,341)	630	(289,353)	(548,893)	(199,412)	(275,154)	(2,303,087)
Miscellaneous	1,644,940	-	-	-	-	-	-	1,644,940
Total revenues	60,419,308	17,773,953	2,696,948	1,519,836	(143,893)	9,763,005	12,122,152	104,151,309
<b>EXPENDITURES</b>								
Current:								
General government	9,099,925	-	-	281,686	-	-	324,657	9,706,268
Public safety	21,381,640	-	2,696,948	3,206,197	-	-	3,853,668	31,138,453
Transportation	747,373	-	-	733,161	-	-	-	1,480,534
Environmental protection	197,805	-	-	-	-	-	932,966	1,130,771
Economic and physical	1,888,041	7,117,865	-	-	-	-	-	9,005,906
Human services	4,461,790	-	-	-	-	-	271,153	4,732,943
Cultural and recreational	2,470,609	-	-	981,080	-	-	-	3,451,689
Intergovernmental:								
Education	15,213,889	-	-	-	5,994,509	-	-	21,208,398
Debt service:								
Principal	2,574,954	5,038	-	-	-	-	-	2,579,992
Interest	477,799	1,039	-	-	-	-	-	478,838
Total expenditures	58,513,825	7,123,942	2,696,948	5,202,124	5,994,509	-	5,382,444	84,913,792
Excess (deficiency) of revenues over expenditures	1,905,483	10,650,011	-	(3,682,288)	(6,138,402)	9,763,005	6,739,708	19,237,517
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers from other funds	10,620,105	50,000	-	5,285,226	23,262,839	-	-	39,218,170
Transfers to other funds	(15,562,507)	(6,776,557)	-	-	-	(16,140,965)	(2,938,141)	(41,418,170)
Lease liability issued	696,581	37,529	-	-	-	-	-	734,110
Total other financing sources and uses	(4,245,821)	(6,689,028)	-	5,285,226	23,262,839	(16,140,965)	(2,938,141)	(1,465,890)
Net change in fund balance	(2,340,338)	3,960,983	-	1,602,938	17,124,437	(6,377,960)	3,801,567	17,771,627
Fund balances, beginning	35,113,845	22,715,476	-	15,773,608	10,060,327	19,237,565	16,288,030	119,188,851
Fund balances, ending	\$ 32,773,507	\$ 26,676,459	\$ -	\$ 17,376,546	\$ 27,184,764	\$ 12,859,605	\$ 20,089,597	\$ 136,960,478

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

**County of Currituck, North Carolina**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Fiscal Period June 30, 2022**

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

Net changes in fund balances - total governmental funds	\$	17,771,627
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.		3,044,922
Cost of capital asset disposed of during the year, not recognized on modified accrual basis.		(58,136)
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position.		90,722
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.		2,415,021
Transfer to OPEB and LEOSSA Trusts.		1,000,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(40,444)
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, however, 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.		(2,536,326)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>2,110,034</u>
Total changes in net position of governmental activities	\$	<u><u>23,797,420</u></u>

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

**County of Currituck, North Carolina**  
**General Fund and Annually Budgeted Major Special Revenue Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	General Fund				
	2022			Variance With Final Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Ad valorem taxes	\$ 36,170,738	\$ 36,255,533	\$ 37,614,847	\$ 1,359,314	\$ 32,883,596
Other taxes and licenses	7,976,046	9,232,442	12,011,666	2,779,224	11,500,374
Unrestricted intergovernmental	160,500	160,500	157,484	(3,016)	161,740
Restricted intergovernmental	2,553,035	2,941,462	3,442,393	500,931	2,627,419
Permits and fees	3,196,137	3,764,702	4,932,434	1,167,732	4,527,487
Sales and services	752,122	1,015,746	1,153,108	137,362	1,059,484
Investment earnings	266,833	266,833	(473,546)	(740,379)	29,595
Miscellaneous	1,334,956	1,511,041	1,644,940	133,899	1,266,971
Total revenues	<u>52,410,367</u>	<u>55,148,259</u>	<u>60,483,326</u>	<u>5,335,067</u>	<u>54,056,666</u>
<b>Expenditures</b>					
Current:					
General government	10,733,787	11,791,506	9,050,902	2,740,604	8,001,969
Public safety	22,134,060	23,363,984	21,381,640	1,982,344	19,181,642
Transportation	595,911	854,748	747,373	107,375	541,263
Environmental protection	233,971	233,971	197,805	36,166	201,474
Economic and physical development	2,032,489	2,077,802	1,888,041	189,761	1,470,573
Human services	5,495,585	5,719,219	4,461,790	1,257,429	4,096,443
Cultural and recreational	2,562,459	2,797,205	2,470,609	326,596	2,051,960
Intergovernmental:					
Education	14,278,026	14,328,026	14,328,026	-	13,523,165
Debt service	3,052,273	3,053,508	3,052,753	755	3,039,211
Total expenditures	<u>61,118,561</u>	<u>64,219,969</u>	<u>57,578,939</u>	<u>6,641,030</u>	<u>52,107,700</u>
Revenues over (under) expenditures	<u>(8,708,194)</u>	<u>(9,071,710)</u>	<u>2,904,387</u>	<u>11,976,097</u>	<u>1,948,966</u>
<b>Other financing sources (uses):</b>					
Lease liability issued	-	-	696,581	696,581	-
Transfers to other funds	(7,452,578)	(15,683,507)	(15,683,507)	-	(4,304,164)
Transfers from other funds	12,268,579	12,268,579	10,420,105	(1,848,474)	11,563,715
Total other financing sources (uses)	<u>4,816,001</u>	<u>(3,414,928)</u>	<u>(4,566,821)</u>	<u>(1,151,893)</u>	<u>7,259,551</u>
Revenues and other financing sources over expenditures and other financing uses	<u>(3,892,193)</u>	<u>(12,486,638)</u>	<u>(1,662,434)</u>	<u>10,824,204</u>	<u>9,208,517</u>
Appropriated fund balance	<u>3,892,193</u>	<u>12,486,638</u>	<u>-</u>	<u>(12,486,638)</u>	<u>-</u>
Revenues, appropriated fund balance, and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>(1,662,434)</u>	<u>\$ (1,662,434)</u>	<u>9,208,517</u>
<b>Fund balances:</b>					
Beginning of Year, July 1			<u>30,573,187</u>		<u>21,364,670</u>
End of year, June 30			28,910,753		30,573,187

Tourism Development Authority

2022		2021		
Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Actual
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	17,936,277	-	16,650,164
-	-	-	-	-
-	-	-	-	-
-	-	291,017	291,017	272,080
-	-	(453,341)	(453,341)	39,322
-	-	-	-	1,312
<u>12,888,044</u>	<u>15,250,491</u>	<u>17,773,953</u>	<u>2,523,462</u>	<u>16,962,878</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,564,371	9,284,411	7,123,942	2,160,469	6,316,863
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>8,564,371</u>	<u>9,284,411</u>	<u>7,123,942</u>	<u>2,160,469</u>	<u>6,316,863</u>
4,323,673	5,966,080	10,650,011	4,683,931	10,646,015
-	-	37,529	37,529	-
(5,838,436)	(7,388,286)	(6,776,557)	611,729	(3,962,609)
-	50,000	50,000	-	-
<u>(5,838,436)</u>	<u>(7,338,286)</u>	<u>(6,689,028)</u>	<u>649,258</u>	<u>(3,962,609)</u>
(1,514,763)	(1,372,206)	3,960,983	5,333,189	6,683,406
<u>1,514,763</u>	<u>1,372,206</u>	-	<u>(1,372,206)</u>	-
<u>\$ -</u>	<u>\$ -</u>	3,960,983	<u>\$ 3,960,983</u>	6,683,406
		<u>22,715,476</u>		<u>16,032,070</u>
		26,676,459		22,715,476

The following legally budgeted funds are consolidated into the General Fund for reporting purposes:

	General Fund	
	2022	2021
	Actual	Actual
General Fund ending fund balance, June 30	28,910,753	30,573,187
Revaluation Fund		
Investment earnings (loss)	(12,284)	1,393
Transfer-in from General Fund	121,000	121,000
Expenditures	(49,023)	(266,600)
Beginning Fund Balance, Revaluation	663,401	807,608
Land Banking Fund		
Investment earnings (loss)	(51,734)	6,821
Transfer-in from Transfer Tax Capital Fund	200,000	200,000
Expenditures	(885,863)	(219,733)
Beginning Fund Balance, Land Banking Fund	3,877,257	3,890,169
Carova Beach Service District Fund		
Transfer-in from Tourism Development Authority Fund	-	-
Restatement Carova Beach Service District Fund	-	-
Beginning of year, July 1, as previously reported	-	-
Ending Fund Balance, June 30 (Exhibit 4)	<u>\$ 32,773,507</u>	<u>\$ 35,113,845</u>

\* Carova Beach Service District Fund, beginning as of the fiscal year ended June 30, 2021, is presented as a non-major Governmental Fund.

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



\*\_

Tourism Development Authority

2022		2021	
Actual		Actual	
26,676,459		22,715,476	
-		-	
-		-	
-		-	
-		-	
-		-	
-		-	
-		-	
-		171,003	
-		(171,003)	
-		-	
<u>\$ 26,676,459</u>		* <u>\$ 22,715,476</u>	

County of Currituck, North Carolina  
Statement of Net Position  
Proprietary Funds  
June 30, 2022  
(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)

							Totals	
	Solid Waste Fund	Ocean Sands Water and Sewer District Fund	Mainland Water Fund	Southern Outer Banks Water System Fund	Mainland Central Sewer Fund	Non-Major Proprietary Funds	June 30, 2022	June 30, 2021
<b>ASSETS</b>								
Current assets:								
Cash and cash equivalents	\$ 649,432	\$ 314,669	\$ 2,155,900	\$ 1,623,844	\$ 759,596	\$ -	\$ 5,503,442	\$ 10,314,894
Restricted cash	-	1,050	84,571	29,903	50	2,655,053	2,770,627	3,752,937
Investments	2,132,609	1,036,759	7,357,270	5,430,583	2,494,531	-	18,451,751	8,586,276
Taxes receivable, net	-	1,610	-	-	-	-	1,610	1,558
Leases receivable	-	-	-	56,639	-	-	56,639	-
Accrued interest - leases	-	-	-	1,791	-	-	1,791	-
Accounts receivable, net	115,846	243,162	790,549	569,552	246,695	35,251	2,001,055	1,937,174
Total current assets	2,897,887	1,597,250	10,388,290	7,712,312	3,500,872	2,690,304	28,786,915	24,592,839
Noncurrent assets:								
Capital assets:								
Land, improvements, and construction in progress	-	963,012	164,778	42,600	897,229	-	2,067,619	1,968,306
Other capital assets, net of depreciation	405,662	11,392,171	13,638,883	15,904,396	7,324,479	-	48,665,591	50,411,399
Total capital assets	405,662	12,355,183	13,803,661	15,946,996	8,221,708	-	50,733,210	52,379,705
amortization	49,642	-	-	-	-	-	49,642	-
Lease receivable - noncurrent	-	-	-	694,855	-	-	694,855	-
Total noncurrent assets	455,304	12,355,183	13,803,661	16,641,851	8,221,708	-	51,477,707	52,379,705
Total assets	3,353,191	13,952,433	24,191,951	24,354,163	11,722,580	2,690,304	80,264,622	76,972,544
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	12,303	56,200	403,710	269,469	46,191	-	787,873	776,523
<b>LIABILITIES</b>								
Current liabilities:								
Accounts payable	429,552	89,307	81,248	256,413	73,547	-	930,067	615,117
Due to other funds	-	-	-	-	51,360	-	51,360	51,360
Customer deposits	-	1,050	84,571	29,903	50	-	115,574	124,021
Accrued salaries	879	3,771	25,674	17,285	3,797	-	51,406	38,741
Accrued vacation	593	176	31,487	16,796	5,942	-	54,994	32,767
Revenue bonds payable	-	-	1,280,000	-	-	-	1,280,000	1,225,000
Accrued interest payable - leases	964	-	-	-	-	-	964	-
Lease liability	5,741	-	-	-	-	-	5,741	-
Customer prepayment	-	-	-	2,207	-	-	2,207	-
Notes payable	-	500,000	-	-	-	-	500,000	925,000
Deferred revenue	16,695	1,613	-	-	-	-	18,308	4,757
Total current liabilities	454,424	595,917	1,502,980	322,604	134,696	-	3,010,621	3,016,763
Noncurrent liabilities:								
Lease liability	42,906	-	-	-	-	-	42,906	-
Accrued vacation	586	176	31,486	16,796	5,941	-	54,985	62,420
Revenue bonds payable	-	-	7,215,000	-	-	-	7,215,000	8,495,000
Notes payable	-	4,750,000	-	-	-	-	4,750,000	5,250,000
Net pension liability	4,516	18,381	140,936	95,285	16,890	-	276,008	549,222
Other postemployment benefits	32,749	170,485	1,141,931	750,947	123,549	-	2,219,661	1,947,965
Total noncurrent liabilities	80,757	4,939,042	8,529,353	863,028	146,380	-	14,558,560	16,304,607
Total liabilities	535,181	5,534,959	10,032,333	1,185,631	281,076	-	17,569,180	19,321,370
<b>DEFERRED INFLOWS OF RESOURCES</b>	19,333	93,056	649,674	1,162,806	72,720	-	1,997,589	416,677
<b>NET POSITION</b>								
Net investment in capital assets	406,657	7,105,183	5,308,661	15,946,996	8,221,708	-	36,989,205	36,484,705
Unrestricted	2,404,323	1,275,435	8,604,993	6,328,199	3,193,267	2,690,304	24,496,521	21,526,315
Total net position	\$ 2,810,980	\$ 8,380,618	\$ 13,913,654	\$ 22,275,195	\$ 11,414,975	\$ 2,690,304	\$ 61,485,726	\$ 58,011,020

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

**County of Currituck, North Carolina**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	<b>Totals</b>							
	<b>Solid Waste Fund</b>	<b>Ocean Sands Water and Sewer Fund</b>	<b>Mainland Water Fund</b>	<b>Southern Outer Banks Water System Fund</b>	<b>Mainland Central Sewer Fund</b>	<b>Non-Major Proprietary Funds</b>	<b>June 30, 2022</b>	<b>June 30, 2021</b>
<b>OPERATING REVENUES</b>								
Charges for services	\$ 5,797,447	\$ 1,678,060	\$ 3,832,386	\$ 3,814,687	\$ 835,153	\$ 1,756,267	\$ 17,714,000	\$ 15,695,251
Water and sewer taps	-	17,799	62,203	-	-	-	80,002	112,846
Miscellaneous	-	18,611	217,871	-	-	-	236,482	12,008
Total operating revenues	5,797,447	1,714,470	4,112,460	3,814,687	835,153	1,756,267	18,030,484	15,820,105
<b>OPERATING EXPENSES</b>								
Administration	92,106	76,030	481,402	511,215	263,190	-	1,423,943	1,345,611
Water operations	-	493,250	2,115,896	1,141,100	-	-	3,750,246	2,781,836
Sewer operations	-	542,233	-	-	358,510	-	900,743	928,065
Landfill operations	5,844,180	-	-	-	-	-	5,844,180	5,723,460
Depreciation	68,594	570,890	1,161,831	1,184,370	478,104	-	3,463,789	3,409,584
Total operating expenses	6,004,880	1,682,403	3,759,129	2,836,685	1,099,804	-	15,382,901	14,188,556
Operating income (loss)	(207,433)	32,067	353,331	978,002	(264,651)	1,756,267	2,647,583	1,631,549
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Tax revenue	95,814	568,279	-	-	-	-	664,093	640,427
Contributed capital	-	-	-	30,000	-	-	30,000	-
Rent	-	-	-	155,005	6,900	-	161,905	227,587
Book value of transferred assets	-	-	-	-	-	-	-	(1,063,803)
Loss on sale of assets	-	-	-	-	-	-	-	(268,791)
Right to use asset	-	-	-	-	-	-	-	-
Sale of materials	-	-	-	-	-	-	-	2,088
Unrestricted intergovernmental revenues	68,951	-	-	-	-	-	68,951	55,069
Amortization expense - leases	(6,205)	-	-	-	-	-	(6,205)	-
Lease revenue	-	-	-	74,769	-	-	74,769	-
Interest revenue - leases	-	-	-	23,196	-	-	23,196	-
Investment earnings (loss)	(49,856)	(32,194)	(151,225)	(145,008)	(56,292)	(35,375)	(469,950)	41,242
Interest expenses	(964)	(137,813)	(279,078)	(5,058)	-	-	(422,913)	(488,308)
Miscellaneous	-	-	-	-	-	-	-	37,797
Total nonoperating revenue (expense)	107,740	398,272	(430,303)	132,904	(49,392)	(35,375)	123,846	(816,692)
Income (loss) before contributions and transfers	(99,693)	430,339	(76,972)	1,110,906	(314,043)	1,720,892	2,771,429	814,857
<b>Transfers from (to) other funds</b>	<b>1,200,000</b>	<b>20,225</b>	<b>2,135,000</b>	<b>500,000</b>	<b>-</b>	<b>(2,655,225)</b>	<b>1,200,000</b>	<b>1,208,188</b>
Change in net position	1,100,307	450,564	2,058,028	1,610,906	(314,043)	(934,333)	3,971,429	2,023,045
Total net position, beginning as previously reported	1,718,031	7,968,316	12,110,268	20,832,789	11,756,979	3,624,637	58,011,020	55,987,975
Restatement - change in accounting principles	(7,358)	(38,262)	(254,642)	(168,500)	(27,961)	-	(496,723)	-
Total net position, beginning as restated	1,710,673	7,930,054	11,855,626	20,664,289	11,729,018	3,624,637	57,514,297	-
Total net position - ending	\$ 2,810,980	\$ 8,380,618	\$ 13,913,654	\$ 22,275,195	\$ 11,414,975	\$ 2,690,304	\$ 61,485,726	\$ 58,011,020

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

County of Currituck, North Carolina  
 Statement of Cash Flows  
 Proprietary Funds  
 For the Fiscal Period June 30, 2022  
 (With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)

							<u>Totals</u>	
	Solid Waste Fund	Ocean Sands Water and Sewer Fund	Mainland Water Fund	Southern Outer Banks Water System Fund	Mainland Central Sewer Fund	Non-Major Proprietary Funds	June 30, 2022	June 30, 2021
Cash flows from operating activities:								
Cash received from customers	\$ 5,780,946	\$ 1,679,328	\$ 4,073,439	\$ 3,858,482	\$ 835,392	\$ 1,716,737	\$ 17,944,324	\$ 15,819,097
Cash paid for goods and services	(5,860,837)	(913,692)	(1,395,074)	(922,094)	(568,817)	-	(9,660,514)	(9,530,744)
Cash paid to employees for services	(27,336)	(122,805)	(862,426)	(562,207)	(97,371)	-	(1,672,145)	(1,867,555)
Customer deposits received	-	-	87,346	16,412	-	-	103,758	124,021
Customer deposits returned	-	(150)	(99,146)	(12,909)	-	-	(112,205)	(99,352)
Fee income	-	-	-	-	-	-	-	5,000
Net cash provided (used) by operating activities	(107,227)	642,681	1,804,139	2,377,684	169,204	1,716,737	6,603,218	4,450,467
Cash flows from noncapital financing activities								
Tax revenues	95,814	568,279	-	-	-	-	664,093	640,427
Rental Income	-	-	-	155,005	6,900	-	161,905	227,578
Transfer from (to) other funds	1,200,000	20,225	2,135,000	500,000	-	(2,655,225)	1,200,000	1,208,188
Net cash provided (used) by noncapital financing	1,295,814	588,504	2,135,000	655,005	6,900	(2,655,225)	2,025,998	2,076,202
Cash flows from capital and related financing activities:								
Acquisition and construction of capital assets	(60,564)	(220,688)	(782,325)	(262,450)	(413,573)	-	(1,739,600)	(2,285,071)
Principal paid on bond maturities and installment purchase contracts	(7,200)	(500,000)	(1,225,000)	(425,000)	-	-	(2,157,200)	(2,530,000)
Interest paid on bond maturities and installment purchase contracts	-	(137,813)	(279,078)	(5,058)	-	-	(421,949)	(488,308)
Lease liability issued	55,847	-	-	-	-	-	55,847	-
Lease revenue	-	-	-	76,398	-	-	76,398	-
Insurance recovery	-	-	-	-	-	-	-	37,797
Intergovernmental revenues	68,951	-	-	-	-	-	68,951	55,069
Capital contributions	-	-	-	30,000	-	-	30,000	2,088
Net cash provided (used) by capital and related financing activities	57,034	(858,501)	(2,286,403)	(586,110)	(413,573)	-	(4,087,553)	(5,208,425)
Cash flows from investing activities:								
Purchase (proceeds) of investments	(546,333)	(1,036,759)	(2,357,270)	(3,430,583)	(2,494,531)	-	(9,865,476)	2,248,852
Interest on investments	(49,856)	(32,194)	(151,225)	(145,008)	(56,292)	(35,375)	(469,950)	41,242
Net cash provided by investing activities	(596,189)	(1,068,953)	(2,508,495)	(3,575,591)	(2,550,823)	(35,375)	(10,335,426)	2,290,094
Net increase (decrease) in cash and cash equivalents	649,432	(696,269)	(855,759)	(1,129,012)	(2,788,292)	(973,863)	(5,793,763)	3,608,338
Cash and cash equivalents, July 1	-	1,011,988	3,096,230	2,782,759	3,547,938	3,628,916	14,067,831	10,459,493
Cash and cash equivalents, June 30	\$ 649,432	\$ 315,719	\$ 2,240,471	\$ 1,653,747	\$ 759,646	\$ 2,655,053	\$ 8,274,068	\$ 14,067,831

County of Currituck, North Carolina  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Period June 30, 2022  
(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)

							Totals	
	Solid Waste Fund	Ocean Sands Water and Sewer Fund	Mainland Water Fund	Southern Outer Banks Water System Fund	Mainland Central Sewer Fund	Non-Major Proprietary Funds	June 30, 2022	June 30, 2021
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>								
Operating income (loss)	\$ (207,433)	\$ 32,067	\$ 353,331	\$ 978,002	\$ (264,651)	\$ 1,756,267	\$ 2,647,584	\$ 1,631,550
Adjustments to reconcile operating income to net cash provided (used) by operating activities:								
Depreciation and amortization	74,799	570,890	1,161,831	1,184,370	478,104	-	3,469,994	3,409,584
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable and other assets	(16,501)	(35,142)	(39,021)	43,795	18,239	(35,251)	(63,881)	5,118
(Increase) decrease in deferred outflows of resources for pensions	(5,100)	2,096	(30,531)	12,835	9,350	-	(11,350)	(156,560)
Increase (decrease) in accounts payable and accrued liabilities	16,677	62,328	45,415	102,920	(41,718)	(4,279)	181,343	(170,901)
Increase (decrease) in accrued salaries	239	1,371	6,878	3,746	431	-	12,665	(90,853)
Increase (decrease) in accrued vacation	1,179	(13,135)	19,790	3,473	3,485	-	14,792	5,004
Increase (decrease) in customer prepayment	-	-	-	2,207	-	-	2,207	-
Increase (decrease) in deferred inflows of resources for pensions	15,411	62,008	452,998	277,737	41,039	-	849,193	176,193
Increase (decrease) in net pension liability	(939)	(27,160)	(123,028)	(99,775)	(22,312)	-	(273,214)	54,747
Increase (decrease) in OPEB payable	14,441	(12,492)	(31,724)	(135,129)	(52,763)	-	(217,667)	(338,083)
Increase (decrease) in customer deposits	-	(150)	(11,800)	3,503	-	-	(8,447)	24,669
<b>Total adjustments</b>	<u>100,206</u>	<u>610,614</u>	<u>1,450,808</u>	<u>1,399,682</u>	<u>433,855</u>	<u>(39,530)</u>	<u>3,955,635</u>	<u>2,918,918</u>
Net cash provided (used) by operating activities	<u>\$ (107,227)</u>	<u>\$ 642,681</u>	<u>\$ 1,804,139</u>	<u>\$ 2,377,684</u>	<u>\$ 169,204</u>	<u>\$ 1,716,737</u>	<u>\$ 6,603,218</u>	<u>\$ 4,550,467</u>
Cash and cash equivalents	\$ 649,432	\$ 314,669	\$ 2,155,900	\$ 1,623,844	\$ 759,596	\$ -	\$ 5,503,441	\$ 10,314,894
Restricted cash	-	1,050	84,571	29,903	50	2,655,053	2,770,627	3,752,937
<b>Total cash</b>	<u>\$ 649,432</u>	<u>\$ 315,719</u>	<u>\$ 2,240,471</u>	<u>\$ 1,653,747</u>	<u>\$ 759,646</u>	<u>\$ 2,655,053</u>	<u>\$ 8,274,068</u>	<u>\$ 14,067,831</u>

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

**County of Currituck, North Carolina**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2022**

	<b>Custodial Funds - Jail Inmate Payee Fund</b>	<b>OPEB Trust Fund</b>	<b>LEOSSA Trust Fund</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 98,841	\$ -	\$ -
Accounts receivable	948	-	-
Restricted assets:			
Investments:			
Cash and cash equivalents	-	501,012	501,012
Total assets	<u>99,789</u>	<u>501,012</u>	<u>501,012</u>
<b>Liabilities</b>			
Due to individuals	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net position</b>			
Restricted for:			
Postemployment benefits other than other than pensions	-	501,012	-
Law Enforcement Officers Special Separation Allowance	-	-	501,012
Restricted for Individuals	<u>99,789</u>	<u>-</u>	<u>-</u>
 Total liabilities and net position	 <u>\$ 99,789</u>	 <u>\$ 501,012</u>	 <u>\$ 501,012</u>

**County of Currituck, North Carolina**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2022**

	<b>Custodial Fund - Jail Inmate Payee Fund</b>	<b>OPEB Trust Fund</b>	<b>LEOSSA Trust Fund</b>
<b>Additions</b>			
Employer contributions	\$ -	\$ 500,000	\$ 500,000
Investment income:			
Interest and dividends	-	1,012	1,012
Net investment earnings	-	1,012	1,012
Collections on behalf of inmates	87,661	-	-
Total additions	<u>87,661</u>	<u>501,012</u>	<u>501,012</u>
<b>Deductions</b>			
Payments on behalf of inmates	50,542	-	-
Total deductions	<u>50,542</u>	<u>-</u>	<u>-</u>
Change in net position	37,119	501,012	501,012
Net position - beginning of year	62,670	-	-
Net position - end of year	<u>\$ 99,789</u>	<u>\$ 501,012</u>	<u>\$ 501,012</u>

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**County of Currituck, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

**I. Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

Founded in 1668, Currituck (Indian for "land of the wild goose") is the most northeastern county in North Carolina. Of the 100 counties established under North Carolina General Statute 153A-10, Currituck County is one of the State's four original counties. A seven-member Board of Commissioners govern the County.

As required by generally accepted accounting principles, these financial statements present the County and its component units; legally separate entities for which the County is financially accountable. The two blended component units, although legally separate entities, are, in substance, part of the County's operations. The discretely presented component unit is reported in a separate column in the County's combined financial statements in order to emphasize that they are legally separate from the County.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Ocean Sands Water and Sewer District	Blended	Ocean Sands Water and Sewer District (Ocean Sands) is part of the Ocean Sands planned unit development on the North Carolina Outer Banks. North Carolina law authorizes counties to create water and sewer districts, such as Ocean Sands, to facilitate the construction, operations and financing of water and sewer utility improvements in defined areas. The County management and staff supervise and operate the Ocean Sands Water and Sewer system. Under North Carolina General Statute 162A-89, the County Board of Commissioners also serves as the governing board of Ocean Sands.	None issued.
Tourism Development Authority	Blended	The Currituck County Tourism Development Authority is a public authority established to expend the net proceeds of the tax levied for a room occupancy tax and shall promote travel, tourism and conventions in the County, sponsor tourist-related events and activities in the county, and finance tourist-related capital projects in the county. It is composed of nine members: seven voting members and two ex officio nonvoting members. The ex officio nonvoting member shall be the county's designated travel and tourism representative and the voting members are the county commissioners of Currituck County. County	None issued.

		management oversees all operations of the Tourism Development Authority.	
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Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Currituck County Alcoholic Beverage Control Board	Discrete	The Currituck County Alcoholic Beverage Control Board (ABC Board) is a corporate body with powers outlined by North Carolina General Statute 18B-701. The County Board of Commissioners appoints the members of the ABC Board's governing board. The ABC Board is required by state statute to distribute its surpluses, after other required distributions, to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as a proprietary fund.	Currituck County ABC Board 6664 Caratoke Highway Grandy, NC 27939

**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 (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the consolidation process. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or 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 Land Banking Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 they are consolidated in the General Fund.

*Tourism Development Authority Fund (TDA).* This fund accounts for all financial resources associated with Occupancy Tax. House Bill 555, ratified on May 18, 1987, established an Occupancy Tax for the County. There have been amendments throughout the years and the latest amendment to this legislation was House Bill 1721, ratified July 13, 2004. This legislation names the sitting Board of Commissioners as the Tourism Development Authority Board with the Director of Travel and Tourism and the County Finance Director as ex officio members and is also presented as a blended component unit. The Carova Beach Service District is a legally budgeted fund under North Carolina General Statutes. In prior years, this fund was shown consolidated with the TDA. The presentation of the fund is now shown as a non-major special revenue fund.

*American Rescue Plan Act Fund.* This fund accounts for the transactions related to the American Rescue Plan Funds.

*County Governmental Facilities Fund.* This is a multi-year fund that accumulates resources and accounts for financial resources for construction of governmental facilities that will span more than one fiscal year.

*School Facilities Fund.* This is a multi-year fund that accumulates resources and accounts for financial resources for construction of school facilities that will span more than one fiscal year.

*Transfer Tax Capital Fund.* This fund accounts for financial resources accumulated from the excise tax on instruments conveying real property in Currituck County, approved by the General Assembly in September 1985, to be used by the county only for capital expenditures for solid waste and county-operated buildings and related equipment or to retire any indebtedness incurred by the county for these purposes.

The County reports the following major enterprise funds:

*Solid Waste Fund.* This fund accounts for the operation, maintenance, and development of the Maple transfer station, various convenience centers throughout the County and residential collection on the Currituck Outer Banks.

*Ocean Sands Water and Sewer District Fund.* This fund is used to account for financial resources accumulated through a district tax and users fees for the operations of the water and sewer district within the Ocean Sands Water and Sewer District in Corolla.

*Mainland Water Fund.* This fund is used to account for the operations of the water system on the Currituck mainland.

*Mainland Central Sewer Fund.* This fund is used to account for the operations of the sewer systems on the Currituck mainland, which currently runs from the Moyock Welcome Center in Moyock to the Walnut Island Sewer Plant in Grandy.

*Southern Outer Banks Water System Fund.* This fund is used to account for the operations of the water system on the Currituck beach.

The County reports the following fiduciary fund types:

*Trust Funds.* Trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, or other postemployment benefit plans. The Other Postemployment Benefit Trust Fund accounts for the County's contributions for healthcare coverage provided to qualified retirees. The Law Enforcement Officer's Special Separation Allowance Trust accounts for the County's contributions for retirement benefits to qualified law enforcement retirees.

*Custodial Funds.* Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust plans, investment trust funds, or private purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the Jail Inmate Pay Fund, which holds cash deposits made to inmates as payment for work performed while incarcerated as well as cash collections for the benefit of inmates' friends and families.

*Non-major Funds.* The County maintains twenty legally budgeted funds. The Multi-year Grant Fund, Emergency Telephone System Fund; Corolla Fire District Fund; Guinea Mill Watershed Improvement Fund; Hog Bridge Ditch Watershed Improvement Fund; Moyock Watershed Improvement Fund; Northwest Watershed Improvement Fund; Ocean Sands North/Crowne Pointe Watershed Improvement Fund; Whalehead Watershed Improvement Fund; Whalehead Beach Solid Waste Service District Fund; Knotts Island Fire District Fund; CARES Act COVID-19 Fund; Opioid Settlement Fund; Carova Beach Service District; Social Services Payee Fund; Fines and Forfeitures Fund; and the Deed of Trust Fees Fund are reported as non-major special revenue funds. Fire Equipment Replacement Fund, Capital Improvements und, and School Capital Fund are reported as non-major capital projects funds. Mainland Water System Developmental Fees Fund, Mainland Sewer System Developmental Fees Fund, Ocean Sands Water and Sewer System

Developmental Fees Fund and Southern Outer Banks Water System Developmental Fees Fund are reported as non-major proprietary 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.

*Government-wide, Proprietary, and Fiduciary Fund Financial Statements.* The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. These property taxes are due when vehicles are registered. Motor vehicle property tax revenues are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013, or those for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County, are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. 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 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, Revaluation, Land Banking, Corolla Fire District, Tourism Development Authority, Emergency Telephone System, Whalehead Beach Solid Waste, six Watershed Special Revenue Funds, Knotts Island Fire District, Carova Beach Service District, Social Services Payee Fund, Fines and Forfeitures Fund, the Deed of Trust Fees Fund, Fire Equipment Replacement, Capital Improvements, School Capital, Transfer Tax Capital and the Enterprise operating funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Multi-year Grant Special Revenue Fund, County Governmental Construction, School Facilities Construction, Opioid Settlement Fund, ARPA Special Revenue Fund and Enterprise Construction Funds. The Enterprise Construction Funds are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the project level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations. The County Manager is authorized by the budget ordinance to transfer appropriations within the funds under the following conditions:

1. He may transfer amounts between departments within the same fund up to one thousand dollars, providing an official report on such transfers to the Board of Commissioners at their next regularly scheduled meeting.
2. He may make interfund loans for a period of not more than sixty days (60).
3. He may not transfer any amounts between funds or from any contingency line items within any funds.

The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

### **1. Deposits and Investments**

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

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

General Statute 159-30.1 allows the County to establish and fund irrevocable trusts for the purpose of paying post-employment benefits (OPEB) and the Law Enforcement Officers Separation Allowance Plan (LEOSSA) for which the County is liable. The County's OPEB and LEOSSA Trusts are managed by the staff of the Department of the State Treasurer and operated in accordance with state laws and regulations. The Trusts are not registered with the SEC. G.S. 159-30(g) allows the County to make contributions to the Trusts. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments as detailed in G.S. 147-69.2(b) (1-6) and (8). Funds submitted are managed in three different sub-funds, the State Treasurer's Short Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by G.S. 147-69.1, the Bond Index Fund (BIF) consisting of high-quality debt securities eligible under G.S. 147-69.2(b)(1)-(6), and BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund authorized under G.S. 147-69.2(b)(8).

The majority of the County and the ABC Board's investments are carried at fair value. Non-participating interest-earning investment contracts are accounted for at cost.

- The North Carolina Capital Management Trust (NCCMT), which consists of an SEC-registered fund (the Government Portfolio), is authorized by G.S. 159-30(c)(8). The Government Portfolio, which invests in treasuries and government agencies, is a money market mutual fund (2a7) and maintains an AAAM rating by S&P and AAmf by Moody's Investor Services. It is reported at fair value.
- STIF investments are measured at fair value by the custodian using Level 2 inputs. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2022 of 0.9 years. 100% of the assets in the OBEP and LEOSSA Trusts, \$501,012 each, are invested in the STIF fund.
- The Bond Index Fund (BIF) does not have a credit rating, was measured at \$1 per unit, and had an average maturity of 8.75 years on June 30, 2022.
- The BlackRock's MSCI ACWI EQ Index Non-Lendable Class B fund is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. On June 30, 2022, the fair value of the funds was \$27.230307 per share. Fair value for this Blackrock fund is determined using Level 1 inputs.

## **2. Cash and Cash Equivalents**

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

## **3. Restricted Assets**

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the Tax Revaluation Fund is classified as restricted per North Carolina General Statute 153A-150. Money in the School Facilities Fund is classified as restricted in accordance with North Carolina General Statute 159-18 through 22. Money held in the Opioid Settlement Fund is classified as restricted assets because its use is restricted per the memorandum agreement. CARES Act COVID-19 funds are classified as restricted based on the grant requirements. Money in the Mainland Water Fund, Mainland Central Sewer Fund and Southern Outer Banks Water Fund are customer deposits. Money in the Mainland Water System Developmental Fees Fund, Mainland Sewer System Developmental Fees Fund, Ocean Sands Water and Sewer System Developmental Fees Fund, and Southern Outer Banks Water System Developmental Fees Fund are restricted per North Carolina General Statute 162A-211(a)-(e).



Currituck County Restricted Cash

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Governmental Activities		
General Fund	Tax Revaluation	\$ 723,094
General Fund	Deposits Held in Trust	648,976
School Facilities Fund	Unexpended Grant Funds	141,307
CARES Act COVID-19	Unexpended Grant Funds	32,848
Opioid Settlement Fund	Unexpended Settlement Proceeds	46,214
Total Governmental Activities		\$ 1,592,439
Business-Type Activities		
Ocean Sands Water & Sewer District	Customer deposits	\$ 1,050
Mainland Water Fund	Customer deposits	84,571
Southern Outer Banks Water Fund	Customer deposits	29,903
Mainland Central Sewer Fund	Customer deposits	50
Ocean Sands Water & Sewer System		
Developmental Fees Fund	Capital improvements	252,021
Mainland Water System Developmental		
Fees Fund	Capital improvements	867,239
Southern Outer Banks Water System		
Developmental Fees Fund	Capital improvements	1,165,286
Mainland Central Sewer System		
Developmental Fees Fund	Capital improvements	370,507
Total Business-Type Activities		2,770,627
Total Restricted Cash		\$ 4,363,066

**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, 2021. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

**5. Lease Receivable**

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

recorded at the initiation of the leases 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 leases.

## **6. Allowances for Doubtful Accounts**

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

## **7. Inventories and Prepaid Items**

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

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

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

## **8. Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement received after July 1, 2015 are recorded at acquisition cost rather than fair value. Certain items acquired before July 1, 1970 are recorded at an estimated historical cost. 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.

The County holds title to certain Currituck County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education after all restrictions of the financing agreements and all sales tax reimbursement requests have been met. The properties are reflected as capital assets in the financial statements of the Currituck County Board of Education.

The capitalization threshold for County assets is \$5,000. Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	40
Furniture and equipment	5-7
Vehicles	5-7

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

	<u>Years</u>
Buildings	30
Other equipment	5-10
Office furniture and equipment	5
Vehicles	5
Leasehold improvements	7-10

### **9. Right to use assets**

The County has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

### **10. Deferred outflows/inflows of resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, Deferred Outflows of Resources, represent a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion - pension related deferrals, and contributions made to the pension plans in the current fiscal year. In addition to liabilities, the statement of net position can also report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represent acquisition of net assets that applies to future periods and so will not be recognized as revenue until then. The County has only four items that meet the criterion for this category - prepaid taxes, special assessments receivable, leases, OPEB and other pension related deferrals.

### **11. 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 statement of net position.

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

## **12. Compensated Absences**

The vacation policy of the County provides for the accumulation of up to Two Hundred Forty (240) hours of earned vacation leave with such leave being fully vested when earned. For the County's governmental funds, the current portion of the accumulated vacation pay was \$615,363 and the long-term portion was \$678,438. For the Business-Type activities, the current portion was \$54,994 and the long-term portion was \$54,985. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The ABC Board employees earn one week of vacation in the first year, two weeks per year at completion of one year until fifteen years of service are completed and three weeks per year for additional years of service. Employees may choose to take the vacation time or be compensated for it. Accumulated earned vacation at June 30, 2022 amounted to approximately \$6,767 and is considered current.

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

## **13. 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 \$46,214 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 30, 2022. The MOA offered the County two options of expending the funds. Option A allows the County to fund one or more high-impact strategies from a list of evidence-based strategies and Option B allows the County a wider array of strategies to address the impact of the opioid epidemic. The County is still evaluating its options and has not determined a spending plan.

#### **14. Reimbursements for Pandemic-Related Expenditures**

In FY 2020/21, 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 eligible state, local, territorial, and tribal governments. The County was allocated \$5,392,637 of fiscal recovery funds to be paid in two equal installments. The first installment of \$2,696,318 was received in July 2021. The second installment will be received in mid-2022. County staff and the Board of Commissioners have elected to use all of the ARPA funds for salary and employee benefits. The County plans on using the remainder of the funds for salary and employee benefits in Fiscal Year 2023.

#### **15. Net Position/Fund Balances**

##### **Net Position**

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

##### **Fund Balances**

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

The governmental fund types classify fund balances as follows:

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

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

**Leases** – portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

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

**Restricted 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.159-8(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 stand at 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 nonspendable. 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 for Emergency Telephone System – portion of fund balance this is restricted by revenue source to pay for 911 services.

Restricted for County Governmental Assets – portion of fund balance that is restricted by revenue source for construction or purchase of governmental assets.

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

Restricted for Tourism – portion of fund balance than can only be used for Tourism promotion or Tourism related expenditures.

Restricted for Public Safety – portion of fund balance that is restricted by revenue sources for public safety expenditures.

Restricted for Carova Beach Service District – portion of fund balance that can only be used in the Carova Beach service district.

Restricted for Watershed Improvements – portion of fund balance that can only be used for watershed improvements in certain special revenue districts.

Restricted for Whalehead Beach Solid Waste – portion of fund balance that can only be used for solid waste activities in the Whalehead Beach service district.

Restricted for Human Services – portion of fund balance that can only be used to benefit beneficiaries under the Social Security Representatives Payee Program.

Committed Fund Balance – Portion of fund balance that can only be used for specific purpose imposed by majority vote of the Currituck County’s governing body (highest level of decision making authority). The governing body approves the appropriation through the annual budget ordinance; any changes of specific purposes require majority action by the governing body.

Committed to Fire Equipment Replacement – portion of fund balance that can only be used for purchase or replacement of capital assets for fire protection.

Committed to County Governmental Assets – portion of fund balance that can only be used for County Governmental assets.

Committed to School Capital Assets – portion of fund balance that can only be used for School Capital assets.

Committed for Tax Revaluation – portion of fund balance that can only be used for Tax Revaluation.

Committed for Post-Employment Benefit Plans – fund balance that can only be used for post-employment health insurance and the Law Enforcement Officers’ Special Separation Allowance expenses.

Assigned Fund Balance – portion of fund balance that the Currituck County governing board has approved for specific purpose as stated below.

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 authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$10,000.

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

Currituck County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Director 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 Director has the authority to deviate from this policy if it is in the best interest of the County.

## **16. Defined Benefit Pension 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), the Registers of Deeds’ Supplemental Pension Fund (RODSPF), and the Law Enforcement Officers’ Special Separation Allowance (LEOSSA) (collectively, the “state-administered defined benefit pension plans). For purposes of measuring the net pension asset or liability, 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 the County have a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans.

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF) and additions to/deductions from FRSWPF's fiduciary net position have been determined on the same basis as they are reported by FRSWPF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## **17. Other Postemployment Benefits**

The net position of the County's Healthcare Benefits Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the Net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about the fiduciary net position of the HCB and additions to/deductions from the HCB's fiduciary net position have been determined on the same basis as they are reported by the HCB. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **E. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **F. Accounting Standards Issued But Not Yet Effective**

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

In June 2022, the GASB issued GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting



principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.

This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The County is currently reviewing this statement to determine the effect on the financial statements.

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

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument,
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives,
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the PPP term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset,
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the SBITA term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability,
- Extension of the period during which the LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt,
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP),
- Disclosures related to nonmonetary transactions,

- Pledges of future revenues when resources are not received by the pledging government,
- Clarification of provisions in Statement No. 34, *Basic Financial Statements— and Management’s Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements,
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and
- Terminology used in Statement 53 to refer to resource flows statements.

The requirements of this Statement are effective as follows:

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

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

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. The County is currently reviewing this statement to determine the effect on the financial statements.

In January 2020, the GASB issued GASB Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the

consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

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

The requirements of this Statement are effective as follows:

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

Earlier application is encouraged and is permitted by topic. The County is currently reviewing this statement to determine the effect on the financial statements. With the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the effective date of this statement has been extended by one year.

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

In March 2020, the GASB issued GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. PPPs should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or if applicable to earlier periods, the beginning of the earliest period restated). The County is currently reviewing this statement to determine the effect on the financial statements.

### **G. Accounting Pronouncements Implemented**

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease

assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. With the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the effective date of this statement was postponed by 18 months. The County has implemented the requirements of the new standard for the year ended June 30, 2022.

In October 2021, the GASB issued GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The requirements of this Statement are effective for fiscal years ending after December 15, 2021.

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

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

those requirements is encouraged and permitted by requirement as specified within this Statement. The County is currently reviewing this statement to determine the effect on the financial statements.

In March 2020, the GASB issued GASB Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with Statement No. 87, *Leases*, as amended, replacement of the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable.

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

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

Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Earlier application is encouraged. The exceptions to the existing provisions for hedge accounting termination and lease modifications in this Statement will reduce the cost of the accounting and financial reporting ramifications of replacing IBORs with other reference rates. The reliability and relevance of reported information

will be maintained by requiring that agreements that effectively maintain an existing hedging arrangement continue to be accounted for in the same manner as before the replacement of a reference rate. As a result, this Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. With the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the effective date of this statement has been extended by one year. The County has implemented the requirements of the new standard for the year ended June 30, 2022.

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

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

## H. Reconciliation of Government-wide and Fund Financial Statements

### 1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes a reconciliation between total fund balance for the governmental funds and net position for governmental activities as reported in the government-wide statement of net position. The net adjustment of \$58,105,182 consists of the following:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds	\$ 206,856,386
Less accumulated depreciation	(87,850,105)
Net capital assets	<u>119,006,281</u>
Right to use assets used in governmental activities are not financial resources and are therefore not reported in the funds	734,110
Less accumulated amortization	(76,318)
Net right to use assets	<u>657,792</u>
Net pension asset	100,238
Contributions to the pension plan in the current fiscal year	2,415,021
Benefit payments and pension administration costs for LEOSSA	90,722
Deferred inflows of resources for taxes and special assessments	426,936
Pension related deferrals	(1,365,369)
OPEB related deferrals	(6,763,273)
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing	(17,104,118)
Compensated absences	(1,293,801)
Other postemployment benefits	(30,515,181)
Net pension liability -LGERS	(4,204,546)
Net pension liability - LEOSSA	(3,345,520)
Accrued interest payable	<u>-</u>
Total adjustments	<u>\$ 58,105,182</u>

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



The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$6,025,793 as follows:

<b>Description</b>	<b>Amount</b>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 10,855,671
Cost of disposed capital asset not recorded on fund statement	(58,136)
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	(7,152,957)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position	(734,110)
Transfer to OPEB and LEOSSA Trusts	1,000,000
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	2,579,992
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	2,415,021
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	90,722
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	
Compensated absences	(52,836)
OPEB expense	(706,273)
Pension expense	(2,170,857)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Decrease in deferred inflows of resources - taxes receivable - at end of year	
Reversal of deferred tax revenue recorded at 7/1/2021	(467,380)
Recording of tax receipts deferred in the fund statements as of 6/30/2022	426,936
Total adjustment	<u>\$ 6,025,793</u>

## **II. Detail Notes on All Funds**

### **A. Assets**

#### **1. Deposits**

All of the County's and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's, or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, and the ABC Board, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the ABC Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, or the ABC Board under the Pooling Method, the potential exists for 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 relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G. S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2022, the County's deposits had a carrying amount of \$37,264,830 and a bank balance of \$37,846,083. Of the bank balance, \$500,000 was covered by federal depository insurance and \$37,346,083 in interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2022, the County had \$2,950 cash on hand.

At June 30, 2022, the carrying amount of deposits for Currituck County ABC Board was \$1,851,389 and the bank balance was \$2,052,463. Of this amount, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method.

At June 30, 2022, the ABC Board had \$5,000 cash on hand.

## 2. Investments

As of June 30, 2022, the County had the following investments and maturities:

Investment Type	Valuation	Fair Value	Less Than		
	Measurement Method		6 Months	6-12 Months	1-5 Years
Commercial Paper	Fair Value - Level 2	\$ 13,811,541	\$ 13,811,541	\$ -	\$ -
Federal agencies	Fair Value - Level 1	60,911,464	1,989,428	-	58,922,036
Federal securities	Fair Value - Level 1	2,956,585	995,292	1,961,293	-
NC Capital Management Trust:					
Government Portfolio	Fair Value - Level 1	47,927,979	47,927,979	NA	NA
<b>Total Investments</b>		<b>\$ 125,607,569</b>	<b>\$ 64,724,240</b>	<b>\$ 1,961,293</b>	<b>\$ 58,922,036</b>

Because the NCCMT Government Portfolio has a weighted average maturities of less than 90 days, they are presented as investments with maturities of less than 6 months. The NCCMT Government Portfolio has an AAAM rating from S&P and by AAmf from Moody's Investor Services.

All investments 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. Level 2: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

*Interest Rate Risk.* Although the County does not have a formal policy of the length of maturities in the investment portfolio, the County staggers maturities and does not purchase investments with maturities greater than five years.

*Credit Risk.* The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County had no formal policy on managing credit risk. As of June 30, 2022, the County's investments in commercial paper were rated P1 by Standard & Poor's, F1 by Fitch Ratings, and A1 by Moody's Investors Service. The NCCMT Government Portfolio has an AAAM rating from Standard & Poor's and Aaa by Moody's Investors Service. The County's investment in US Agencies (Federal Home Loan Bank) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

*Custodial Credit Risk.* For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2022, the County

had no investments held by a counterparty that were not in the County’s name. The County had no policy on custodial credit risk.

*Concentration of Credit Risk.* The County places no limit on the amount that the County may invest in any one issuer. As of June 30, 2022, 38.16% of the County’s investments were in the North Carolina Capital Management Trust Government Portfolio, 32.69% was invested in Federal Farm Credit Bank, and 9.86% was invested in Federal Home Loan Banks. No other investments represented more than 5% of the County’s total investments.

At June 30, 2022, the County of Currituck Other Post-Employment Benefits (OBEB) Trust had \$501,012 invested in the State Treasurer’s Local Governmental OPEB Trust pursuant to G.S. 159-30.1. The Law Enforcement Officers Special Separation Allowance (LEOSSA) Trust invested \$501,012 into the NC STIF. The State Treasurer’s NC STIF may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year end, the State Treasurer’s OPEB Trust and LEOSSA Trust were invested 100% in the State Treasurer’s STIF.

*Interest Rate Risk:* The County does not have a formal investment interest rate policy that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer’s STIF is unrated and had a weighted average maturity of .9 years at June 30, 2022.

*Credit Risk:* The County does not have a formal investment policy regarding credit risk. The NC STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer’s STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate term treasuries, agencies, and money market instruments.

At June 30, 2022, the ABC Board did not have any investments. The ABC Board has no policy on credit risk.

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

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

<b>Year Levied</b>	<b>Tax</b>	<b>Interest</b>	<b>Total</b>
2019	\$ 1,011,787	\$ 331,360	\$ 1,343,147
2020	998,650	237,179	1,235,829
2021	998,885	147,336	1,146,221
2022	1,039,193	59,754	1,098,947
	<u>\$ 4,048,515</u>	<u>\$ 775,629</u>	<u>\$ 4,824,144</u>

#### 4. Receivables

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

	Taxes and Related Accrued			Due from Other	Total
	Accounts	Interest	Leases	Governments	
<b>Governmental Activities:</b>					
General	\$ 552,239	\$ 428,530	\$ 505,183	\$ 3,319,404	\$ 4,805,356
County Governmental Facilities	114,041	-	-	33,849	147,890
School Facilities	36,360	-	-	-	36,360
Tourism Development Authority	60,646	-	-	-	60,646
Other Governmental Funds	46,601	14,305	-	2,542,244	2,603,150
Total receivables	809,887	442,835	505,183	5,895,497	7,653,402
Allowance for doubtful accounts	-	(15,899)	-	-	(15,899)
Total-governmental activities	\$ 809,887	\$ 426,936	\$ 505,183	\$ 5,895,497	\$ 7,637,503
<b>Business-type Activities</b>					
Solid Waste	\$ 115,846	\$ -	\$ -	\$ -	\$ 115,846
Ocean Sands Water and Sewer	253,661	1,610	-	-	255,271
Mainland Water	822,549	-	-	-	822,549
Southern Outer Banks Water	591,252	-	751,494	-	1,342,746
Mainland Central Sewer	246,695	-	-	-	246,695
Other Proprietary Funds	35,251	-	-	-	35,251
Total receivables	2,065,254	1,610	751,494	-	2,818,358
Allowance for doubtful accounts	(64,199)	-	-	-	(64,199)
Total - business-type activities	\$ 2,001,055	\$ 1,610	\$ 751,494	\$ -	\$ 2,754,159

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

Currituck Clerk of Court, Court Fees	\$ 21,737
NC Department of Health and Human Services; DSS Support	172,749
NC Department of Revenue; Franchise taxes	78,828
NC Department of Information Technology; E911 Fees	351,897
NC Department of Revenue; Sales and Use Tax distribution	5,043,247
NC Department of Transportation; DMV taxes	179,937
NC Department of Transportation; State Aid to Airports	33,849
Miscellaneous	13,253
	<u>\$ 5,895,497</u>

The Tourism Development Authority's receivables consist of book sales of \$41,980 and sales tax refunds of \$18,666 due from the North Carolina Department of Revenue. Management expects all accounts receivable to be collected; therefore, no allowance for doubtful accounts has been recorded.

In January 2006, the County entered into a lease agreement with a cellular provider. Under the lease agreement, the lessor pays the County \$850 monthly for a period of five years in exchange for the use of real property located at 734 Ocean Trail Currituck, NC. The agreement will be

automatically extended for four additional five year periods unless the lessor given written termination notice six months prior to the end of the current term. Lease payments shall be increased annually on the anniversary of the commencement date by three percent. There are no variable components in the lease. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3.00%. In fiscal year 2022, the County recognized \$15,131 in lease revenue and \$4,139 in interest revenue under the lease.

In November 2006, the County entered into a lease agreement with a cellular provider. Under the lease agreement, the lessor pays the County \$2,000 monthly for a period of five years in exchange for the use of real property located at 734 Ocean Trail Currituck, NC. The tenant has the option to extend the lease for three additional five year terms. Lease payments shall be increased annually on the anniversary of the commencement date by three percent. There are no variable components in the lease. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3.00%. In fiscal year 2022, the County recognized \$36,108 in lease revenue and \$5,606 in interest revenue under the lease.

In June 2007, the County entered into a lease agreement with a cellular provider. Under the lease agreement, the lessor pays the County \$1,700 monthly for a period of five years in exchange for the use of space on the water tower. The lessor has the option to renew for five additional five year lease terms. The payment increases to \$1,955 monthly for first five year extension term, \$2,248 for the second five year extension term, \$2,585 for the third annual extension term, and \$2,973 for the fourth five year extension term. There are no variable components in the lease. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3.00%. In fiscal year 2022, the County recognized \$27,745 in lease revenue and \$8,807 in interest revenue under the lease.

In November 2015, the County entered into a lease agreement with a cellular provider. Under the lease agreement, the lessor pays the County \$1,700 monthly for a period of five years in exchange for the use of real property located at 468 Ocean Trail Corolla, NC. The agreement will be automatically extended for four additional five year periods unless the lessor given written termination notice sixty days prior to the end of the current term. Lease payments shall be increased annually on the anniversary of the commencement date by three percent. There are no variable components in the lease. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3.00%. In fiscal year 2022, the County recognized \$23,530 in lease revenue and \$13,451 in interest revenue under the lease.

In May 2022, the County entered into a lease agreement with a tenant. Under the lease, the tenant pays the County \$3,408 per month for sixty months in exchange for the use of office space at 130 Community Way Barco, NC. There are no variable components in the lease. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3.00%. In fiscal year 2022, the County recognized \$7,531 in lease revenue and \$1,077 in interest revenue under the lease.

## 5. Capital Assets

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

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
<b>Governmental activities:</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 20,937,466	\$ 890,863	\$ -	\$ -	\$ 21,828,329
Construction in process	22,341,810	1,157,382	-	(21,238,407)	2,260,785
Total capital assets not being depreciated	43,279,276	2,048,245	-	(21,238,407)	24,089,114
<b>Capital assets being depreciated:</b>					
Buildings	82,528,521	3,815,805	-	18,571,077	104,915,403
Computer equipment	4,231,265	966,347	(6,000)	7,403	5,199,015
Furniture and fixtures	49,505,884	1,401,136	(180,787)	2,687,346	53,413,579
Equipment	5,047,503	624,444	(95,673)	(27,419)	5,548,855
Vehicles and motor equipment	12,735,319	1,265,585	(310,484)	-	13,690,420
Total capital assets being depreciated	154,048,492	8,073,317	(592,944)	21,238,407	182,767,272
Less accumulated depreciation for:					
Buildings	39,780,014	3,521,921	-	(452,646)	42,849,289
Computer equipment	3,422,788	339,679	(6,000)	1,058	3,757,525
Furniture and fixtures	23,985,723	1,708,814	(165,914)	1,261,912	26,790,535
Equipment	4,051,945	432,113	(95,673)	(810,324)	3,578,061
Vehicles and motor equipment	10,067,805	1,074,112	(267,222)	-	10,874,695
Total accumulated depreciation	81,308,275	7,076,639	(534,809)	-	87,850,105
Total capital assets being depreciated, net	72,740,217				94,917,167
<b>Governmental activity capital assets, net</b>	<b>\$ 116,019,493</b>				<b>\$ 119,006,281</b>

### Primary Government

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

General government	\$ 1,747,217
Public safety	2,609,856
Transportation	717,048
Environmental protection	250,044
Economic and physical development	269,886
Human services	89,044
Cultural and recreational	1,393,544
Total depreciation expense	<u>\$ 7,076,639</u>

## Proprietary Funds

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
<b>Business-type activities:</b>					
<b>Solid Waste</b>					
<b>Capital assets being depreciated:</b>					
Buildings	\$ 1,000,159	\$ 4,717	\$ -	\$ -	\$ 1,004,876
Equipment	434,366	-	-	4,964	434,366
Vehicles and motor equipment	12,736	-	-	(4,964)	12,736
Total capital assets being depreciated	1,447,261	4,717	-	-	1,451,978
Less accumulated depreciation for:					
Buildings	744,473	33,496	-	4,964	782,933
Equipment	220,513	35,098	-	(4,964)	250,647
Vehicles and motor equipment	12,736	-	-	-	12,736
Total accumulated depreciation	977,722	68,594	-	-	1,046,316
Total capital assets being depreciated, net	469,539				405,662
<b>Solid Waste capital assets, net</b>	<b>\$ 469,539</b>				<b>\$ 405,662</b>
	Beginning Balances	Increases	Decreases	Reclassifications	Ending Balances
<b>Ocean Sands Water and Sewer District</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 963,012	\$ -	\$ -	\$ -	\$ 963,012
Construction in process	59,765	-	-	(59,765)	-
Total capital assets not being depreciated	1,022,777	-	-	(59,765)	963,012
<b>Capital assets being depreciated:</b>					
Plant and distribution systems	16,518,795	8,876	-	-	16,527,671
Computer equipment	587,679	25,508	-	-	613,187
Furniture and maintenance equipment	1,360,046	186,304	-	59,765	1,606,115
Vehicles and motor equipment	132,605	-	-	-	132,605
Total capital assets being depreciated	18,599,125	220,688	-	59,765	18,879,578
Less accumulated depreciation for:					
Plant and distribution systems	5,318,321	448,142	-	219,094	5,985,557
Computer equipment	567,610	7,324	-	-	574,934
Furniture and maintenance equipment	907,324	106,799	-	(219,094)	795,029
Vehicles and motor equipment	123,262	8,625	-	-	131,887
Total accumulated depreciation	6,916,517	570,890	-	-	7,487,407
Total capital assets being depreciated, net	11,682,608				11,392,171
<b>Ocean Sands Water and Sewer District capital assets,</b>	<b>\$ 12,705,385</b>				<b>\$ 12,355,183</b>
	Beginning Balances	Increases	Decreases	Reclassifications	Ending Balances
<b>Mainland Water</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 5,150	\$ -	\$ -	\$ -	\$ 5,150
Construction in process	550	159,078	-	-	159,628
Total capital assets not being depreciated	5,700	159,078	-	-	164,778
<b>Capital assets being depreciated:</b>					
Buildings	18,083,632	12,427	-	-	18,096,059
Computer equipment	706,488	7,168	-	-	713,656
Equipment	22,201,535	512,225	-	-	22,713,760
Vehicles	557,359	91,427	-	-	648,786
Total capital assets being depreciated	41,549,014	623,247	-	-	42,172,261
Less accumulated depreciation for:					
Buildings	8,877,999	545,785	-	-	9,423,784
Computer equipment	376,272	131,116	-	-	507,388
Equipment	17,702,693	425,972	-	-	18,128,665
Vehicles	414,582	58,959	-	-	473,541
Total accumulated depreciation	27,371,546	1,161,832	-	-	28,533,378
Total capital assets being depreciated, net	14,177,468				13,638,883
<b>Mainland Water capital assets, net</b>	<b>\$ 14,183,168</b>				<b>\$ 13,803,661</b>

continued



	Balances	Increases	Decreases	Transfer	Balances
<b>Southern Outer Banks Water System</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 42,600	\$ -	\$ -	\$ -	\$ 42,600
Total capital assets not being depreciated	42,600	-	-	-	42,600
<b>Capital assets being depreciated:</b>					
Buildings	23,878,616	8,443	-	-	23,887,059
Computer equipment	1,397,895	96,814	-	-	1,494,709
Other equipment	5,034,226	289,590	-	-	5,323,816
Vehicles	399,544	1,145	-	-	400,689
Total capital assets being depreciated	30,710,281	395,992	-	-	31,106,273
Less accumulated depreciation for:					
Buildings	10,603,860	799,042	-	-	11,402,902
Computer equipment	923,863	143,939	-	-	1,067,802
Other equipment	2,209,663	210,803	-	-	2,420,466
Vehicles	280,121	30,586	-	-	310,707
Total accumulated depreciation	14,017,507	1,184,370	-	-	15,201,877
Total capital assets being depreciated, net	16,692,774				15,904,396
<b>Southern Outer Banks Water Fund</b>					
<b>capital assets, net</b>	<b>\$ 16,735,374</b>				<b>\$ 15,946,996</b>

	Ending Balances	Increases	Decreases	Transfer from other Sewer Funds	Ending Balances
<b>Mainland Central Sewer System</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 897,229	\$ -	\$ -	\$ -	\$ 897,229
Total capital assets not being depreciated	897,229	-	-	-	897,229
<b>Capital assets being depreciated:</b>					
Buildings	6,002,046	170,531	-	(256,446)	5,916,131
Equipment	6,434,290	184,388	-	256,446	6,875,124
Vehicles	34,762	58,654	-	-	93,416
Total capital assets being depreciated	12,471,098	413,573	-	-	12,884,671
Less accumulated depreciation for:					
Buildings	2,519,173	198,268	-	(828,407)	1,889,034
Equipment	2,528,153	272,882	-	828,407	3,629,442
Vehicles	34,762	6,954	-	-	41,716
Total accumulated depreciation	5,082,088	478,104	-	-	5,560,192
Total capital assets being depreciated, net	7,389,010				7,324,479
<b>Mainland Central Sewer System</b>					
<b>capital assets, net</b>	<b>\$ 8,286,239</b>				<b>\$ 8,221,708</b>

**Discretely presented component unit**

Activity for the ABC Board for the year ended June 30, 2022, was as follows:

	Ending Balances	Increases	Decreases	Reclassifications	Ending Balances
<b>ABC Board - Component Unit</b>					
<b>Capital assets not being depreciated:</b>					
Land	\$ 425,900	\$ -	\$ -	\$ -	\$ 425,900
Total capital assets not being depreciated	425,900	-	-	-	425,900
<b>Capital assets being depreciated:</b>					
Buildings	2,158,507	-	-	-	2,158,507
Other improvements	26,706	-	-	-	26,706
Office furniture and equipment	34,827	-	-	-	34,827
Equipment	184,567	-	(509)	-	184,058
Vehicles and motor equipment	142,540	-	-	-	142,540
Total capital assets being depreciated	2,547,147	-	(509)	-	2,546,638
Less accumulated depreciation for:					
Buildings	(982,251)	(65,424)	-	-	(1,047,675)
Other improvements	(9,408)	(527)	-	-	(9,935)
Office furniture and equipment	(34,827)	-	509	-	(34,318)
Equipment	(166,490)	(5,961)	-	-	(172,451)
Vehicles and motor equipment	(142,540)	-	-	-	(142,540)
Total accumulated depreciation	(1,335,516)	(71,912)	509	-	(1,406,919)
<b>Total capital assets being depreciated, net</b>	<b>1,211,631</b>				<b>1,139,719</b>
<b>ABC Board capital assets, net</b>	<b>\$ 1,637,531</b>				<b>\$ 1,565,619</b>

## Construction Commitments

At June 30, 2022, Currituck County had active construction commitments to projects are as follows:

Project	Spent-to-date	Remaining Commitment
Airport - N Apron Rehabilitation	\$933,633	\$78,559
ABC Store	949,194	106,100
County Fuel Farm Replacement	176	999,824
Coral St. Walkover	122,798	114,195
Dolphin St. Walkover	201,513	62,260
Makerel St. Walkover	25,869	291,465
Sount Park Bulkhead/Boar Ramp Repair	27,601	22,399
Mainland Water Redundant Pipe	96,024	188,976
Mainland Water RO Well #4	63,604	886,396
	\$2,420,412	\$2,750,174

### 6. Right to Use Leased Asset

The County has recorded nine right to use leased assets. The assets are right to use assets for leased equipment and real property. The related leases are discussed in the leases subsection of the long-term obligations section of this note. The right to use leased assets are amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the County for the year ended June 30, 2022 was as follows:

	Beginning Balance	Beginning Balance (As restated)*	Increases	Decreases	Ending Balance
Right to Use Asset					
Leased equipment	\$ -	\$ 128,074	\$ -	\$ -	\$ 128,074
Real property	-	661,883	-	-	661,883
Total right to use asset	-	789,957	-	-	789,957
Less accumulated amortization for:					
Leased equipment	-	-	32,075	-	32,075
Real property	-	-	50,448	-	50,448
Total accumulated amortization	-	-	82,523	-	82,523
Right to Use Asset, net	\$ -	\$ 789,957	\$ (82,523)	\$ -	\$ 707,434

\*The notes require a restatement due to the implementation of GASB 87. There is no impact on the financial statements.

## **B. Liabilities**

### **1. Payables**

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

	<b>Vendors</b>	<b>Other</b>	<b>Total</b>
Governmental Activities:			
General	\$ 1,664,526	\$ 1,563,703	\$ 3,228,229
County Governmental Facilities	141,829	-	141,829
School Facilities	2,309,091	-	2,309,091
Tourism Development Authority	221,956	94,581	316,537
Other Governmental Funds	249,038	284,376	533,414
Total-governmental activities	<u>\$ 4,586,440</u>	<u>\$ 1,942,660</u>	<u>\$ 6,529,100</u>
Business-type Activities			
Solid Waste	\$ 429,552	\$ 1,843	\$ 431,395
Ocean Sands Water and Sewer	89,307	3,771	93,078
Mainland Water	81,248	25,674	106,922
Southern Outer Banks Water	256,413	17,285	273,698
Mainland Central Sewer	73,547	3,797	77,344
Total - business-type activities	<u>\$ 930,067</u>	<u>\$ 52,370</u>	<u>\$ 982,437</u>

### **2. Pension Plan and Other Post Employment Obligations**

#### **a. Local Governmental Employees' Retirement System**

*Plan Description.* The County and the ABC Board are participating employers 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 (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

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

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

*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 13.04% of compensation for law enforcement officers and 12.10% 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 \$2,568,230 and contributions to the pension plan from the ABC Board were \$33,994 for the year ended June 30, 2022.

*Refunds of Contributions* – County and ABC Board 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 \$4,480,554 for its proportionate share of the net pension liability. The ABC Board reported a liability of \$61,804 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 .029216% (measured as of June 30, 2021), which was an decrease of .01185% from its proportion measured as of June 30, 2021 (measured as of June 30, 2020). The ABC Board's proportion was .00403%, which was an increase of 0.00041% from its proportion measured as of June 30, 2021 (measured as of June 30, 2020).

For the year ended June 30, 2022, the County recognized pension expense of \$1,869,032 and the ABC Board recognized pension expense of \$27,855. At June 30, 2022, the County and ABC Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	County		ABC Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,425,425	\$ -	\$ 19,662	\$ -
Changes of assumptions	2,814,932	-	38,829	-
Net difference between projected and actual earnings on pension plan investments	-	6,401,366	-	88,299
Changes in proportion and differences between County contributions and proportionate share of contributions	50,540	231,151	8,744	1,097
County contributions subsequent to the measurement date	2,568,230	-	33,994	-
Total	\$ 6,859,127	\$ 6,632,517	\$ 101,229	\$ 89,396

\$2,568,230 reported as deferred outflows of resources related to pensions resulting from County contributions and \$33,994 reported as deferred outflows of resources related to pensions resulting from ABC Board contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	County	ABC Board
2023	\$ 325,717	\$ 728
2024	(189,032)	(3,889)
2025	(519,447)	(19,000)
2026	(1,958,858)	-
2027	-	-
Thereafter	-	-
	\$ (2,341,620)	\$ (22,161)

*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	2.50 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuity 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, 2010 through December 31, 2014.

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:

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

The information above is based on 30-year expectations developed with the consulting actuary for the 2021, 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 2.50%. All rates of return and inflation are annualized.

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

*Sensitivity of the 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 6.50 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	<u>1% Decrease (5.50%)</u>	<u>Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
County's proportionate share of the net pension liability (asset)	\$ 17,393,138	\$ 4,480,554	\$ (6,145,752)
ABC Board's proportionate share of the net pension liability (asset)	\$ 239,918	\$ 61,804	\$ (84,773)

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

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

### ***1. Plan Description.***

Currituck 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 under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2020, the Separation Allowance's membership consisted of:

Retirees receiving benefits	13
Inactive Members Entitled To But Not Yet Receiving Benefits	0
Active plan members	<u>63</u>
Total	<u>76</u>

\*The number of Inactive Members Currently Receiving Benefits may differ from the number of inactive members provided by the employer due to the use of rounded ages as of the valuation date.

### ***2. Summary of Significant Accounting Policies.***

*Basis of Accounting.* The County has chosen to fund the Separation Allowance on a pay as you go basis by making a deposit to the Post-Employment Benefits Fund from the General fund in



prior years and to a trust created and funded in July 2021. The amount of this contribution is based on the prior year actuarial study. Pension expenditures are made from the Post Employment Benefits Fund, which is maintained on the modified accrual basis of accounting. Employer contributions to the plan are recognized when due and when the County has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has \$501,012 of assets accumulated in a trust that meets the following criteria which are outlined in GASB Statement 68 as of June 30, 2022. The initial deposit of \$500,000 to the trust was made in July 2021.

### ***3. Actuarial Assumptions***

The entry age actuarial cost method was used in the December 31, 2021 valuation. The net pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected salary increases	3.25% to 7.75%, including inflation and productivity factor
Discount rate	2.25%, net of pension plan investment inflation

The discount rate is based on the S&P Municipal Bond 20-year High Grade Rate Index.

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 Assumption:* All mortality rates use Pub-2010 amount-weighted tables.

*Mortality Projection:* All mortality rates are projected from 2010 using generational improvement with Scale MP-2019.

*Deaths Prior to Retirement:* Mortality rates are based on the Safety Mortality Table for Employees.

*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 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.

*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.

**4. 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 LEOSSA Trust. There were no contributions made by employees. The County’s obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$173,072 as benefits came due for the reporting period.

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

At June 30, 2022, the County reported a net pension liability of \$3,345,520. The net pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The net 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 \$502,847.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ 250,992	\$ -
Change in assumptions and inputs	707,705	121,615
Net difference between projected and actual earnings on pension plan investments	3,587	-
County contributions subsequent to the measurement date	90,772	-
Total	<u>\$ 1,053,056</u>	<u>\$ 121,615</u>

\$90,772 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2023	\$	251,842
2024		228,147
2025		218,244
2026		150,075
2027		(7,639)
Thereafter		-
	\$	<u>840,669</u>

*Sensitivity of the County's net pension liability to changes in the discount rate.* The following presents the County's net pension liability calculated using the discount rate of 2.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.93%) or 1-percentage-point higher (2.93% percent) than the current rate:

	<u>1% Decrease (1.25%)</u>	<u>Discount Rate (2.25%)</u>	<u>1% Increase (3.25%)</u>
Net pension liability	\$ 3,678,627	\$ 3,345,520	\$ 3,041,811

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

	<u>Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>
Balance at December 31, 2020	\$ 3,819,855	\$ -	\$ 3,819,855
Changes for the Year:			
Service Cost	185,584	-	185,584
Interest	72,053	-	72,053
Difference between expected and actual experience	44,750	-	44,750
Changes of assumptions or other inputs	(103,309)	-	(103,309)
Contributions - employer	-	673,072	(673,072)
Net investment income	-	341	(341)
Benefits paid	<u>(173,072)</u>	<u>(173,072)</u>	<u>-</u>
Net changes	<u>26,006</u>	<u>500,341</u>	<u>(474,335)</u>
Balance at December 31, 2021	<u>\$ 3,845,861</u>	<u>\$ 500,341</u>	<u>\$ 3,345,520</u>

*Changes of assumptions:*

- December 31, 2021 Measurement Date: The Municipal Bond Index Rate increased from 1.93% to 2.25%.
- December 31, 2020 Measurement Date: The Municipal Bond Index Rate decreased from 3.26% to 1.93%. 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, the following assumptions were updated: mortality rates, salary increase rates, service retirement rates, disability retirement rates, termination rates, real wage growth, and leave conversion service.

- December 31, 2019 Measurement Date: The Municipal Bond Index Rate decreased from 3.64% to 3.26%.
- December 31, 2018 Measurement Date: The Municipal Bond Index Rate increased from 3.16% to 3.64%.
- December 31, 2017 Measurement Date: The Municipal Bond Index Rate decreased from 3.86% to 3.16%. The assumed inflation rate was reduced from 3.00% to 2.50% and assumed wage inflations was increased from 0.05% to 1.00%.
- December 31, 2016 Measurement Date: The Municipal Bond Index Rate increased from 3.57% to 3.86%.

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, 2020 valuation were based on the results of an actuarial experience study as of December 31, 2019.

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

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

ACFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy.* Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan.

Contributions for the year ended June 30, 2022, were \$206,434 from the County. No amounts were forfeited.

#### **d. Supplemental Retirement Income Plan for County Employees**

*Plan Description.* The County, by passage of a local resolution, has elected to contribute to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to County employees not engaged in law enforcement activities. 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 Non-Law Enforcement Officers is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Non-Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy.* The County established a contribution amount equal to 5.68% of each employee's salary, and all amounts contributed are vested immediately. Also, the employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2022 were \$1,027,722 from the County and \$551,519 from County employees. No amounts were forfeited.

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

*Plan Description.* Currituck 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 (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

*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 \$4,997 for the year ended June 30, 2022.

***Pension Liabilities, 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 \$100,238 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, 2021 (measurement date), the County's proportion was .52172%, which was an increase of 0.10066% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the County recognized pension benefit of \$2,578. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,070	\$ 1,216
Change in assumptions	7,309	-
Net difference between projected and actual earnings on pension plan investments	-	308
Changes in proportion and differences between County contributions and proportionate share of contributions	1,908	17,427
County contributions subsequent to the measurement date	4,997	-
Total	\$ 15,284	\$ 18,951

\$4,997 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:

Year ended June 30:

2023	\$ (5,806)
2024	(4,961)
2025	(235)
2026	2,338
2027	-
Thereafter	-
	<u>\$ (8,664)</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	2.50 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	3.00 percent, 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%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2021 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 2.50%. 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 percent, 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 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

	<u>1% Decrease (2.00%)</u>	<u>Discount Rate (3.00%)</u>	<u>1% Increase (4.00%)</u>
County's proportionate share of the net pension liability (asset)	\$ (79,620)	\$ (100,238)	\$ (117,564)

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

**f. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

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

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 4,480,554	\$ (100,238)	n/a	\$ 4,380,317
Proportion of the Net Pension Liability (Asset)	0.29216%	0.52172%	n/a	n/a
Total Pension Liability	-	-	\$ 3,345,520	\$ 3,345,520
Pension expense (benefit)	\$ 1,869,032	\$ (2,578)	\$ 502,847	\$ 2,369,301



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

<b>Deferred Outflows of Resources</b>	<b>LGERS</b>	<b>ROD</b>	<b>LEOSSA</b>	<b>Total</b>
Differences between expected and actual experience	\$ 1,425,425	\$ 1,070	\$ 250,992	\$ 1,677,487
Changes of assumptions	2,814,932	7,309	707,705	3,529,946
Changes in proportion and differences between County contributions and proportionate share of contributions	50,540	1,908	3,587	56,035
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
County contributions (LGERS,ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	2,568,230	4,997	90,772	2,472,461
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	-	1,216	-	1,216
Net difference between projected and actual earnings on pension plan investments	6,401,366	308	-	6,401,674
Changes of assumptions	-	-	121,615	121,615
Changes in proportion and differences between County contributions and proportionate share of contributions	231,151	17,427	-	248,578

**g. Firefighters' and Rescue Squad Workers' Pension Fund**

*Plan Description.* The State of North Carolina contributes, on behalf of the County of Currituck, to the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. FRSWPF provides pension benefits for eligible fire and rescue squad workers who have elected to become members of the fund. Article 86 of G.S. Chapter 58 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 Firefighters’ and Rescue Squad Workers’ Pension Fund is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State’s ACFR includes financial statements and required supplementary information for the Firefighters’ and Rescue Squad Workers’ Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

*Benefits Provided.* FRSWPF provides retirement and survivor benefits. The present retirement benefit is \$170 per month. Plan members are eligible to receive the monthly benefit at age 55 with 20 years of creditable service as a firefighter or rescue squad worker and have terminated duties as a firefighter or rescue squad worker. Eligible beneficiaries of members who die before beginning to receive the benefit will receive the amount paid by the member and contributions paid on the member’s behalf into the plan. Eligible beneficiaries of members who die after beginning to receive benefits will be paid the amount the member contributed minus the benefits collected.

*Contributions.* Plan members are required to contribute \$10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The County does not contribute to the plan. Contribution provisions are established by General Statute 58-86 and may be amended only by the North Carolina General Assembly. For the fiscal year ending June 30, 2022, the State contributed \$19,002,000 to the plan. The County of Currituck’s proportionate share of the State’s contribution is \$48,522.

*Refunds of Contributions* – Plan members who are no longer eligible or choose not to participate in the plan may file an application for a refund of their contributions. Refunds include the member’s contributions and contributions paid by others on the member’s behalf. No interest will be paid on the amount of the refund. The acceptance of a refund payment cancels the individual’s right to employer contributions, or any other benefit provided by FRSWPF.

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

At June 30, 2022, the County reported no liability for its proportionate share of the net pension liability, as the State provides 100% pension support to the County through its appropriations to the FRSWPF. The total portion of the net pension liability (asset) that was associated with the County and supported by the State was \$(71,322). The net pension liability (asset) was measured as of June 30, 2021. The total pension liability (asset) used to calculate the net pension liability (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 liability (asset) was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. As the County

is not projected to make any future contributions to the plan, its proportionate share at June 30, 2022 and at June 30, 2021 was 0%.

For the year ended June 30, 2022, the County recognized pension expense of \$7,855 and pension revenue of \$7,855 for support provided by the State. At June 30, 2022, the County reported no deferred outflows of resources and no deferred inflows of resources related to pensions.

*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%
Salary increases	Not applicable
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

For more information regarding actuarial assumptions, including mortality tables, the actuarial experience study, the consideration of future ad hoc COLA amounts, the development of the projected long-term investment returns, and the asset allocation policy, refer to the discussion of actuarial assumptions for the LGERS plan in Section a. of this note.

*Discount rate.* The discount rate used to measure the total pension liability was 7.00%. 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.

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

#### **h. Deferred Compensation Plan**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency. All assets and income of the plan are held in trust by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries.

**i. Other Post Employment Benefits**

**Healthcare Benefits**

*Plan Description.* According to a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). The County Board has the authority to establish and amend the benefit terms and financing requirements. Funding of a trust occurred in July 2021 with an initial deposit of \$500,000. The trust meets the criteria in paragraph 4 of GASB Statement 75.

*Benefits Provided.* Prior to September 2, 2007, retirees qualified for pro-rated healthcare benefits beginning with ten years of active service. Employees hired on or after January 8, 2017 qualified for retiree healthcare benefits with 20 years of active service. Employees hired on or after January 8, 2017 do not qualify for retiree healthcare benefits. Retirees who are eligible for coverage receive the same coverage as active employees until the retiree is eligible for Medicare. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental plan after qualifying for Medicare. The County governing board may amend the benefit provisions. A separate report was not issued for the plan.

Retired Employees’ Years of Creditable Service	Prior to September 1, 2007	Date Hired September 1, 2007 through January 7, 2017	On or after January 8, 2017
Less than 10 years	Not eligible for coverage	Not eligible for coverage	Not eligible for coverage
10 to less than 15 years	County pays 50%	Not eligible for coverage	Not eligible for coverage
15 to less than 20 years	County pays 75%	Not eligible for coverage	Not eligible for coverage
20+ years	County pays 100%	County pays 100%	Not eligible for coverage

Membership of the HCB Plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

	<u>Employees</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	71
Inactive Members Entitled to but not yet receiving benefits	-
Active plan members	<u>266</u>
Total	<u><u>337</u></u>

**Investments**

*Investment Policy.* The HCB Plan’s policy regarding the allocation of invested assets is established and may be amended by the Board of Commissioners by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The HCB Plan discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset allocations over short time spans. Investments are valued at fair value.

The following was the Board’s adopted asset allocation policy and best estimate of arithmetic real rates of return for each major asset class as of June 30, 2022:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Equity Index Fund	100.00%	3.00%

*Rate of Return.* For the year ended June 30, 2022, the long-term investment expected rate of return, net of OPEB plan investment expense, including price inflation was 3.00%.

The components of the net OPEB liability of the County at June 30, 2022 were as follows:

Total OPEB Liability	\$33,235,854
Plan fiduciary net position	501,012
County’s net OPEB liability	\$32,734,842

Plan fiduciary net position as a percentage of the total OPEB liability	1.51%
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### Net OPEB Liability

The County’s Net OPEB liability of \$32,734,842 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2020.

*Actuarial assumptions and other inputs.* The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 %
Real wage growth	0.75 %
Wage inflation	3.25 %
Salary increases, including wage inflation	
General employees	3.25% - 8.41%
Firefighters	3.25% - 8.15%
Law Enforcement Officers	3.25% - 7.90%
Municipal Bond Index Rate	
Prior Measurement Date	2.16%
Measurement Date	3.54%
Health Care Cost Trends	
Pre-Medicare	7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030
Medicare	5.25% for 2020 decreasing to an ultimate rate of 4.50% by 2024
Dental	4.00%

The discount rate used to measure TOL was based on the Single Equivalent Interest Rate.

Mortality rates were based on the PUB-2010 mortality tables, 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, 2020 valuation were based on the results of an actuary study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., health care costs trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020 valuation were based on a review of the recent plan experience performed concurrently with the June 2020 valuation.

Several factors should be considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges should be 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 then adding expected inflation. The capital market assumptions developed by the investment consultant may cover a shorter investment horizon and may not be useful in setting the long-term rate of return for funding OPEB plans which are likely to cover a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the market that alters expected returns in future years.

As of the most recent adoption of the current long-term rate of return by the Plan, the target asset allocation for each major asset class, as provided by the Plan, are: Cash and Equity Index Fund with a target allocation of 100%.

*Discount Rate (SEIR).* The discount rate used to measure the TOL as of the Measurement Date was 3.54%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 74. The projection's basis was an actuarial valuation performed as of June 30, 2020. In addition to the actuarial methods and assumptions of the June 30, 2020 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually using the payroll growth assumptions.
- Active employees do not explicitly contribute to the Plan.
- In all years, the employer is assumed to contribute the average of the last 5 years of contributions to the Plan through deposits to the Trust. The employer is assumed to have the ability and willingness to make benefit payments from its own resources for all periods in the projection.
- Projected assets do not include employer contributions that fund the estimated service costs of future employees.

- Cash flows occur mid-year.

Based on these assumptions, the Plan’s FNP was projected to be depleted in 2023 and, as a result, the Municipal Bond Index Rate was used in the determination of the SEIR. Here, the long-term expected rate of return of 3.00% on Plan investments was applied to periods through 2023 and the Municipal Bond Index Rate at the Measurement Date (3.54%) was applied to periods on and after 2023, resulting in an SEIR at the Measurement Date (3.54%). There was a change in the discount rate from 2.16% at the Prior Measurement Date to 3.54% at the Measurement Date.

The FNP projections are based upon the Plan’s financial status on the Measurement Date, the indicated set of methods and assumptions, and the requirements of GASB 74. As such, the FNP projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing plan basis, reflecting the impact of future members. Therefore, the results of this test do not necessarily indicate whether or not the fund will actually run out of money, the financial condition of the Plan, or the Plan’s ability to make benefit payments in future years.

*Sensitivity of the net OPEB liability to changes in the discount rate.* At June 30, 2022, the following represents the net OPEB liability of the County, as well as what the County’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher 1% than the current discount rate:

	<u>1% Decrease (2.54%)</u>	<u>Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Net OPEB liability	\$ 39,011,220	\$ 32,734,842	\$ 27,821,023

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liability of the County, as well as what the County’s net OPEB liability would be if it determined using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$26,873,814	\$32,734,842	\$40,433,235

### **Changes in the Net OPEB Liability**

*Changes in Net OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.*

At June 30, 2022, the County reported a net OPEB liability of \$32,734,842. The total OPEB liability was determined by an actuarial valuation as of June 30, 2020. The total OPEB liability was then rolled forward to the measurement date of June 30, 2022, utilizing update procedures incorporating the actuarial assumptions.

At June 30, 2022, the components of the net OPEB liability of the County, measured as of June 30, 2022 were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2021	\$ 40,544,916	\$ -	\$ 40,544,916
Changes for the Year:			
Service Cost at the End of the Year *	1,682,331	-	1,682,331
Interest on TOL and Cash Flows	870,081	-	870,081
Change in benefit terms	-	-	-
Difference between expected and actual experience	(112,862)	-	(112,862)
Changes of assumptions or other inputs	(9,219,051)	-	(9,219,051)
Contributions - employer **	-	1,029,561	(1,029,561)
Contributions - non-employer	-	-	-
Net investment income	-	1,012	(1,012)
Benefit payments **	(529,561)	(529,561)	-
Plan administrative expenses	-	-	-
Other changes	-	-	-
Net changes	<u>(7,309,062)</u>	<u>501,012</u>	<u>(7,810,074)</u>
Balance at June 30, 2022	<u>\$ 33,235,854</u>	<u>\$ 501,012</u>	<u>\$ 32,734,842</u>

\* The service cost includes interest for the year.

\*\* Employer contributions and benefit payments include benefit payment amounts paid outside of the Trust.

Changes in benefit terms since prior measurement date: None

Changes in assumptions or other inputs since prior measurement date:

- The decremental and salary increase assumptions have been updated based on the most recent NCLGERS experience analysis.
- Change in discount rate

Change in Measurement Date:



- Currituck County is changing the accounting principle to align the Measurement Date and the Reporting Date between GASB 74 and GASB 75; the net result is to remove the lag between the Measurement Date and the Reporting Date for GASB 75.

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

**OPEB Expense  
For the Year Ended June 30, 2022**

Service Cost at the End of the Year *	\$ 1,682,331
Interest on TOL and Cash Flows	870,081
Current period benefit changes	-
Expensed portion of the current period difference between expected and actual experience	(16,597)
Expensed portion of the current period change of assumptions or other inputs	(1,355,743)
Active member contributions	-
Projected earnings on plan investments	(7,445)
Expensed portion of current-period differences between actual and projected earnings on plan investments	1,287
Administrative costs **	-
Other	-
Recognition of beginning Deferred Outflow of Resources as OPEB Expense	1,041,896
Recognition of beginning Deferred Inflows of Resources as OPEB Expense	<u>(1,108,856)</u>
OPEB Expense (Income)	<u><u>\$ 1,106,954</u></u>

\*The service cost includes interest for the year.

\*\* Administrative cost are based on the fees paid from the Trust and any additional cost paid as reported outside the Trust. Any costs paid outside of Trust may need to be included as an employer contribution.

For the year ended June 30, 2022, the County recognized OPEB expense of \$1,106,954. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 75,461	\$ 3,415,794
Change in assumptions and inputs	5,307,348	9,227,392
Net difference between projected and actual earnings on pension plan investments	5,146	-
Total	<u>\$ 5,387,955</u>	<u>\$ 12,643,186</u>

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

Year ended June 30:	
2023	\$ (1,438,013)
2024	(1,438,013)
2025	(1,260,687)
2026	(981,717)
2027	(1,142,499)
Thereafter	(994,302)
	<u>\$ (7,255,231)</u>

#### **j. Other Employment Benefits**

##### **Death 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 a 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 number of 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 post-employment 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.

### **3. Closure and Postclosure Care Costs - Maple Landfill Facility**

The County closed its Maple landfill facility, Airport Road, on April 7, 1994, at which time its waste stream began to flow to a private, regional municipal solid waste landfill through the Albemarle Regional Solid Waste Authority. Federal and State laws required the County to place a final cover on the facility when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for five years after closure. Total estimated closure and postclosure care cost was \$512,949. As of June 30, 2002, this liability was paid in full. These amounts are based on what it would cost to perform all closure and postclosure care in fiscal year 2002. Actual costs may be higher due to inflation, changes in technology, or changes in the regulations. Since the County met the conditions of the extended closure date of April 9, 1994, it is subject to the financial assurance regulations. However, the County has accumulated resources for the payment of closure and postclosure care costs.

#### 4. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
	\$	\$
LGERS	1,425,425	-
Register of Deeds	1,070	1,216
LEOSSA	250,992	-
OPEB	75,461	3,415,794
Pensions – change in assumptions – LGERS	2,814,912	-
Pensions – change in assumptions - LEOSSA	707,705	121,615
Pensions – change in assumptions – ROD	7,309	-
OPEB – change in assumptions	5,307,348	9,227,392
Pensions – change in proportion and difference between employer contributions and proportionate share of contributions – ROD	1,908	-
Contributions to pension plan subsequent to measurement date – ROD	4,997	-
Contributions to pension plan subsequent to measurement date – LEOSSA	90,722	-
Pensions – difference between projected and actual investment earnings – LEOSSA	3,587	6,401,366
Pensions – difference between projected and actual investment earnings – ROD	-	308
OPEB – Net difference between projected and actual earnings on plan investments	5,146	-
Pensions – change in proportion and difference between employer contributions and proportionate share of contributions – LGERS	50,540	231,151
Pensions – change in proportions and difference between employer contributions and proportionate share of contributions – ROD	-	17,427
Contributions to pension plan subsequent to the measurement date – LGERS	2,568,230	-
Prepaid taxes not yet earned (General)	-	75,108
Leases (Southern Outer Banks Water)	-	731,718
Leases (General)	-	495,848
Total	<u>\$ 13,315,372</u>	<u>\$ 20,718,943</u>

## **5. Risk Management**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in three self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, workers' compensation coverage up to the statutory limits, and health and dental insurance for County employees. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Two of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation. For health and dental insurance, the County is reinsured through the Pool for individual losses in excess of \$50,000 and aggregate annual losses in excess of 115% of expected claims. The pool is reinsured through commercial carrier for individual losses in excess of \$100,000.

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 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 NFIP. The County currently has this coverage on the Whalehead Hunt Club and Restrooms Historic Corolla Park and the Moyock Library.

In accordance with G. S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance and tax collector are each individually bonded for \$50,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$25,000.

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

The ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The ABC Board has property, general liability, auto liability, workmen's compensation and employee health coverage. The ABC Board does not have 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.

## **6. Contingent Liabilities**

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

## **7. Long-Term Obligations**

### **a. Direct Placement Installment Purchase**

#### **Serviced by the County's General Fund:**

**\$21,400,000** 2020 Installment Purchase Agreement for construction of the Public Safety Building with semi-annual principal payments of \$1,070,000 plus interest of 2.52% due September 27<sup>th</sup> and March 27<sup>th</sup> through September 2029. \$ 16,050,000

**\$3,800,000** 2013 Installment Purchase Agreement for storm water improvements in the Whalehead Watershed Improvement Service District dated January 23, 2013 with semi-annual principal and interest payments due July 23 and March 23, \$380,000 2020 through 2023 interest at 1.95% . 380,000

**Total serviced by the General Fund** \$ 16,430,000

#### **Serviced by the Ocean Sands Water and Sewer District Fund:**

**\$7,500,000** 2017 Installment Purchase Agreement for replacement of the Ocean Sands Sewer, dated October 27, 2017 with semi-annual principal payments and interest payments due June 19<sup>th</sup> and December 19<sup>th</sup>, \$500,000 2020 through 2032; \$250,000 2033; interest at 2.45%. \$5,250,000

**Total serviced by the Enterprise Funds** 5,250,000

**Total Direct Placement Installment Purchase Debt** \$ 21,680,000

Annual debt service requirements to maturity for the County’s and the Districts’ installment purchase agreement debts are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 2,520,000	\$ 398,388	\$ 500,000	\$ 125,563
2024	2,140,000	337,050	500,000	113,312
2025	2,140,000	283,122	500,000	101,063
2026	2,140,000	229,194	500,000	88,812
2027	2,140,000	175,266	500,000	76,562
2028-2032	5,350,000	202,230	2,500,000	199,063
2033-2034	-	-	250,000	3,062
	<u>\$ 16,430,000</u>	<u>\$ 1,625,250</u>	<u>\$ 5,250,000</u>	<u>\$ 707,437</u>

**Debt Related to Capital Activities** – Of the total Governmental Activities debt listed, all relates to assets the County holds title.

**b. General Obligation Indebtedness**

As of June 30, 2022, there is no general obligation debt serviced by the County's general fund or the County proprietary funds.

At June 30, 2022, Currituck County had no bonds authorized but un-issued and a legal debt margin of \$629,807,704.

**c. Revenue Bonds**

The County also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. No amounts outstanding at the end of the current fiscal year related to bonds issued in prior years. On March 20, 2008, \$19,000,000 of revenue bonds were issued to finance construction of a reverse osmosis water treatment facility and to expand the distribution system on the County mainland.

The rate covenant for this debt requires the County to fix service charges and from time to time to revise such charges in such manner that the net revenues for each fiscal year shall not be less than an amount necessary to provide debt service coverage of one hundred fifteen percent (115%) of the debt service requirement for all senior indebtedness for such fiscal year and one hundred percent (100%) of the debt service requirement for all subordinate debt for such fiscal year. If at the end of any fiscal year the County is not in compliance with the rate covenant, the County shall immediately notify the Local Government Commission and request an independent consulting engineer to submit a written report and recommendations with respect to increases in the County’s rate, fees and other charges and improvements in the operations of and the services rendered by the Mainland Water System and the County’s accounting and billing procedures necessary to bring the County into compliance with the rate covenant. The report and recommendations shall be filed with the Paying Agent, the County and the Commission within 120 days from the date of discovery of noncompliance with the rate covenant. The County shall promptly revise its rates, fees, charges,

operations and services in conformity with the report and recommendations of the independent consulting engineer to the extent permitted by law. Currituck County is in compliance with the rate covenant at year end.

On October 15, 2014, \$9,500,000 of the outstanding debt was partially refunded, reducing the interest rate on that portion to 2.98%.

On February 1, 2015, the remaining \$6,415,000 of the outstanding debt was refunded reducing the interest rate on that portion to 2.71%.

Revenue bonds outstanding at year end are as follows:

**Revenue bonds serviced by the Mainland Water System Fund:**

**\$19,000,000** 2008 Revenue Bonds for Mainland Water reverse osmosis plant and distribution system expansion, dated March 20, 2008 with annual principal payments due March 1 and semi-annual interest payments due March 1 and September 1; interest at 2.98% and 2.71%.

	\$ 8,495,000
Total Revenue Bond debt	\$ 8,495,000

Annual debt service requirements to maturity for the revenue bonds are as follows:

Year Ending June 30	Business-type Activities	
	Principal	Interest
2023	\$ 1,280,000	\$ 243,906
2024	1,330,000	207,155
2025	1,385,000	168,969
2026	1,440,000	129,203
2027	1,440,000	87,859
2028	1,620,000	45,640
Total	\$ 8,495,000	\$ 882,732

**d. Leases**

The County has entered into agreements to lease certain equipment and office space. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The first agreement was executed in October 2014 to lease real property in Knotts Island, NC and requires monthly payments of \$1,750 per month for a period of five years. The lease will be automatically renewed for five additional five year terms. Lease payments will increase 3% per annum, commencing on the first anniversary of the commencement date. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$541,859 as of



June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

The second agreement was executed in May 2018 to lease real property in Powells Point, NC and requires monthly payments of \$500 per month for a period of ten years. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$32,103 as of June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

The third agreement was executed in June 2018 to lease office equipment and requires monthly payments of \$424 per month for a period of five years. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$4,945 as of June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

The fourth agreement was executed in February 2019 to lease office equipment and requires monthly payments of \$2,138 per month for a period of five years. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$39,138 as of June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

The fifth agreement was executed in July 2019 to lease office equipment and requires monthly payments of \$454 per month for a period of five years. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$11,003 as of June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

The sixth agreement was executed in August 2019 to lease office equipment and requires monthly payments of \$96 per month for a period of five years. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$2,302 as of June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

The seventh agreement was executed in May 2020 to lease office equipment and requires quarterly payments of \$1,044 per quarter for a period of five years. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$12,698 as of June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

The eighth agreement was executed in May 2020 to lease office equipment and requires quarterly payments of \$1,220 per quarter for a period of five years. There are no variable components of the lease. The lease liability is measured at a discount rate of 3.00%. As a result of the lease, the County has recorded a right to use asset with a net book value of \$13,745 as of June 30, 2022. The right to use assets is discussed in more detail in the right to use asset section of this note.

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

<b>Year Ending June 30</b>	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Principal Payments</b>	<b>Interest Payments</b>
2023	\$ 60,943	\$ 19,618	\$ 5,741	\$ 1,459
2024	47,744	17,753	5,913	1,287
2025	28,670	16,589	6,090	1,110
2026	21,784	15,799	6,273	927
2027	22,309	15,147	6,461	739
2028-2032	111,660	65,854	18,169	1,030
2033-2037	152,876	46,535	-	-
2038-2042	211,740	19,432	-	-
2043-2047	16,392	103	-	-
<b>Total</b>	<b>\$ 674,118</b>	<b>\$ 216,830</b>	<b>\$ 48,647</b>	<b>\$ 6,552</b>

**e. Long-Term Obligation Activity**

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

	Balance June 30, 2021	Balance July 1, 2021 (As Restated)*	Increases	Decreases	Balance June 30, 2022	Current Portion of Balance
<b>Governmental activities:</b>						
Direct placement installment purchase	\$ 18,950,000	\$ -	\$ -	\$ 2,520,000	\$ 16,430,000	\$ 2,520,000
Leases	-	734,110	-	59,992	674,118	60,943
Compensated absences	1,240,965	-	613,819	560,983	1,293,801	615,363
Net pension liability (LGERS)	10,314,349	-	-	6,109,803	4,204,546	-
Net pension liability (LEOSSA)	3,819,855	-	-	474,335	3,345,520	-
Net OPEB liability	31,171,898	-	-	656,717	30,515,181	-
Total governmental activities	\$ 65,497,067	\$ 734,110	\$ 613,819	\$ 10,381,830	\$ 56,463,166	\$ 3,196,306
<b>Business-type activities:</b>						
Revenue bonded debt	\$ 9,720,000	\$ -	\$ -	\$ 1,225,000	\$ 8,495,000	\$ 1,280,000
Direct placement installment purchase	6,175,000	-	-	925,000	5,250,000	500,000
Leases	-	55,847	-	7,200	48,647	5,741
Compensated absences	95,187	-	18,436	3,644	109,979	54,994
Net pension liability (LGERS)	549,222	-	-	273,214	276,008	-
Total OPEB liability	1,947,965	-	271,696	-	2,219,661	-
Total business-type activities	\$ 18,487,374	\$ 55,847	\$ 290,132	\$ 2,434,058	\$ 16,399,295	\$ 1,840,735
<b>Discretely presented component units:</b>						
Compensated absences - ABC Board	\$ 7,377	\$ -	\$ -	\$ 610	\$ 6,767	\$ 6,767
Net pension liability	129,358	-	-	67,554	61,804	-
Total OPEB liability	245,567	-	-	52,270	193,297	-
Total discretely presented component units long-term liabilities	\$ 382,302	\$ -	\$ -	\$ 120,434	\$ 261,868	\$ 6,767

\*The notes require a restatement due to the implementation of GASB 87. There is no impact on the financial statements.

For the governmental funds, the unfunded pension liability and compensated absences are funded by the General fund. For the proprietary funds, the unfunded pension liability and compensated absences are funded by the Mainland Water fund and the Southern Outer Banks Water fund.

## 8. Inter-Fund Balances and Activity

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

From the General Fund to the Tourism Development Authority Fund for administration of beach driving permits	\$ 50,000
From the General Fund to the Corolla Fire District Fund to supplement cost of services in the Corolla Fire District	2,186,753
From the General Fund to Knotts Island Fire District to supplement cost of services in the Knotts Island Fire District	1,227,825
From the General Fund to the Fire Equipment Replacement Fund for equipment replacement	267,000
From the General Fund to the Solid Waste Fund to supplement operations	1,200,000
From the General Fund to the School Construction Fund for Moyock Middle School addition	6,763,039
From the General Fund to the School Construction Fund for future construction	2,400,000
From the General Fund to the County Government Facilities Fund for replacement of the historic courthouse generator	467,890
From the General Fund to the OPEB Trust	500,000
From the General Fund to the LEOSSA Trust	500,000
<b>Total transfers from the General Fund</b>	<b>\$ 15,562,507</b>
From the Tourism Developmental Authority to the General Fund for administration of Occupancy Tax collections	\$ 178,002
From the Tourism Developmental Authority to the General Fund for economic development	134,336
From the Tourism Developmental Authority to the General Fund for Currituck County Rural Center operations	180,804
From the Tourism Developmental Authority to the General Fund to support seasonal EMS operations	2,036,499
From the Tourism Developmental Authority to the General Fund to support seasonal Sheriff operations	1,641,775
From the Tourism Developmental Authority to the General Fund to fund 50% of boat for rescue/water event for the Sheriff's Department	26,328
From the Tourism Developmental Authority to the Carova Beach Road Service District to supplement road maintenance	30,000
From the Tourism Developmental Authority Fund to the County Governmental Facilities Fund for walkover projects	845,850
From the Tourism Developmental Authority Fund to the County Governmental Facilities Fund preservation of the Historic Jail	275,000

From the Tourism Developmental Authority Fund to the County Governmental Facilities Fund design and construction of playground at Historic Corolla Park	750,000
From the Tourism Developmental Authority Fund to the County Governmental Facilities Fund repairs to boat ramp and bulkhead at Sound Park	50,000
From the Tourism Development Authority Fund to the County Governmental Facilities Fund sidewalk at Dolphin Street	250,000
From the Tourism Development Authority Fund to the Multi-Year Fund for the shoreline stability study	250,000
From the Tourism Development Authority Fund to the General Fund for promotional efforts at the Currituck Regional Airport and through Economic Development	127,963
<b>Total transfers from the Tourism Development Authority Fund</b>	<u>\$ 6,776,557</u>

From the Ocean Sands N/Crown Pt Watershed to the General Fund for administration of district	13,350
From Hog Ditch Watershed District to the General Fund for administration of district	668
From Whalehead Subdivision Drainage District to the General Fund for administration of district	15,352
From Whalehead Subdivision Drainage District to the General Fund for debt principal and interest costs	392,968
From Moyock Watershed Service District to the General Fund for administration of district	30,038
From the Carova Beach Road Service Fund to the General Fund for administration of district	7,343
<b>Total transfers from special revenue funds</b>	<u>\$ 459,719</u>

From the Transfer Tax Capital Fund to the County Tax Capital Fund for replacement of County fuel farm	\$ 1,000,000
From the Transfer Tax Capital Fund to the County Tax Capital Fund for maintenance facility	1,000,000
From the Transfer Tax Capital Fund to the County Tax Capital Fund for 911 equipment in the Public Safety building	646,486
From the Transfer Tax Capital Fund to the Land Banking Fund for future land purchases	200,000
From the Transfer Tax Capital Fund to the School Facilities Fund for Moyock Elementary School addition	10,009,800
From the Transfer Tax Capital Fund to the General Fund for debt principal and interest payments for the public safety building	2,584,906
From the Transfer Tax Capital Fund to the General Fund for public works projects	239,505

From the Transfer Tax Capital Fund to the General Fund for sheriff capital outlay	460,268
From the Capital Improvement Fund to the General Fund for school capital outlay	1,400,000
From the Capital Improvements Fund to the General Fund for project costs	950,000
From the School Facilities Fund to the School Construction Fund for future school construction costs	1,650,000
From the School Facilities Fund to the School Construction Fund for Moyock Elementary School modular unit	940,000
From the School Facilities Fund to the School Construction Fund for Moyock Elementary School addition	1,500,000
<b>Total Transfers from capital funds</b>	<u>\$ 22,580,965</u>
From Ocean Sands Water and Sewer Developmental Fees to Ocean Sands Fund for capital outlay	20,225
From Mainland Water System Developmental Fees to Mainland Water Construction Fund for Coinjock booster station	500,000
From Mainland Water System Developmental Fees to Mainland Water Construction Fund for connection pipe from booster to RO plant	350,000
From Mainland Water System Developmental Fees to Mainland Water Construction Fund for additional funding of redundant water line under the Coinjock canal	35,000
From Mainland Water System Developmental Fees to Mainland Water Construction Fund for 16" water main	750,000
From Mainland Water System Developmental Fees to Mainland Water Construction Fund for design of the mainland water plant expansion	500,000
From Mainland Water Fund to Mainland Construction for mainland water reverse osmosis well project	600,000
From Southern Outer Banks Water Developmental Fees Fund to Southern Outer Banks Construction Fund for design of the water plant expansion	500,000
From Southern Outer Banks Water Fund to Southern Outer Banks Construction Fund for deep well	750,000
From Southern Outer Banks Water Fund to Southern Outer Banks Construction Fund for piping to the water plant	650,000
From Southern Outer Banks Water Fund to Southern Outer Banks Construction Fund for engineering for water plant expansion	100,000
<b>Total transfers from proprietary funds</b>	<u>\$ 4,755,225</u>
	<u><u>\$ 50,134,973</u></u>

## 9. Net Investment in Capital Assets

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Capital Assets:		
Land, improvements, non depreciable collections and construction in progress	\$ 24,089,114	\$ 2,067,619
Other capital assets	<u>182,767,272</u>	<u>106,494,761</u>
Total capital assets	<u>206,856,386</u>	<u>108,562,380</u>
Depreciation	<u>(87,850,105)</u>	<u>(57,829,170)</u>
Total capital assets, net of depreciation	<u>119,006,281</u>	<u>50,733,210</u>
Right to use asset	657,792	49,642
Outstanding revenue bonded debt	-	(8,495,000)
Outstanding installment purchase debt	(16,430,000)	(5,250,000)
Lease liabilities	<u>(674,118)</u>	<u>(48,647)</u>
Total outstanding debt	<u>(16,446,326)</u>	<u>(13,744,005)</u>
Total capital assets, net of depreciation and debt	<u>\$ 102,559,955</u>	<u>\$ 36,989,205</u>

## 10. Fund Balance

Currituck County has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Director will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-county funds, 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 Director has the authority to deviate from this policy if it is in the best interest of the County.

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

Total fund balance - General Fund	\$ 32,773,507
Less:	
Inventories	160
Leases	9,335
County Governmental Assets	3,139,660
Stabilization by State Statute	4,653,162
Appropriated Fund Balance in subsequent budget	2,603,667
Tax Revaluation	723,094
Post Employment Benefit plans	645,930
Remaining Fund Balance	20,998,499

Currituck County has not adopted a minimum fund balance policy for the General Fund.

### **III. Joint Ventures**

#### **Albemarle Regional Health Services**

The Board of Commissioners voted to join an already existing joint venture that operates Albemarle Regional Health Services with the State of North Carolina and four other counties became effective July 1, 1999. The area Boards of Commissioners appoints the fifteen member governing board. The County has an ongoing financial responsibility for Albemarle Regional Health Services because the County is required by State statute to provide public health services either directly or jointly with other counties. The County contributed \$332,100 to Albemarle Regional Health Services during the fiscal year ended June 30, 2022, for administrative and program expenses. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2022. Complete financial statements may be obtained from the administrative offices at Albemarle Regional Health Services, Post Office Box 189, Elizabeth City, North Carolina 27909.

#### **Trillium Health Resources**

The County participates in a joint venture to operate Trillium Health Resources with 19 other local governments. Currituck County appoints one board member to the twenty-four member board of the Center. The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2022. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$49,012 to the Center to supplement its activities, in addition to the \$18,779 from ABC bottle taxes collected. Complete financial statements may be obtained from Joy Futrell, Vice President of Operations, Trillium Health Resources, 144 Community College Road, Ahoskie, North Carolina 29710.

#### **Albemarle Regional Solid Waste Authority**

The County participates in a joint venture to operate the Albemarle Regional Solid Waste Authority (Authority) with seven other counties, each of which appoints one voting and one nonvoting member to the Authority's governing board. The Authority was created to serve the



solid waste disposal needs of the member counties and has subsequently contracted with a private regional landfill for waste disposal. The County has an ongoing financial responsibility for the Authority because it is legally obligated under an intergovernmental agreement for a portion of the Authority's administrative expenses, determined on a per capita basis among the members. The County contributed \$91,702 to the Authority during the fiscal year ended June 30, 2022, for administrative expenses. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2022. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at Albemarle Regional Solid Waste Authority, Post Office Box 189, Elizabeth City, North Carolina 27907.

#### **East Albemarle Regional Library**

The County participates in a joint venture to operate the East Albemarle Regional Library (Library) with four other counties. The Library's nine member Board of Trustees is appointed by the area Boards of Commissioners as follows: Dare County (3), Currituck County (3), and Camden and Pasquotank Counties (3). Each county is responsible for the cost of its own facilities, the maintenance and operation of those facilities and the majority of the related personnel cost. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. The County's annual appropriation is shown as a department in the General Fund and for the year ended June 30, 2022, expenditures were \$557,954. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected the financial statement at June 30, 2022.

Complete financial statements for the Library may be obtained from the Library's administrative offices at East Albemarle Regional Library, 205 East Main Street, Elizabeth City, North Carolina 27909.

#### **IV. Jointly Governed Organization**

##### **Albemarle Commission**

The County, in conjunction with nine other counties and fourteen municipalities, established the Albemarle Commission (Commission) to coordinate funding received from various federal and State agencies. Each participating county appoints four members and each participating municipality appoints two members of the Commission's governing board. The County paid membership fees of \$23,903 to the Commission during the fiscal year ended June 30, 2022.

## V. Benefit Payments Issued by the State

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

	Assistance Listing Number	Federal	State
Special Supplemental Nutrition Program for Women, and Children	10.557	\$ 244,934	\$ -
Supplemental Nutrition Assistance Program	10.561	6,312,394	-
Temporary Assistance for Needy Families	93.558	66,571	-
Adoption Assistance	93.659	69,932	13,056
Foster Care - Title IV-E	93.658	5,230	5,922
Medical Assistance Program	93.778	20,584,372	7,622,496
Children's Health Insurance Program	93.767	302,449	67,849
Child Welfare Services Adoption		-	105,586
State Home Foster Care		-	14,619
State/County Special Assistance Program		-	86,227
Total		<u>\$ 27,585,882</u>	<u>\$ 7,915,755</u>

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

### **Federal and State Assisted Programs**

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

### **VII. Related Party Transactions**

The County made payments of \$13,206 to C T Mechanical Inc. from July 1, 2021 through June 30, 2022. Commissioner Michael Payment, sworn into office on December 1, 2014, is a principal owner of this business.

### **VIII. Regulated Leases**

In July 2021, the County entered into a lease with a tenant for the use of land. Under the lease, the tenant pays the County an annual rate of \$504 per year for a period of ten years for use of the County's land. The tenant has the option to renew the agreement for four additional five year periods. The rental rate increases 3% per annum for the duration of the lease. The terms of this agreement include annual revenue of \$504, paid in one installment. Future minimum lease payments are as follows:

Year Ended June 30	
2023	\$ 504
2024	504
2025	504
2026	504
2027	504
2028-2032	2,535
2033-2037	2,839
2038-2042	3,291
2043-2047	3,815
2048-2052	4,423

### **IX. Change in Accounting Principles**

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, effective July 1, 2021. The statement enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting

based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. As part of implementing the statement, the County performed a comprehensive review of its lease relationships and applied the criteria within the guidance. As a result, the County recognized a lease receivable and deferred inflow of leases of resources of \$1,256,677 related to its lessor transactions at July 1, 2021. In addition, the County recognized a right to use asset net of accumulated amortization and related lease liability of \$789,957 at July 1, 2021 for its lessee transactions. There was no effect on beginning net position or fund balance.

Due to the creation and funding of the OPEB Trust, an accounting assumption for GASB 75 has changed. In accordance with GASB 62 paragraph 75, the nature and justification for this change must be disclosed. Currituck County is changing the accounting assumption to align the Measurement Date and Reporting Date between GASB 74 and GASB 75; the net result is to remove the lag between the Measurement Date and the Reporting Date for GASB 75. As a result, net position for the governmental activities and business-type activities decreased by \$7,358,093.

#### **X. Subsequent Event**

Management has evaluated subsequent events through December 28, 2022, the date on which the financial statements were available to be issued.

## **Required Supplemental Financial Data**

- Schedule of Changes in the Net OPEB Liability and Related Ratios
- Schedule of County Contributions (HCB Plan)
- Schedule of Investment Returns (HCB Plan)
- Schedule of Proportionate Share of Net Pension Liability (Asset) for Local Government Employees' Retirement System
- Schedule of Contributions to Local Government Employees' Retirement System
- Schedule of Proportionate Share of Net Pension Liability (Asset) for Register of Deeds Supplemental Pension Fund
- Schedule of Contributions to Register of Deeds' Supplemental Pension Fund
- Schedule of Changes in Net Pension Liability for Law Enforcement Officers' Special Separation Allowance
- Schedule of Net Pension Liability as a Percentage of Covered-Employee Payroll for Law Enforcement Officers' Special Separation Allowance
- Schedule of Employer Contributions for Law Enforcement Officers' Special Separation Allowance
- Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) for Firefighters' and Rescue Squad Workers' Pension Fund

**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
Last Three Fiscal Years

	2022	2021	2020
<b>Total OPEB Liability</b>			
Service Cost	\$ 1,682,331	\$ 1,266,569	\$ 1,136,134
Interest	870,081	1,072,607	1,002,796
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(112,862)	(4,981,469)	(157,201)
Changes of assumptions	(9,219,051)	6,619,512	1,985,081
Net benefit payments and implicit subsidy credit	(529,561)	(469,377)	(264,671)
Net change in total OPEB liability	(7,309,062)	3,507,842	3,702,139
Total OPEB liability - beginning	40,544,916	29,612,021	25,909,882
Total OPEB liability - ending	<u>\$ 33,235,854</u>	<u>\$ 33,119,863</u>	<u>\$ 29,612,021</u>
<b>Plan Fiduciary Net Position</b>			
Contributions - employer **	\$ 1,029,561	\$ 469,377	\$ 264,671
Contributions - non-employer	-	-	-
Contributions - active member	-	-	-
Net investment income	1,012	-	-
Benefit payments *	(529,561)	(469,377)	(264,671)
Administrative expense	-	-	-
Other	-	-	-
Net change in Plan Fiduciary Net Position	501,012	-	-
Plan Fiduciary Net Position - beginning	-	-	-
Plan Fiduciary Net Position - ending	<u>\$ 501,012</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Net OPEB liability - ending</b>	<b>\$ 32,734,842</b>	<b>\$ 33,119,863</b>	<b>\$ 29,612,021</b>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	1.51%	0.00%	0.00%
Covered-employee payroll ***	\$ 13,510,330	\$ 13,510,330	\$ 15,073,212
Net OPEB Liability as a percentage of Covered-employee payroll	242.29%	245.14%	196.45%

Notes to Schedule:

\* The benefit payments shown above include the implicit subsidy, if any, for the year. Net benefit payments paid outside the trust are also included.

\*\* Employer contributions include benefit payments and administrative expenses paid outside the Trust.

\*\*\* For years following the valuation date (when no new valuation is performed), covered payroll has been set equal to the covered payroll from the most recent valuation.

The difference of \$7,425,053 between the 2021 ending TOL and the 2022 beginning TOL is due to the change in accounting principles that was adopted for measurement period ending June 30, 2022.

The schedule above is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**Schedule of County Contributions**  
For the Year Ended June 30, 2022

<u>Healthcare Benefits Plan</u>	2022
Actuarially Determined Contribution	\$ 2,798,184
Contributions in Relation to the Actuarially Determined Contribution	1,029,561
Annual contribution deficiency (excess)	1,768,623
Covered payroll *	13,510,330
Actual contributions as a percentage of covered payroll	7.62%

\* For years following the valuation date (when no new valuation is performed), covered payroll has been set equal to the covered payroll from the most recent valuation.

Assumptions used to calculate contribution rates:

Actuarial cost method	Entry age normal
Amortization method	30-year level pay
Amortization period	Decrease each year
Asset valuation method	Market valuation
Inflation	2.50%
Healthcare cost trend rates	7.00% initial, decreasing to 4.50% by 2030
Salary increases	3.25% to 8.41% including inflation and productivity factor
Discount rate as of the measurement date	3.54% per annum, compounded annually
Retirement age	Based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019 adopted by the LGERS board
Mortality	Based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019

**Schedule of Investment Returns**  
For the Year Ended June 30, 2022

<u>Healthcare Benefits Plan</u>	2022
Annual money-weighted rate of return, net of investment expense	3.00%

The schedule above is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)**  
**Local Governmental Employees' Retirement System**  
 Last Nine Years \*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.292%	0.304%	0.307%	0.289%	0.308%	29.600%	0.296%	0.000%	0.000%
County's proportionate share of the net pension liability (asset) \$	\$ 4,480,554	\$ 10,863,571	\$ 8,380,927	\$ 6,849,189	\$ 4,071,873	\$ 6,279,568	\$ 1,267,843	\$ (1,673,817)	\$ 3,557,088
County's covered payroll	\$22,548,950	\$19,637,203	\$19,783,633	\$18,309,762	\$17,127,313	\$15,952,995	\$15,466,682	\$14,946,378	\$14,596,237
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	19.87%	55.32%	42.36%	37.41%	23.77%	39.36%	8.20%	-11.20%	24.37%
Plan fiduciary net position as a percentage of the total pension	95.51%	92.00%	94.18%	91.47%	98.09%	98.79%	102.64%	94.35%	98.22%

**Schedule of County Contributions**  
**Local Governmental Employees' Retirement System**  
 Last Nine Years \*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 2,568,230	\$ 2,329,521	\$ 1,786,247	\$ 1,570,923	\$ 1,392,260	\$ 1,363,286	\$ 1,150,130	\$ 1,135,921	\$ 1,091,528
Contributions in relation to the contractually required contribution	2,568,230	2,329,521	1,786,247	1,570,923	1,392,260	1,363,286	1,150,130	1,135,921	1,091,528
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 22,443,319	\$ 22,548,950	\$ 19,637,203	\$ 19,783,633	\$ 18,309,762	\$ 17,127,313	\$ 15,952,995	\$ 15,466,682	\$ 14,945,378
Contributions as a percentage of covered payroll	11.44%	10.33%	9.10%	7.94%	7.60%	7.96%	7.21%	7.34%	7.30%

Notes to the Schedules:

\* The amounts presented for each schedule is for the prior fiscal year

The above schedules are intended to show information for ten years. Additional year's information will be displayed as it become available.



**Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)**  
**Register of Deeds' Supplemental Pension Plan**  
 Last Nine Fiscal Years \*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.522%	0.421%	0.363%	0.402%	0.393%	0.410%	0.423%	0.428%	0.455%
County's proportionate share of the net pension liability (asset) \$	\$ (100,238)	\$ (96,499)	\$ (71,658)	\$ (66,643)	\$ (67,160)	\$ (76,717)	\$ (98,010)	\$ (96,929)	\$ (97,263)
Plan fiduciary net position as a percentage of the total pension	156.53%	153.31%	153.77%	160.17%	197.29%	193.88%	190.50%	188.75%	189.65%

**Schedule of County Contributions**  
**Register of Deeds' Supplemental Pension Plan**  
 Last Nine Fiscal Years \*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 4,997	\$ 6,261	\$ 4,032	\$ 3,450	\$ 4,106	\$ 4,121	\$ 3,577	\$ 3,717	\$ 3,492
Contributions in relation to the contractually required contribution	4,997	6,261	4,032	3,450	4,106	4,121	3,577	3,717	3,492
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\*The above schedules are intended to show information for ten years. Additional year's information will be displayed as it become available.

**Schedule of Changes in Net Pension Liability**  
**Law Enforcement Officers' Special Separation Allowance**  
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017
<b>Total pension liability</b>						
Service Cost	\$ 185,584	\$ 117,395	\$ 102,010	\$ 107,514	\$ 96,646	\$ 96,224
Interest	72,053	84,807	81,417	69,888	71,078	62,364
Benefit changes	-	-	-	-	-	-
Differences between expected and actual experience	44,750	115,462	225,938	28,862	94,434	-
Changes of assumption and other inputs	(103,309)	970,416	78,442	(91,979)	151,785	(48,712)
Benefit payments	(173,072)	(139,344)	(106,842)	(71,566)	(15,819)	(14,938)
Refunds of contributions	-	-	-	-	-	-
<b>Net change in total pension liability</b>	<b>\$ 26,006</b>	<b>\$ 1,148,736</b>	<b>\$ 380,965</b>	<b>\$ 42,719</b>	<b>\$ 398,124</b>	<b>\$ 94,938</b>
Total pension liability - beginning	\$ 3,819,855	\$ 2,671,119	\$ 2,290,154	\$ 2,247,435	\$ 1,849,311	\$ 1,754,373
Total pension liability - ending	\$ 3,845,861	\$ 3,819,855	\$ 2,671,119	\$ 2,290,154	\$ 2,247,435	\$ 1,849,311
<b>Plan net position</b>						
Contributions -employer	673,072	140,143	107,611	72,287	16,081	15,200
Contributions - member	-	-	-	-	-	-
Net investment income	341	-	-	-	-	-
Benefit payments	(173,072)	(139,344)	(106,842)	(71,566)	(15,819)	(14,938)
Administrative expense	-	(799)	(769)	(721)	(262)	(262)
Refunds of contributions	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Net change in plan net position</b>	<b>\$ 500,341</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan net position - beginning</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan net position - ending</b>	<b>\$ 500,341</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net pension liability - ending</b>	<b>\$ 3,345,520</b>	<b>\$ 3,819,855</b>	<b>\$ 2,671,119</b>	<b>\$ 2,290,154</b>	<b>\$ 2,247,435</b>	<b>\$ 1,849,311</b>

**Schedule of Net Pension Liability as a Percentage of Covered-Employee Payroll  
Law Enforcement Officers' Special Separation Allowance  
For the Year Ended June 30, 2022**

	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 3,845,861	\$ 3,819,855	\$ 2,671,119	\$ 2,290,154	\$ 2,247,435	\$ 1,849,311
Plan net position	500,341	-	-	-	-	-
Net pension liability	\$ 3,345,520	\$ 3,819,855	\$ 2,671,119	\$ 2,290,154	\$ 2,247,435	\$ 1,849,311
Ratio of plan net position to total pension liability	13.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 4,102,042	\$ 4,031,450	\$ 3,930,893	\$ 3,759,787	\$ 3,803,620	\$ 3,611,475
Net pension liability as a percentage of covered-employee payroll	81.56%	94.75%	67.95%	60.91%	59.09%	51.21%

**Schedule of Employer Contributions  
Law Enforcement Officers' Special Separation Allowance  
For the Year Ended June 30, 2022**

Actuarially determined employer contribution	2022 \$ 510,570
Actual employer contributions	500,000
Annual contribution deficiency (excess)	10,570
Covered-employee payroll	\$ 4,102,042
Actual contributions as a percentage of covered-employee payroll	12.19%

**Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)  
Firefighters and Rescue Squad Workers' Pension Fund  
Last Eight Years \***

	2022	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability (asset) %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
County's proportionate share of the net pension liability (asset) \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the County	(71,322)	96,268	110,019	122,733	107,436	67,078	60,691	49,324
Total	\$ (71,322)	\$ 96,268	\$ 110,019	\$ 122,733	\$ 107,436	\$ 67,078	\$ 60,691	\$ 49,324
County's covered payroll	\$ 6,440,887	\$ 6,454,811	\$ 5,377,630	\$ 5,650,344	\$ 3,592,293	\$ 3,409,688	\$ 4,013,300	\$ 3,890,337
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-1.11%	1.49%	2.05%	2.17%	2.99%	1.97%	1.51%	1.27%
Plan fiduciary net position as a percentage of the total pension	95.80%	89.69%	89.35%	84.94%	91.40%	93.42%	92.76%	91.45%

Notes to the Schedule:

\* The amounts presented are for the prior fiscal year

The above schedule is intended to show information for ten years. Additional year's information will be displayed as it become available.

**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
<b>Ad valorem taxes:</b>					
Taxes	\$ -	\$ -	\$ 37,521,057	\$ -	\$ 32,763,514
Interest	-	-	93,790	-	120,082
Total	<u>36,170,738</u>	<u>36,255,533</u>	<u>37,614,847</u>	<u>1,359,314</u>	<u>32,883,596</u>
<b>Other taxes and licenses:</b>					
Animal tax	-	-	13,659	-	13,181
Marriage license	-	-	28,380	-	27,960
Franchise tax	-	-	313,055	-	311,966
Deed stamp excise tax	-	-	1,981,763	-	2,337,534
Article 39 local option sales tax	-	-	9,332,223	-	8,510,163
Article 44 local option sales tax	-	-	293	-	270
Medicaid hold harmless funds	-	-	342,293	-	299,300
Total	<u>7,976,046</u>	<u>9,232,442</u>	<u>12,011,666</u>	<u>2,779,224</u>	<u>11,500,374</u>
<b>Unrestricted intergovernmental:</b>					
Gasoline tax refund	-	-	1,185	-	2,271
Payments in lieu of taxes-outside sources	-	-	43,815	-	43,875
Beer and wine tax	-	-	112,484	-	115,594
Total	<u>160,500</u>	<u>160,500</u>	<u>157,484</u>	<u>(3,016)</u>	<u>161,740</u>
<b>Restricted intergovernmental:</b>					
Federal and State grants	-	-	3,225,892	-	2,397,877
Safe roads act	-	-	3,863	-	3,914
Crime control act	-	-	13	-	3,345
Court facility fees	-	-	77,027	-	80,069
Jail fees	-	-	35,314	-	30,603
Officer fees	-	-	100,284	-	111,611
Total	<u>2,553,035</u>	<u>2,941,462</u>	<u>3,442,393</u>	<u>500,931</u>	<u>2,627,419</u>
<b>Permits and fees:</b>					
Ambulance service fees	-	-	1,674,554	-	931,690
Beach parking permits	-	-	648,124	-	704,057
Administration and filing fees	-	-	765,656	-	810,281
Peddler License Fee	-	-	280	-	140
Register of deeds fees	-	-	304,749	-	389,464
Building permit fees	-	-	1,197,998	-	1,497,578
Re-inspection fees	-	-	62,775	-	55,150
Planning fees	-	-	400	-	68,082
Payment in Lieu of Open Space	-	-	175,371	-	30,712
Zoning violation fees	-	-	67,362	-	-
Homeowners' recovery fees	-	-	5,780	-	7,670
CAMA permits	-	-	16,275	-	9,100
Sheriff fees	-	-	12,002	-	22,923
Animal control fees	-	-	1,108	-	640
Total	<u>3,196,137</u>	<u>3,764,702</u>	<u>4,932,434</u>	<u>1,167,732</u>	<u>4,527,487</u>

**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Sales and services:</b>					
Rents	-	-	134,973	-	188,718
Lease revenue	-	-	35,276	-	-
Airport fees	-	-	106,773	-	111,068
Vending sales	-	-	11,686	-	9,081
Animal adoption fees	-	-	33,382	-	29,550
Animal reclamation fees	-	-	4,750	-	3,911
EMS revenues	-	-	6,095	-	5,740
Jail housing	-	-	25,293	-	24,584
Sale of fixed assets	-	-	128,177	-	227,201
Sale of materials	-	-	246	-	9,910
Aviation fuel sales	-	-	596,282	-	395,621
Recreation concessions	-	-	26,753	-	32,070
Recreation fees	-	-	43,422	-	22,030
Total	<u>752,122</u>	<u>1,015,746</u>	<u>1,153,108</u>	<u>137,362</u>	<u>1,059,484</u>
<b>Investment earnings (loss)</b>	<u>266,833</u>	<u>266,833</u>	<u>(473,546)</u>	<u>(740,379)</u>	<u>29,595</u>
<b>Miscellaneous:</b>					
Donations	-	-	57,962	-	57,154
Insurance recoveries	-	-	51,979	-	274,383
Interest revenue - leases	-	-	9,884	-	-
ABC Education distribution	-	-	77,525	-	36,004
ABC Law enforcement distribution	-	-	61,625	-	35,717
ABC profits	-	-	1,374,258	-	796,452
OPEB health insurance	-	-	-	-	9,924
Other	-	-	11,707	-	57,337
Total	<u>1,334,956</u>	<u>1,511,041</u>	<u>1,644,940</u>	<u>133,899</u>	<u>1,266,971</u>
Total revenues	<u>52,410,367</u>	<u>55,148,259</u>	<u>60,483,326</u>	<u>5,335,067</u>	<u>54,056,666</u>
<b>Expenditures:</b>					
<b>General government:</b>					
Administration:					
Salaries and employee benefits	-	-	723,179	-	657,128
Other operating expenditures	-	-	88,269	-	105,026
Total	<u>858,953</u>	<u>859,153</u>	<u>811,448</u>	<u>47,705</u>	<u>762,154</u>
Legal:					
Salaries and employee benefits	-	-	261,371	-	392,822
Other operating expenditures	-	-	108,522	-	106,664
Total	<u>440,134</u>	<u>490,134</u>	<u>369,893</u>	<u>120,241</u>	<u>499,486</u>
Governing body:					
Salaries and employee benefits	-	-	109,803	-	109,803
Other operating expenditures	-	-	33,777	-	32,168
Total	<u>323,455</u>	<u>351,455</u>	<u>143,580</u>	<u>207,875</u>	<u>141,971</u>
Elections:					
Salaries and employee benefits	-	-	156,259	-	169,907
Other operating expenditures	-	-	30,596	-	43,555
Capital outlay	-	-	-	-	9,750
Total	<u>198,819</u>	<u>228,756</u>	<u>186,855</u>	<u>41,901</u>	<u>223,212</u>

**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Finance:</b>					
Salaries and employee benefits	-	-	743,244	-	587,801
Other operating expenditures	-	-	153,016	-	101,469
Total	<u>917,865</u>	<u>1,001,510</u>	<u>896,260</u>	<u>105,250</u>	<u>689,270</u>
<b>Information Technology:</b>					
Salaries and employee benefits	-	-	501,089	-	367,609
Other operating expenditures	-	-	432,875	-	397,643
Capital outlay	-	-	69,286	-	61,723
Total	<u>1,167,918</u>	<u>1,216,885</u>	<u>1,003,250</u>	<u>213,635</u>	<u>826,975</u>
<b>Other post employment benefits (OPEB):</b>					
Law Enforcement Special Separation Allowance	-	-	27,866	-	-
Retiree health insurance	-	-	98,889	-	-
Total	<u>686,862</u>	<u>815,862</u>	<u>126,755</u>	<u>689,017</u>	<u>-</u>
<b>Human resources:</b>					
Salaries and employee benefits	-	-	178,520	-	145,489
Other operating expenditures	-	-	68,257	-	57,398
Total	<u>289,802</u>	<u>295,987</u>	<u>246,777</u>	<u>49,210</u>	<u>202,887</u>
<b>Taxes:</b>					
Salaries and employee benefits	-	-	459,399	-	443,505
Other operating expenditures	-	-	153,517	-	138,337
Total	<u>661,854</u>	<u>661,854</u>	<u>612,916</u>	<u>48,938</u>	<u>581,842</u>
<b>Public works:</b>					
Salaries and employee benefits	-	-	927,601	-	885,520
Other operating expenditures	-	-	514,168	-	406,031
Capital outlay	-	-	480,966	-	224,512
Total	<u>2,378,696</u>	<u>2,402,090</u>	<u>1,922,735</u>	<u>479,355</u>	<u>1,516,063</u>
<b>Public Utilities:</b>					
Salaries and employee benefits	-	-	178,536	-	227,254
Other operating expenditures	-	-	5,425	-	3,823
Total	<u>261,809</u>	<u>261,809</u>	<u>183,961</u>	<u>77,848</u>	<u>231,077</u>
Corolla ABC Store	<u>27,500</u>	<u>27,500</u>	<u>-</u>	<u>27,500</u>	<u>-</u>
<b>Register of deeds:</b>					
Salaries and employee benefits	-	-	314,797	-	306,479
Other operating expenditures	-	-	1,050,508	-	1,230,885
Capital outlay	-	-	19,395	-	-
Total	<u>1,103,073</u>	<u>1,605,073</u>	<u>1,384,700</u>	<u>220,373</u>	<u>1,537,364</u>
<b>Court facilities:</b>					
Operating expenditures	-	-	190,555	-	171,362
Total	<u>224,583</u>	<u>255,974</u>	<u>190,555</u>	<u>65,419</u>	<u>171,362</u>
<b>Agency appropriations:</b>					
Operating expenditures	-	-	40,400	-	32,900
Total	<u>40,700</u>	<u>40,700</u>	<u>40,400</u>	<u>300</u>	<u>32,900</u>

**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
Central services:					
Operating expenditures	-	-	832,028	-	585,406
Capital outlay	-	-	98,789	-	-
Total	<u>1,151,764</u>	<u>1,276,764</u>	<u>930,817</u>	<u>345,947</u>	<u>585,406</u>
Total general government	<u>10,733,787</u>	<u>11,791,506</u>	<u>9,050,902</u>	<u>2,740,604</u>	<u>8,001,969</u>
<b>Public safety:</b>					
Sheriff:					
Salaries and employee benefits	-	-	5,909,296	-	6,103,135
Other operating expenditures	-	-	1,077,210	-	1,106,462
Capital outlay	-	-	675,782	-	457,151
Total	<u>8,123,245</u>	<u>8,485,267</u>	<u>7,662,288</u>	<u>822,979</u>	<u>7,666,748</u>
Detention center					
Salaries and employee benefits	-	-	1,762,393	-	1,801,710
Other operating expenditures	-	-	522,663	-	455,888
Capital outlay	-	-	49,527	-	46,657
Total	<u>2,686,941</u>	<u>2,782,915</u>	<u>2,334,583</u>	<u>448,332</u>	<u>2,304,255</u>
Animal control:					
Salaries and employee benefits	-	-	574,728	-	517,763
Other operating expenditures	-	-	138,726	-	107,183
Total	<u>828,385</u>	<u>845,385</u>	<u>713,454</u>	<u>131,931</u>	<u>624,946</u>
Jury commission:					
Operating expenditures	2,600	2,600	2,500	-	2,350
Total	<u>2,600</u>	<u>2,600</u>	<u>2,500</u>	<u>100</u>	<u>2,350</u>
Emergency medical services:					
Salaries and employee benefits	-	-	5,052,735	-	3,809,557
Other operating expenditures	-	-	540,064	-	501,971
Capital outlay	-	-	235,059	-	181,877
Total	<u>5,851,926</u>	<u>6,459,671</u>	<u>5,827,858</u>	<u>631,813</u>	<u>4,493,405</u>
Emergency management:					
Salaries and employee benefits	-	-	151,036	-	160,625
Other operating expenditures	-	-	99,069	-	79,460
Capital outlay	-	-	70,862	-	54,019
Total	<u>300,614</u>	<u>371,016</u>	<u>320,967</u>	<u>50,049</u>	<u>294,104</u>
Communications:					
Salaries and employee benefits	-	-	853,968	-	805,990
Other operating expenditures	-	-	311,324	-	244,772
Capital outlay	-	-	573,617	-	-
Total	<u>1,333,278</u>	<u>1,339,934</u>	<u>1,738,909</u>	<u>(398,975)</u>	<u>1,050,762</u>
Building Inspections:					
Salaries and employee benefits	-	-	852,331	-	817,914
Other operating expenditures	-	-	75,029	-	87,559
Capital outlay	-	-	52,857	-	28,531
Total	<u>1,033,153</u>	<u>1,046,903</u>	<u>980,217</u>	<u>66,686</u>	<u>934,004</u>



**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Fire prevention:</b>					
Salaries and employee benefits	-	-	170,324	-	144,297
Other operating expenditures	-	-	49,121	-	39,983
Capital outlay	-	-	36,054	-	25,698
Total	<u>244,831</u>	<u>270,831</u>	<u>255,499</u>	<u>15,332</u>	<u>209,978</u>
<b>Volunteer fire departments:</b>					
Carova Beach Volunteer Fire Department	-	-	250,460	-	253,486
Crawford Volunteer Fire Department	-	-	284,160	-	353,989
Lower Currituck Volunteer Fire Department	-	-	374,215	-	308,288
Corolla Fire Department	-	-	-	-	208
Moyock Volunteer Fire Department	-	-	226,272	-	245,394
Intra-departmental Fire Services	-	-	279,587	-	249,668
Total	<u>1,491,017</u>	<u>1,521,392</u>	<u>1,414,694</u>	<u>106,698</u>	<u>1,411,033</u>
<b>Medical examiner:</b>					
Contracted services	-	-	19,000	-	21,150
Total	<u>35,000</u>	<u>35,000</u>	<u>19,000</u>	<u>16,000</u>	<u>21,150</u>
<b>Disaster recovery:</b>					
Salaries and employee benefits	-	-	-	-	-
Other operating expenditures	-	-	-	-	166,624
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,624</u>
<b>Disaster recovery COVID19:</b>					
Salaries and employee benefits	-	-	-	-	-
Other operating expenditures	-	-	-	-	491
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>491</u>
<b>Public Safety Building</b>					
Other operating expenditures	203,070	203,070	111,671	91,399	1,792
Total public safety	<u>22,134,060</u>	<u>23,363,984</u>	<u>21,381,640</u>	<u>1,982,344</u>	<u>19,181,642</u>
<b>Transportation:</b>					
<b>Airport:</b>					
Salaries and employee benefits	-	-	131,878	-	123,674
Other operating expenditures	-	-	556,735	-	356,142
Capital outlay	-	-	42,098	-	48,427
Total	<u>547,005</u>	<u>805,005</u>	<u>730,711</u>	<u>74,294</u>	<u>528,243</u>
<b>Inter-county transportation:</b>					
Contracted services	-	-	-	-	13,020
Total	<u>48,906</u>	<u>49,743</u>	<u>16,662</u>	<u>33,081</u>	<u>13,020</u>
Total transportation	<u>595,911</u>	<u>854,748</u>	<u>747,373</u>	<u>107,375</u>	<u>541,263</u>
<b>Environmental protection:</b>					
<b>Forestry:</b>					
Contracted services	-	-	57,421	-	64,054
Total	<u>83,992</u>	<u>83,992</u>	<u>57,421</u>	<u>26,571</u>	<u>64,054</u>

**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
Soil and water conservation:					
Salaries and employee benefits	-	-	130,317	-	126,689
Other operating expenditures	-	-	10,067	-	10,731
Total	149,979	149,979	140,384	9,595	137,420
Total environmental protection	233,971	233,971	197,805	36,166	201,474
<b>Economic and physical development:</b>					
Cooperative extension:					
Salaries and employee benefits	-	-	155,127	-	150,953
Other operating expenditures	-	-	365,289	-	343,089
Total	562,184	573,462	520,416	53,046	494,042
Economic development:					
Salaries and employee benefits	-	-	105,725	-	101,219
Other operating expenditures	-	-	147,706	-	134,900
Total	292,696	307,251	253,431	53,820	236,119
Planning and inspections:					
Salaries and employee benefits	-	-	1,020,872	-	663,169
Other operating expenditures	-	-	66,893	-	32,183
Capital outlay	-	-	26,429	-	45,060
Total	1,177,609	1,197,089	1,114,194	82,895	740,412
Total economic and physical development	2,032,489	2,077,802	1,888,041	189,761	1,470,573
<b>Human services:</b>					
Health:					
Contracted services	-	-	332,100	-	136,765
Total	390,184	390,184	332,100	58,084	136,765
Mental health:					
Contracted services	-	-	49,012	-	49,012
Total	66,000	66,000	49,012	16,988	49,012
Social services:					
Administration:					
Salaries and employee benefits	-	-	2,644,258	-	2,653,044
Other operating expenditures	-	-	859,315	-	683,304
Capital outlay	-	-	-	-	60,000
Total	4,122,549	4,222,038	3,503,573	718,465	3,396,348

**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
Public Assistance:					
Electronic issuance	-	-	2,453	-	2,023
Medical Transportation	-	-	7,139	-	17,845
Special assistance for adults	-	-	89,300	-	100,887
State foster care and boarding home	-	-	47,177	-	30,193
Title IV-E foster care	-	-	-	-	14,665
Special assistance for the blind	-	-	1,097	-	864
Title IV-E adoption assistance	-	-	11,494	-	12,938
Title IV-B adoption assistance	-	-	42,774	-	43,941
Home care block grant	-	-	43,057	-	47,164
LINKS special assistance	-	-	50,000	-	1,015
Other assistance	-	-	152,332	-	112,920
Total	<u>786,171</u>	<u>909,316</u>	<u>446,823</u>	<u>462,493</u>	<u>384,455</u>
Total social services	<u>4,908,720</u>	<u>5,131,354</u>	<u>3,950,396</u>	<u>1,180,958</u>	<u>3,780,803</u>
Juvenile crime prevention control					
JCPC council	-	-	15,000	-	15,000
Partnership of adolescents and support services	-	-	100,405	-	99,962
Restitution	-	-	14,877	-	14,901
Total	<u>130,681</u>	<u>131,681</u>	<u>130,282</u>	<u>1,399</u>	<u>129,863</u>
Total human services	<u>5,495,585</u>	<u>5,719,219</u>	<u>4,461,790</u>	<u>1,257,429</u>	<u>4,096,443</u>
<b>Cultural and recreational:</b>					
Senior citizens centers:					
Salaries and employee benefits	-	-	260,818	-	241,420
Other operating expenditures	-	-	139,540	-	107,012
Total	<u>414,546</u>	<u>414,546</u>	<u>400,358</u>	<u>14,188</u>	<u>348,432</u>
Libraries:					
Salaries and employee benefits	-	-	449,319	-	445,550
Other operating expenditures	-	-	93,646	-	98,936
Capital outlay	-	-	9,889	-	-
Total	<u>633,005</u>	<u>633,005</u>	<u>552,854</u>	<u>80,151</u>	<u>544,486</u>
Parks and Recreation:					
Salaries and employee benefits	-	-	533,564	-	483,916
Other operating expenditures	-	-	388,051	-	313,947
Capital outlay	-	-	398,043	-	93,084
Total	<u>1,228,326</u>	<u>1,463,072</u>	<u>1,319,658</u>	<u>143,414</u>	<u>890,947</u>
Rural Center					
Salaries and employee benefits	-	-	170,397	-	145,708
Other operating expenditures	-	-	27,342	-	42,322
Capital outlay	-	-	-	-	80,065
Total	<u>286,582</u>	<u>286,582</u>	<u>197,739</u>	<u>88,843</u>	<u>268,095</u>
Total cultural and recreational	<u>2,562,459</u>	<u>2,797,205</u>	<u>2,470,609</u>	<u>326,596</u>	<u>2,051,960</u>

**County of Currituck, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Budget Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Education:</b>					
Public schools - current	-	-	12,634,099	-	11,478,196
Public schools - capital outlay	-	-	1,400,000	-	1,835,000
Community college	-	-	293,927	-	209,969
Total education	<u>14,278,026</u>	<u>14,328,026</u>	<u>14,328,026</u>	<u>-</u>	<u>13,523,165</u>
<b>Debt service:</b>					
Principal retirement	-	-	2,574,954	-	2,520,000
Interest and other charges	-	-	477,799	-	519,211
Total debt service	<u>3,052,273</u>	<u>3,053,508</u>	<u>3,052,753</u>	<u>755</u>	<u>3,039,211</u>
Total expenditures	<u>61,118,561</u>	<u>64,219,969</u>	<u>57,578,939</u>	<u>6,641,030</u>	<u>52,107,700</u>
<b>Revenues over (under) expenditures</b>	<u>(8,708,194)</u>	<u>(9,071,710)</u>	<u>2,904,387</u>	<u>11,976,097</u>	<u>1,948,966</u>
<b>Other financing sources (uses):</b>					
Lease liability issued	-	-	696,581	696,581	-
Transfers to other funds:					
Special Revenue Funds	(3,585,578)	(3,585,578)	(3,585,578)	-	(2,828,976)
Enterprise Funds	(1,200,000)	(1,200,000)	(1,200,000)	-	(1,208,188)
Pension funds	-	(1,000,000)	(1,000,000)	-	(2,657,976)
Capital Projects Funds	(2,667,000)	(9,897,929)	(9,897,929)	-	(267,000)
Total transfers to other funds	<u>(7,452,578)</u>	<u>(15,683,507)</u>	<u>(15,683,507)</u>	<u>-</u>	<u>(6,962,140)</u>
Transfers from other funds:					
Special Revenue Funds	4,893,155	4,893,155	4,785,426	-	4,095,791
Capital Projects Funds	7,375,424	7,375,424	5,634,679	-	7,467,924
Total transfers from other funds	<u>12,268,579</u>	<u>12,268,579</u>	<u>10,420,105</u>	<u>(1,848,474)</u>	<u>11,563,715</u>
Total other financing sources (uses)	<u>4,816,001</u>	<u>(3,414,928)</u>	<u>(4,566,821)</u>	<u>(1,151,893)</u>	<u>4,601,575</u>
<b>Revenues and other financing sources over expenditures and other financing uses</b>	<u>(3,892,193)</u>	<u>(12,486,638)</u>	<u>(1,662,434)</u>	<u>10,824,204</u>	<u>6,550,541</u>
Appropriated fund balance	<u>3,892,193</u>	<u>12,486,638</u>	<u>-</u>	<u>(12,486,638)</u>	<u>-</u>
<b>Revenues, other sources, and appropriated fund balance over (under) expenditures and other financing uses</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,662,434)</u>	<u>\$ (1,662,434)</u>	<u>6,550,541</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>30,573,187</u>		<u>21,364,670</u>
<b>End of year, June 30</b>			<u>\$ 28,910,753</u>		<u>\$ 30,573,187</u>

**County of Currituck, North Carolina**  
**Revaluation Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Investment earnings (loss)	\$ -	\$ -	\$ (12,284)	\$ (12,284)	\$ 1,393
<b>Expenditures:</b>					
General government:	-	-	49,023	-	266,600
Total expenditures	121,000	170,023	49,023	121,000	266,600
Revenues over (under) expenditures	(121,000)	(170,023)	(61,307)	108,716	(265,207)
<b>Other financing sources:</b>					
Transfer from General Fund	121,000	121,000	121,000	-	121,000
Revenues and other financing sources over (under) expenditures	-	(49,023)	59,693	108,716	(144,207)
Appropriated fund balance	-	49,023	-	(49,023)	-
Revenues, other financing sources, and appropriated fund balance over (under) expenditures	\$ -	\$ -	59,693	\$ 59,693	(144,207)
Fund balances:					
Beginning of year, July 1			663,401		807,608
End of year, June 30			<u>\$ 723,094</u>		<u>\$ 663,401</u>

**County of Currituck, North Carolina**  
**Land Banking Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Positive Negative	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Investment earnings (loss)	\$ 50,000	\$ 50,000	\$ (51,734)	\$ (101,734)	\$ 6,821
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>(51,734)</u>	<u>(101,734)</u>	<u>6,821</u>
<b>Expenditures:</b>					
Education:					
Capital outlay	-	-	885,863	-	219,733
Total expenditures	<u>350,000</u>	<u>1,230,000</u>	<u>885,863</u>	<u>344,137</u>	<u>219,733</u>
Revenues over (under) expenditures	<u>(300,000)</u>	<u>(1,180,000)</u>	<u>(937,597)</u>	<u>242,403</u>	<u>(212,912)</u>
<b>Other financing sources:</b>					
Transfers from Transfer Tax Capital Fu	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Revenues and other financing sources over (under) expenditures	<u>(100,000)</u>	<u>(980,000)</u>	<u>(737,597)</u>	<u>242,403</u>	<u>(12,912)</u>
Appropriated fund balance	<u>100,000</u>	<u>980,000</u>	<u>-</u>	<u>(980,000)</u>	<u>-</u>
Revenues, other financing sources and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(737,597)</u>	<u>\$ (737,597)</u>	<u>(12,912)</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>3,877,257</u>		<u>3,890,169</u>
End of year, June 30			<u>\$ 3,139,660</u>		<u>\$ 3,877,257</u>

County of Currituck, North Carolina  
 Combining Balance Sheet  
 Non-Major Governmental Funds  
 June 30, 2022

	Multi-year Grant Fund	Emergency Telephone System Fund	Corolla Fire District Fund	Guinea Mill Watershed Improvement Fund	Hog Bridge Ditch Watershed Improvement Fund	Moyock Watershed Improvement Fund	Northwest Watershed Improvement Fund	Ocean Sands North/Crown Pointe Watershed Improvement Fund	Wahlehead Watershed Improvement Fund	Wahlehead Beach Solid Waste Service District	Knotts Island Fire District Fund	CARES ACT COVID-19
<b>ASSETS</b>												
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash	-	-	-	-	-	-	-	-	-	-	-	32,848
Investments	347,460	-	3,668,597	193,767	1,943	237,643	41,853	751,716	1,285,659	297,686	381,935	-
Accounts receivable, net	-	31,671	8,401	-	-	-	-	-	4,559	-	1,970	-
Taxes receivable, net	-	-	3,452	215	13	2,334	188	772	4,387	706	2,014	-
Due from other governments	-	351,897	1,275	10	27	1,796	35	-	161	20	776	-
<b>Total assets</b>	<b>\$ 347,460</b>	<b>\$ 383,568</b>	<b>\$ 3,681,725</b>	<b>\$ 208,992</b>	<b>\$ 1,983</b>	<b>\$ 241,773</b>	<b>\$ 42,076</b>	<b>\$ 752,488</b>	<b>\$ 1,294,766</b>	<b>\$ 298,412</b>	<b>\$ 386,695</b>	<b>\$ 32,848</b>
<b>LIABILITIES AND FUND BALANCES</b>												
Liabilities:												
Accounts payable and accrued liabilities	\$ 114,520	\$ 68,345	\$ 219,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,928	\$ 8,982	\$ 71,238	\$ -
Cash overdraft	-	190,527	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>114,520</b>	<b>258,872</b>	<b>219,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,928</b>	<b>8,982</b>	<b>71,238</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Taxes receivable	-	-	3,452	215	13	2,334	188	772	4,387	706	2,014	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>3,452</b>	<b>215</b>	<b>13</b>	<b>2,334</b>	<b>188</b>	<b>772</b>	<b>4,387</b>	<b>706</b>	<b>2,014</b>	<b>-</b>
Fund balances:												
Restricted:												
Stabilization by State Statute	-	383,568	9,676	10	27	1,796	35	-	4,720	20	2,746	-
Emergency Telephone System	-	-	-	-	-	-	-	-	-	-	-	-
Watershed Improvements	-	-	-	208,767	1,943	237,643	41,853	751,716	1,263,731	-	-	-
Wahlehead Beach Solid Waste	-	-	-	-	-	-	-	-	-	288,704	-	-
Carova Beach Road Service District	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	232,940	-	3,448,847	-	-	-	-	-	-	-	310,697	32,848
Capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Committed:												
Fire Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Assigned:												
Subsequent year's expenditures	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(258,872)	-	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>232,940</b>	<b>124,696</b>	<b>3,458,523</b>	<b>208,777</b>	<b>1,970</b>	<b>239,439</b>	<b>41,888</b>	<b>751,716</b>	<b>1,268,451</b>	<b>288,724</b>	<b>313,443</b>	<b>32,848</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 347,460</b>	<b>\$ 383,568</b>	<b>\$ 3,681,725</b>	<b>\$ 208,992</b>	<b>\$ 1,983</b>	<b>\$ 241,773</b>	<b>\$ 42,076</b>	<b>\$ 752,488</b>	<b>\$ 1,294,766</b>	<b>\$ 298,412</b>	<b>\$ 386,695</b>	<b>\$ 32,848</b>

continued

County of Currituck, North Carolina  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2022

	Opioid Settlement Fund	Carova Beach Service District Fund	Social Services Payee Fund	Fines and Forfeitures Fund	Deed of Trust Fees Fund	Total Non-Major Special Revenue Funds	Fire Equipment Replacement Fund	Capital Improvements Fund	School Capital Fund	Total Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
<b>ASSETS</b>											
Cash and cash equivalents	\$ -	\$ 23,415	\$ 50,106	\$ 21,737	\$ 3,348	\$ 113,606	\$ -	\$ -	\$ 957,424	\$ 957,424	\$ 1,071,030
Restricted cash	46,214	-	-	-	-	79,062	-	-	-	-	79,062
Investments	-	-	-	-	-	7,208,259	738,264	9,174,292	-	9,912,556	17,120,815
Accounts receivable, net	-	-	-	-	-	46,601	-	-	-	-	46,601
Taxes receivable, net	-	224	-	-	-	14,305	-	-	-	-	14,305
Due from other governments	-	56	-	-	-	356,053	-	1,102,656	1,083,535	2,186,191	2,542,244
<b>Total assets</b>	<b>\$ 46,214</b>	<b>\$ 23,695</b>	<b>\$ 50,106</b>	<b>\$ 21,737</b>	<b>\$ 3,348</b>	<b>\$ 7,817,886</b>	<b>\$ 738,264</b>	<b>\$ 10,276,948</b>	<b>\$ 2,040,959</b>	<b>\$ 13,056,171</b>	<b>\$ 20,874,057</b>
<b>LIABILITIES AND FUND BALANCES</b>											
<b>Liabilities:</b>											
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 3,566	\$ 21,737	\$ 3,348	\$ 533,414	\$ -	\$ -	\$ -	\$ -	\$ 533,414
Cash overdraft	-	-	-	-	-	190,527	-	-	-	-	190,527
Unearned revenue	46,214	-	-	-	-	46,214	-	-	-	-	46,214
<b>Total liabilities</b>	<b>46,214</b>	<b>-</b>	<b>3,566</b>	<b>21,737</b>	<b>3,348</b>	<b>770,155</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>770,155</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>											
Taxes receivable	-	224	-	-	-	14,305	-	-	-	-	14,305
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>224</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,305</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,305</b>
<b>Fund balances:</b>											
<b>Restricted:</b>											
Stabilization by State Statute	-	56	-	-	-	402,654	-	1,102,656	1,083,535	2,186,191	2,588,845
Emergency Telephone System	-	-	-	-	-	-	-	-	-	-	-
Watershed Improvements	-	-	-	-	-	2,505,653	-	-	-	-	2,505,653
Whalehead Beach Solid Waste	-	-	-	-	-	288,704	-	-	-	-	288,704
Carova Beach Road Service District	-	23,415	-	-	-	23,415	-	-	-	-	23,415
Human services	-	-	46,540	-	-	46,540	-	-	-	-	46,540
Public safety	-	-	-	-	-	4,025,332	-	-	-	-	4,025,332
Capital assets	-	-	-	-	-	-	-	9,174,292	957,424	10,131,716	10,131,716
<b>Committed:</b>											
Fire Equipment	-	-	-	-	-	-	738,264	-	-	738,264	738,264
<b>Assigned:</b>											
Subsequent year's expenditures	-	-	-	-	-	-	-	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(258,872)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(258,872)</b>
<b>Total fund balances</b>	<b>-</b>	<b>23,471</b>	<b>46,540</b>	<b>-</b>	<b>-</b>	<b>7,033,426</b>	<b>738,264</b>	<b>10,276,948</b>	<b>2,040,959</b>	<b>13,056,171</b>	<b>20,089,597</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 46,214</b>	<b>\$ 23,695</b>	<b>\$ 50,106</b>	<b>\$ 21,737</b>	<b>\$ 3,348</b>	<b>\$ 7,817,886</b>	<b>\$ 738,264</b>	<b>\$ 10,276,948</b>	<b>\$ 2,040,959</b>	<b>\$ 13,056,171</b>	<b>\$ 20,874,057</b>



County of Currituck, North Carolina  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Period June 30, 2022

	Multi-year Grant Fund	Emergency Telephone System Fund	Corolla Fire District Fund	Guinea Mill Watershed Improvement Fund	Hog Ditch Watershed Improvement Fund	Moyock Watershed Improvement Fund	Northwest Watershed Improvement Fund	Ocean Sands North/Crown Point Watershed Improvement Fund	Whalehead Watershed Improvement Fund	Whalehead Beach Solid Waste Service District	Knotts Island Fire District Fund
<b>REVENUES</b>											
Ad valorem taxes	\$ -	\$ -	\$ 1,643,341	\$ 4,846	\$ 2,539	\$ 198,697	\$ 4,042	\$ 282,155	\$ 1,045,146	\$ 128,093	\$ 101,417
Other taxes and licenses	-	549,716	-	-	-	-	-	-	-	-	-
Restricted intergovernmental	-	332,700	-	-	-	-	-	-	-	-	-
Permits	-	-	-	-	-	-	-	-	-	-	-
Sales and services	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Investment earnings (loss)	(6,119)	-	(27,873)	(3,504)	(24)	(4,351)	(712)	(12,082)	(22,904)	(5,063)	(6,864)
Total revenues	(6,119)	882,416	1,615,468	1,342	2,515	194,346	3,330	270,073	1,022,242	123,030	94,553
<b>EXPENDITURES</b>											
Current:											
General government	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	1,117,682	1,660,717	-	-	-	-	-	-	-	1,075,269
Human services	-	-	-	-	-	-	-	-	-	-	-
Environmental protection	177,693	-	-	2,515	4,074	16	16	374,050	161,577	111,523	-
Total expenditures	177,693	1,117,682	1,660,717	2,515	4,074	16	16	374,050	161,577	111,523	1,075,269
Revenue over (under) expenditures	(183,812)	(235,266)	(45,249)	(1,173)	(1,559)	194,330	3,314	(103,977)	860,665	11,507	(980,716)
<b>Other financing sources (uses):</b>											
Transfers (to) from other funds	250,000	-	2,186,753	-	(668)	(30,038)	-	(13,350)	(408,320)	-	1,227,825
Net change in fund balances	66,188	(235,266)	2,141,504	(1,173)	(2,227)	164,292	3,314	(117,327)	452,345	11,507	247,109
Fund balances, beginning	166,752	359,962	1,317,019	209,950	4,197	75,147	38,574	869,043	816,106	277,217	66,334
Fund balances, ending	\$ 232,940	\$ 124,696	\$ 3,458,523	\$ 208,777	\$ 1,970	\$ 239,439	\$ 41,888	\$ 751,716	\$ 1,268,451	\$ 288,724	\$ 313,443

County of Currituck, North Carolina  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Nonmajor Governmental Funds  
 For the Fiscal Period June 30, 2022

CARES ACT COVID-19	Opioid Fund	Carova Beach Service District Fund	Social Services Payee Fund	Fines and Forfeitures Fund	Deed of Trust Fees Fund	Total Non-Major Special Revenue Funds
\$ -	\$ -	\$ 32,699	\$ -	\$ -	\$ -	\$ 3,442,975
-	-	-	-	-	-	549,716
-	-	-	270,668	-	-	603,368
-	-	26,600	-	-	46,866	73,466
-	-	-	-	277,791	-	277,791
-	-	-	-	-	-	-
(534)	-	(264)	19	-	-	(90,275)
(534)	-	59,035	270,687	277,791	46,866	4,857,041
-	-	-	-	277,791	46,866	324,657
-	-	-	-	-	-	3,853,668
-	-	-	271,153	-	-	271,153
-	-	101,502	-	-	-	932,966
-	-	101,502	271,153	277,791	46,866	5,382,444
(534)	-	(42,467)	(466)	-	-	(525,403)
-	-	22,657	-	-	-	3,234,859
(534)	-	(19,810)	(466)	-	-	2,709,456
33,382	-	43,281	47,006	-	-	4,323,970
\$ 32,848	\$ -	\$ 23,471	\$ 46,540	\$ -	\$ -	\$ 7,033,426

Fire Equipment Replacement Fund	Capital Improvements Fund	School Capital Fund	Total Non-major Capital Projects Funds	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 3,442,975
-	3,816,544	3,633,446	7,449,990	7,999,706
-	-	-	-	603,368
-	-	-	-	73,466
-	-	-	-	277,791
-	-	-	-	-
(12,992)	(160,445)	(11,442)	(184,879)	(275,154)
(12,992)	3,656,099	3,622,004	7,265,111	12,122,152
-	-	-	-	324,657
-	-	-	-	3,853,668
-	-	-	-	271,153
-	-	-	-	932,966
-	-	-	-	5,382,444
(12,992)	3,656,099	3,622,004	7,265,111	6,739,708
267,000	(950,000)	(5,490,000)	(6,173,000)	(2,938,141)
254,008	2,706,099	(1,867,996)	1,092,111	3,801,567
484,256	7,570,849	3,908,955	11,964,060	16,288,030
\$ 738,264	\$ 10,276,948	\$ 2,040,959	\$ 13,056,171	\$ 20,089,597

**County of Currituck, North Carolina**  
**Multi-Year Grant Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Actual			Total to Date	Variance Positive (Negative)
		Prior Year	Reclassification	Current Year		
<b>Revenues</b>						
Restricted intergovernmental:						
Hurricane Dorian Watershed Restoration	\$ 142,247	\$ 111,563	\$ (11,250)	\$ -	\$ 100,313	\$ (41,934)
Investment earnings (loss)	-	88,485	(2)	(6,119)	82,364	82,364
Total revenues	<u>142,247</u>	<u>200,048</u>	<u>(11,252)</u>	<u>(6,119)</u>	<u>182,677</u>	<u>40,430</u>
<b>Expenditures</b>						
Environmental protection:						
Hurricane Dorian Watershed Restoration	142,247	153,499	(11,252)	-	142,247	-
Shoreline Stability Study	750,000	383,368	-	177,693	561,061	188,939
Total environmental protection	<u>892,247</u>	<u>536,867</u>	<u>(11,252)</u>	<u>177,693</u>	<u>703,308</u>	<u>188,939</u>
Total expenditures	<u>892,247</u>	<u>536,867</u>	<u>(11,252)</u>	<u>177,693</u>	<u>703,308</u>	<u>188,939</u>
Revenues under expenditures	<u>(750,000)</u>	<u>(336,819)</u>	<u>-</u>	<u>(183,812)</u>	<u>(520,631)</u>	<u>229,369</u>
<b>Other financing sources:</b>						
Transfers from Occupancy Tax Fund	750,000	500,000	-	250,000	750,000	-
Transfers from General Fund	-	3,571	-	-	3,571	3,571
Total other financing sources	<u>750,000</u>	<u>503,571</u>	<u>-</u>	<u>250,000</u>	<u>753,571</u>	<u>3,571</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 166,752</u>	<u>\$ -</u>	66,188	<u>\$ 232,940</u>	<u>\$ 232,940</u>
Fund balance:						
Beginning of year, July 1				<u>166,752</u>		
End of Year, June 30				<u>\$ 232,940</u>		

**County of Currituck, North Carolina**  
**Emergency Telephone System Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Other taxes and licenses:					
911 system subscriber fees	\$ 230,358	\$ 230,358	\$ 549,716	\$ 319,358	\$ 199,032
PSAP grant	-	1,059,910	332,700	(727,210)	-
	<u>230,358</u>	<u>1,290,268</u>	<u>882,416</u>	<u>(407,852)</u>	<u>199,032</u>
Investment earnings (loss)	<u>1,592</u>	<u>1,592</u>	-	<u>(1,592)</u>	<u>464</u>
Total revenues	<u>231,950</u>	<u>1,291,860</u>	<u>882,416</u>	<u>(409,444)</u>	<u>199,496</u>
<b>Expenditures</b>					
Public safety					
Operating expenses	-	-	113,821	-	-
Capital outlay	-	-	671,161	-	-
Capital outlay, PSAP grant funds	-	-	332,700	-	-
Total expenditures	<u>231,950</u>	<u>1,291,860</u>	<u>1,117,682</u>	<u>174,178</u>	<u>161,030</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	(235,266)	<u>\$ (235,266)</u>	38,466
Fund balances:					
Beginning of year, July 1			<u>359,962</u>		<u>321,496</u>
End of year, June 30			<u>\$ 124,696</u>		<u>\$ 359,962</u>

**County of Currituck, North Carolina**  
**Corolla Fire District Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Ad valorem taxes:					
Current year	\$ 1,579,703	\$ 1,579,703	\$ 1,640,042	\$ 60,339	\$ 1,460,377
Prior years	-	-	1,928	1,928	24,431
Interest	1,100	1,100	1,371	271	4,871
Total ad valorem taxes	<u>1,580,803</u>	<u>1,580,803</u>	<u>1,643,341</u>	<u>62,538</u>	<u>1,489,679</u>
Restricted intergovernmental:					
Grants	-	-	-	-	290,466
Investment earnings (loss)	20,000	20,000	(27,873)	(47,873)	2,668
Total revenues	<u>1,600,803</u>	<u>1,600,803</u>	<u>1,615,468</u>	<u>14,665</u>	<u>1,782,813</u>
<b>Expenditures</b>					
Public Safety:					
Salaries and benefits	-	-	1,327,321	-	2,960,347
Operating expenses	-	-	126,672	-	114,076
Capital outlay	-	-	20,324	-	6,182
Total	<u>3,622,540</u>	<u>3,622,540</u>	<u>1,474,317</u>	<u>2,148,223</u>	<u>3,080,605</u>
Volunteer Fire Department:					
Operating expenses	-	-	179,148	-	191,664
Capital outlay	-	-	7,252	-	6,182
Total	<u>186,400</u>	<u>186,400</u>	<u>186,400</u>	<u>-</u>	<u>197,846</u>
Total expenditures	<u>3,808,940</u>	<u>3,808,940</u>	<u>1,660,717</u>	<u>2,148,223</u>	<u>3,278,451</u>
Revenues over (under) expenditures	<u>(2,208,137)</u>	<u>(2,208,137)</u>	<u>(45,249)</u>	<u>2,162,888</u>	<u>(1,495,638)</u>
<b>Other financing sources:</b>					
Transfers from General Fund	2,186,753	2,186,753	2,186,753	-	1,620,035
Total other financing sources	<u>2,186,753</u>	<u>2,186,753</u>	<u>2,186,753</u>	<u>-</u>	<u>1,620,035</u>
Revenues and other financing sources over expenditures	(21,384)	(21,384)	2,141,504	2,162,888	124,397
Appropriated fund balance	21,384	21,384	-	(21,384)	-
Revenues, other financing sources, and appropriated fund balance over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>2,141,504</u>	<u>\$ 2,141,504</u>	<u>124,397</u>
Fund balances:					
Beginning of year, July 1			1,317,019		1,192,622
End of year, June 30			<u>\$ 3,458,523</u>		<u>\$ 1,317,019</u>

**County of Currituck, North Carolina**  
**Knotts Island Fire District Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Ad valorem taxes					
Current year	\$ -	\$ -	\$ 288	\$ 288	\$ 205
Special district taxes	95,182	95,182	92,379	(2,803)	67,587
Vehicle tax collection	6,000	6,000	8,750	2,750	8,691
Total ad valorem taxes	<u>101,182</u>	<u>101,182</u>	<u>101,417</u>	<u>235</u>	<u>76,483</u>
Investment earnings (loss)	4,000	4,000	(6,864)	(10,864)	352
Total revenues	<u>105,182</u>	<u>105,182</u>	<u>94,553</u>	<u>(10,629)</u>	<u>76,835</u>
<b>Expenditures</b>					
Public safety:					
Salaries and employee benefits	-	-	999,623	-	996,358
Data transmission	-	-	-	-	456
Telephone and postage	-	-	-	-	4,776
Utilities	-	-	-	-	7,531
Repairs and maintenance	-	-	-	-	27,103
Buildings and grounds	-	-	-	-	4,676
Gas and oil	-	-	-	-	9,566
Supplies	-	-	-	-	5,415
Fire Supplies	-	-	-	-	7,003
Uniforms	-	-	-	-	2,754
Personal protective equipment	-	-	-	-	4,482
Contracted services	-	-	-	-	4,888
Dues and subscriptions	-	-	-	-	2,417
Professional services	-	-	-	-	471
Other operating expenditures	-	-	59,351	-	-
Capital outlay	-	-	16,295	-	35,433
Total expenditures	<u>1,357,026</u>	<u>1,357,026</u>	<u>1,075,269</u>	<u>281,757</u>	<u>1,113,329</u>
Revenues over (under) expenditures	<u>(1,251,844)</u>	<u>(1,251,844)</u>	<u>(980,716)</u>	<u>271,128</u>	<u>(1,036,494)</u>
<b>Other financing sources:</b>					
Transfer from General Fund	<u>1,227,825</u>	<u>1,227,825</u>	<u>1,227,825</u>	<u>-</u>	<u>1,037,941</u>
Revenues and other financing sources over expenditures	<u>(24,019)</u>	<u>(24,019)</u>	<u>247,109</u>	<u>271,128</u>	<u>1,447</u>
Appropriated fund balance	<u>24,019</u>	<u>24,019</u>	<u>-</u>	<u>(24,019)</u>	<u>-</u>
Revenues, other financing sources, and appropriated fund balance over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>247,109</u>	<u>\$ 247,109</u>	<u>1,447</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>66,334</u>		<u>64,887</u>
End of year, June 30			<u>\$ 313,443</u>		<u>\$ 66,334</u>

Note: Fund established July 1, 2019

**County of Currituck, North Carolina**  
**Guinea Mill Watershed Improvement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ -	\$ -	\$ 967	\$ 967	\$ 46,028
Prior years	-	-	3,335	3,335	499
Interest	-	-	544	544	101
Total ad valorem taxes	-	-	4,846	4,846	46,628
Investment earnings (loss)	3,000	3,000	(3,504)	(6,504)	368
Total revenues	3,000	3,000	1,342	(1,658)	46,996
<b>Expenditures:</b>					
Current:					
Environmental protection	-	-	2,515	-	52,601
Total expenditures	168,268	168,268	2,515	165,753	52,601
Revenues over (under) expenditure	(165,268)	(165,268)	(1,173)	164,095	(5,605)
<b>Other financing uses:</b>					
Transfers to General Fund	-	-	-	-	(2,253)
Revenues over (under) expenditures and other financing uses	(165,268)	(165,268)	(1,173)	164,095	(7,858)
Appropriated fund balance	165,268	165,268	-	(165,268)	-
Revenues and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ -	(1,173)	\$ (1,173)	(7,858)
<b>Fund balances:</b>					
Beginning of year, July 1			209,950		217,808
End of year, June 30			\$ 208,777		\$ 209,950

This fund was consolidated into the Moyock Watershed effective 7-1-2021.  
The fund will remain open for collection of tax receivables only.

**County of Currituck, North Carolina**  
**Hog Bridge Ditch Watershed Improvement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ 2,362	\$ 2,362	\$ 2,507	\$ 145	\$ 2,065
Prior years taxes	-	-	26	26	50
Interest	-	-	6	6	16
Total ad valorem taxes	<u>2,362</u>	<u>2,362</u>	<u>2,539</u>	<u>177</u>	<u>2,131</u>
Investment earnings (loss)	-	-	(24)	(24)	11
Total revenues	<u>2,362</u>	<u>2,362</u>	<u>2,515</u>	<u>153</u>	<u>2,142</u>
<b>Expenditures:</b>					
Current:					
Environmental protection:	4,074	4,074	4,074	-	2,144
Total expenditures	<u>4,074</u>	<u>4,074</u>	<u>4,074</u>	<u>-</u>	<u>2,144</u>
Revenues under expenditures	<u>(1,712)</u>	<u>(1,712)</u>	<u>(1,559)</u>	<u>153</u>	<u>(2)</u>
<b>Other financing uses:</b>					
Transfers to General Fund	<u>(668)</u>	<u>(668)</u>	<u>(668)</u>	<u>-</u>	<u>(101)</u>
Revenues over (under) expenditure	<u>(2,380)</u>	<u>(2,380)</u>	<u>(2,227)</u>	<u>153</u>	<u>(103)</u>
Appropriated fund balance	<u>2,380</u>	<u>2,380</u>	<u>-</u>	<u>(2,380)</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>(2,227)</u>	<u>\$ (2,227)</u>	<u>(103)</u>
<b>Fund balances:</b>					
Beginning of year, July 1			4,197		4,300
End of year, June 30			<u>\$ 1,970</u>		<u>\$ 4,197</u>



**County of Currituck, North Carolina**  
**Moyock Watershed Improvement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ 185,103	\$ 185,103	\$ 198,442	\$ 13,339	\$ 22,062
Prior years taxes	-	-	30	30	141
Interest	-	-	225	225	35
Total ad valorem taxes	<u>185,103</u>	<u>185,103</u>	<u>198,697</u>	<u>13,594</u>	<u>22,238</u>
Investment earnings (loss)	<u>1,300</u>	<u>1,300</u>	<u>(4,351)</u>	<u>(5,651)</u>	<u>101</u>
Total revenues	<u>186,403</u>	<u>186,403</u>	<u>194,346</u>	<u>7,943</u>	<u>22,339</u>
<b>Expenditures:</b>					
Environmental protection:	<u>226,365</u>	<u>226,365</u>	<u>16</u>	<u>226,349</u>	<u>1,760</u>
Total expenditures	<u>226,365</u>	<u>226,365</u>	<u>16</u>	<u>226,349</u>	<u>1,760</u>
Revenues over (under) expenditures	<u>(39,962)</u>	<u>(39,962)</u>	<u>194,330</u>	<u>234,292</u>	<u>20,579</u>
<b>Other financing uses:</b>					
Transfers to General Fund	<u>(30,038)</u>	<u>(30,038)</u>	<u>(30,038)</u>	<u>-</u>	<u>(1,013)</u>
Revenues over (under) expenditures and other financing uses	<u>(70,000)</u>	<u>(70,000)</u>	<u>164,292</u>	<u>234,292</u>	<u>19,566</u>
Appropriated Fund Balance	<u>70,000</u>	<u>70,000</u>	<u>-</u>	<u>(70,000)</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>164,292</u>	<u>\$ 164,292</u>	<u>19,566</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>75,147</u>		<u>55,581</u>
End of year, June 30			<u>\$ 239,439</u>		<u>\$ 75,147</u>

**County of Currituck, North Carolina**  
**Northwest Watershed Improvement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ 3,996	\$ 3,996	\$ 4,008	\$ 12	\$ 3,284
Prior years taxes	-	-	23	23	37
Interest	-	-	11	11	6
Total ad valorem taxes	<u>3,996</u>	<u>3,996</u>	<u>4,042</u>	<u>46</u>	<u>3,327</u>
Investment earnings (loss)	-	-	(712)	(712)	63
Total revenues	<u>3,996</u>	<u>3,996</u>	<u>3,330</u>	<u>(666)</u>	<u>3,390</u>
<b>Expenditures:</b>					
Environmental protection:					
Total expenditures	<u>41,996</u>	<u>41,996</u>	<u>16</u>	<u>41,980</u>	<u>16</u>
Revenues over expenditures	<u>(38,000)</u>	<u>(38,000)</u>	<u>3,314</u>	<u>41,314</u>	<u>3,374</u>
<b>Other financing uses:</b>					
Transfers to General Fund	-	-	-	-	(161)
Fund balance appropriated	<u>38,000</u>	<u>38,000</u>	<u>-</u>	<u>(38,000)</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>3,314</u>	<u>\$ 3,314</u>	<u>3,213</u>
Fund balances:					
Beginning of year, July 1			<u>38,574</u>		<u>35,361</u>
End of year, June 30			<u>\$ 41,888</u>		<u>\$ 38,574</u>

**County of Currituck, North Carolina**  
**Ocean Sands North/Crown Pointe Watershed Improvement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ 328,126	\$ 328,126	\$ 281,837	\$ (46,289)	\$ 251,276
Prior years taxes	-	-	171	171	8,711
Interest	-	-	147	147	1,704
Total ad valorem taxes	<u>328,126</u>	<u>328,126</u>	<u>282,155</u>	<u>(45,971)</u>	<u>261,691</u>
Investment earnings (loss)	4,000	4,000	(12,082)	(16,082)	1,137
Total revenues	<u>332,126</u>	<u>332,126</u>	<u>270,073</u>	<u>(62,053)</u>	<u>262,828</u>
<b>Expenditures:</b>					
Environmental protection:					
Total expenditures	<u>889,924</u>	<u>889,924</u>	<u>374,050</u>	<u>515,874</u>	<u>9,358</u>
Revenues over expenditures	<u>(557,798)</u>	<u>(557,798)</u>	<u>(103,977)</u>	<u>(453,821)</u>	<u>253,470</u>
<b>Other financing uses:</b>					
Transfers to General Fund	<u>(13,350)</u>	<u>(13,350)</u>	<u>(13,350)</u>	<u>-</u>	<u>(12,981)</u>
Revenues and other financing sources over (under) expenditures	<u>(571,148)</u>	<u>(571,148)</u>	<u>(117,327)</u>	<u>(453,821)</u>	<u>240,489</u>
Fund balance appropriated	<u>571,148</u>	<u>571,148</u>	<u>-</u>	<u>571,148</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>(117,327)</u>	<u>\$ (117,327)</u>	<u>240,489</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>869,043</u>		<u>628,554</u>
End of year, June 30			<u>\$ 751,716</u>		<u>\$ 869,043</u>

**County of Currituck, North Carolina**  
**Whalehead Watershed Improvement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ 1,006,329	\$ 1,006,329	\$ 1,044,390	\$ 38,061	\$ 921,608
Prior year taxes	-	-	-	-	2,269
Interest	-	-	756	756	832
Total ad valorem taxes	<u>1,006,329</u>	<u>1,006,329</u>	<u>1,045,146</u>	<u>38,817</u>	<u>924,709</u>
Investment earnings (loss)	10,000	10,000	(22,904)	(32,904)	2,467
Total revenues	<u>1,016,329</u>	<u>1,016,329</u>	<u>1,022,242</u>	<u>5,913</u>	<u>927,176</u>
<b>Expenditures:</b>					
Environmental protection:					
Operating	-	-	102,866	-	103,898
Capital outlay	-	-	58,711	-	443,354
Total expenditures	<u>608,009</u>	<u>643,863</u>	<u>161,577</u>	<u>482,286</u>	<u>547,252</u>
Revenues over expenditures	<u>408,320</u>	<u>372,466</u>	<u>860,665</u>	<u>488,199</u>	<u>379,924</u>
<b>Other financing uses:</b>					
Transfers to General Fund	<u>(408,320)</u>	<u>(408,320)</u>	<u>(408,320)</u>	<u>-</u>	<u>(444,720)</u>
Revenues over (under) expenditures and other financing uses	<u>-</u>	<u>(35,854)</u>	<u>452,345</u>	<u>488,199</u>	<u>(64,796)</u>
Appropriated fund balance	<u>-</u>	<u>35,854</u>	<u>-</u>	<u>(35,854)</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>452,345</u>	<u>\$ 452,345</u>	<u>(64,796)</u>
<b>Fund balances:</b>					
Beginning of year, July 1			816,106		880,902
End of year, June 30			<u>\$ 1,268,451</u>		<u>\$ 816,106</u>

**County of Currituck, North Carolina**  
**CARES ACT - COVID 19**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ 1,288,437
Investment earnings (loss)	-	-	(534)	-	2,080
Total revenues	<u>-</u>	<u>-</u>	<u>(534)</u>	<u>(534)</u>	<u>1,290,517</u>
<b>Expenditures:</b>					
General government:					
Election expenses:					
Salaries	-	-	-	-	14,067
Supplies	-	-	-	-	2,532
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,599</u>
Public safety:					
Disaster recovery:					
Salaries	-	-	-	-	1,140,732
Contracted services	-	-	-	-	47,620
Supplies	-	-	-	-	52,184
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,240,536</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,257,135</u>
Revenues over expenditures	<u>-</u>	<u>-</u>	<u>(534)</u>	<u>(534)</u>	<u>33,382</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(534)</u>	<u>\$ (534)</u>	<u>33,382</u>
Fund balances:					
Beginning of year, July 1			33,382		-
End of year, June 30			<u>\$ 32,848</u>		<u>\$ 33,382</u>

**County of Currituck, North Carolina**  
**Opioid Settlement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental:					
Opioid settlement funds	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
General government					
Opioid addiciton treatment	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues under expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance:					
Beginning of year, July 1			-		
End of Year, June 30			<u>\$ -</u>		

Initial funding received in June 2022; however, the County is evaluating a spending plan and will adopt a budget in future years.

**County of Currituck, North Carolina**  
**Whalehead Beach Solid Waste Service District**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ 123,356	\$ 123,356	\$ 128,000	\$ 4,644	\$ 118,751
Prior year taxes	-	-	-	-	293
Interest	-	-	93	93	107
Total ad valorem taxes	<u>123,356</u>	<u>123,356</u>	<u>128,093</u>	<u>4,737</u>	<u>119,151</u>
Investment earnings (loss)	-	-	(5,063)	(5,063)	529
Total revenues	<u>123,356</u>	<u>123,356</u>	<u>123,030</u>	<u>(326)</u>	<u>119,680</u>
<b>Expenditures:</b>					
Environmental protection:					
Total expenditures	<u>123,356</u>	<u>123,356</u>	<u>111,523</u>	<u>11,833</u>	<u>116,457</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	11,507	<u>\$ 11,507</u>	3,223
Fund balances:					
Beginning of year, July 1			<u>277,217</u>		<u>273,994</u>
End of year, June 30			<u>\$ 288,724</u>		<u>\$ 277,217</u>

**County of Currituck, North Carolina**  
**Carova Beach Service District Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Ad valorem taxes:					
Current year	\$ 31,025	\$ 31,025	\$ 32,336	\$ 1,311	\$ 29,445
Prior year taxes	-	-	276	276	120
Interest	-	-	87	87	65
Total ad valorem taxes	<u>31,025</u>	<u>31,025</u>	<u>32,699</u>	<u>1,674</u>	<u>29,630</u>
Permits and fees:					
Tour operator permits	34,000	34,000	26,600	(7,400)	43,695
Investment earnings (loss)	2,000	2,000	(264)	(2,264)	394
Total revenues	<u>67,025</u>	<u>67,025</u>	<u>59,035</u>	<u>(7,990)</u>	<u>73,719</u>
<b>Expenditures:</b>					
Environmental protection:					
Current:					
Operations	-	-	101,502	-	-
Total expenditures	<u>89,682</u>	<u>123,682</u>	<u>101,502</u>	<u>22,180</u>	<u>236,738</u>
Revenues over expenditures	<u>67,025</u>	<u>(56,657)</u>	<u>(42,467)</u>	<u>14,190</u>	<u>(163,019)</u>
<b>Other financing sources and uses:</b>					
Transfers from Occupancy Tax Fund	30,000	30,000	30,000	-	36,781
Transfers to General Fund	<u>(7,343)</u>	<u>(7,343)</u>	<u>(7,343)</u>	<u>-</u>	<u>(1,484)</u>
	22,657	22,657	22,657	-	35,297
Revenues and other financing sources over (under) expenditures and other financing uses	<u>89,682</u>	<u>(34,000)</u>	<u>(19,810)</u>	<u>14,190</u>	<u>(127,722)</u>
Appropriated fund balance	<u>-</u>	<u>34,000</u>	<u>-</u>	<u>(34,000)</u>	<u>-</u>
Revenues and other financing sources and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ 89,682</u>	<u>\$ -</u>	<u>(19,810)</u>	<u>\$ (19,810)</u>	<u>(127,722)</u>
<b>Fund balances:</b>					
Beginning of year, July 1			43,281		171,003
End of year, June 30			<u>\$ 23,471</u>		<u>\$ 43,281</u>



**County of Currituck, North Carolina**  
**Social Services Payee Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Contributions	\$ 250,000	\$ 325,000	\$ 270,668	\$ (54,332)	\$ 235,553
Investment earnings	-	-	19	19	-
Total revenues	250,000	325,000	270,687	(54,313)	235,553
<b>Expenditures</b>					
Beneficiary payments to individuals	250,000	325,000	271,153	-	225,046
Total expenditures	250,000	325,000	271,153	53,847	225,046
Revenues over (under) expenditures	\$ -	\$ -	(466)	\$ (466)	10,507
Fund balances:					
Beginning of year, July 1			47,006		-
Restatement			-		36,499
Beginning, as restated			-		36,499
End of year, June 30			\$ 46,540		\$ 47,006

Note: GASB No. 84 implemented June 30, 2021

**County of Currituck, North Carolina**  
**Fines & Forfeitures Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Permits and fees	\$ 250,000	\$ 425,000	\$ 321,953	\$ (103,047)	\$ 277,791
Total revenues	<u>250,000</u>	<u>425,000</u>	<u>321,953</u>	<u>(103,047)</u>	<u>277,791</u>
<b>Expenditures</b>					
Payments of penalties fines and forfeitures to the Currituck County Board of Education	250,000	425,000	321,953	103,047	277,791
Total expenditures	<u>250,000</u>	<u>425,000</u>	<u>321,953</u>	<u>103,047</u>	<u>-</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	
Fund balances:					
Beginning of year, July 1			<u>-</u>		<u>-</u>
End of year, June 30			<u>\$ -</u>		<u>\$ -</u>

Note: GASB No. 84 implemented June 30, 2021

**County of Currituck, North Carolina**  
**Fire Equipment Replacement Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Investment earnings (loss)	\$ 2,500	\$ 2,500	\$ (12,992)	\$ (15,492)	\$ 473
	<u>2,500</u>	<u>2,500</u>	<u>(12,992)</u>	<u>(15,492)</u>	<u>473</u>
<b>Expenditures:</b>					
Current:					
Debt payment on behalf of Moyock VFD	-	-	-	-	36,436
Capital outlay	669,500	669,500	-	-	31,986
Total expenditures	<u>669,500</u>	<u>669,500</u>	<u>-</u>	<u>669,500</u>	<u>68,422</u>
Revenues over (under) expenditures	<u>(667,000)</u>	<u>(667,000)</u>	<u>(12,992)</u>	<u>654,008</u>	<u>(67,949)</u>
<b>Other financing sources:</b>					
Transfers from General Fund	267,000	267,000	267,000	-	267,000
Fund balance appropriated	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>(400,000)</u>	<u>-</u>
Revenues, other financing sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	254,008	<u>\$ 254,008</u>	199,051
<b>Fund balances:</b>					
Beginning of year, July 1			484,256		285,205
End of year, June 30			<u>\$ 738,264</u>		<u>\$ 484,256</u>

**County of Currituck, North Carolina**  
**Capital Improvements Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Other taxes and licenses:					
Article 40 supplemental sales tax	\$ 1,350,000	\$ 1,350,000	\$ 1,951,945	\$ 601,945	\$ 1,943,495
Article 42 supplemental sales tax	1,160,000	1,160,000	1,864,599	704,599	1,414,012
Investment earnings (loss)	-	-	(160,445)	(160,445)	8,785
Total revenues	<u>2,510,000</u>	<u>2,510,000</u>	<u>3,656,099</u>	<u>1,146,099</u>	<u>3,366,292</u>
<b>Other financing uses:</b>					
Transfers to other funds:					
General Fund	(950,000)	(950,000)	(950,000)	-	(950,000)
Contingency	<u>(1,560,000)</u>	<u>(1,560,000)</u>	<u>-</u>	<u>1,560,000</u>	<u>-</u>
Total other financing uses	<u>(2,510,000)</u>	<u>(2,510,000)</u>	<u>(950,000)</u>	<u>1,560,000</u>	<u>(950,000)</u>
Revenues over (under) other financing uses	<u>\$ -</u>	<u>\$ -</u>	2,706,099	<u>\$ 2,706,099</u>	2,416,292
<b>Fund balances:</b>					
Beginning of year, July 1			7,570,849		5,154,557
End of year, June 30			<u>\$ 10,276,948</u>		<u>\$ 7,570,849</u>

**County of Currituck, North Carolina**  
**Deed of Trust Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues</b>					
Restricted intergovernmental	\$ 50,000	\$ 75,000	\$ 46,866	\$ (28,134)	\$ 58,671
Total revenues	<u>50,000</u>	<u>75,000</u>	<u>46,866</u>	<u>(28,134)</u>	<u>58,671</u>
<b>Expenditures</b>					
Payments of fees collected to the State of North Carolina			46,866	-	58,671
Total expenditures	<u>50,000</u>	<u>75,000</u>	<u>46,866</u>	<u>28,134</u>	<u>58,671</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund balances:					
Beginning of year, July 1			-		-
Restatement			-		-
Beginning, as restated			-		-
End of year, June 30			<u>\$ -</u>		<u>\$ -</u>

Note: GASB No. 84 implemented June 30, 2021

**County of Currituck, North Carolina**  
**School Capital Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Other taxes and licenses:					
Article 40 supplemental sales tax	\$ 550,000	\$ 550,000	\$ 836,547	\$ 286,547	\$ 712,018
Article 42 supplemental sales tax	1,650,000	1,650,000	2,796,899	1,146,899	2,544,200
Investment earnings (loss)	75,000	75,000	(11,442)	(86,442)	10,623
Total revenues	<u>2,275,000</u>	<u>2,275,000</u>	<u>3,622,004</u>	<u>1,347,004</u>	<u>3,266,841</u>
<b>Other financing uses:</b>					
Transfers to General Fund	(1,400,000)	(1,400,000)	(1,400,000)	-	(1,860,000)
Transfers to School Capital Projects Fu	(1,650,000)	(4,090,000)	(4,090,000)	-	(2,250,000)
Total other financing uses	<u>(3,050,000)</u>	<u>(5,490,000)</u>	<u>(5,490,000)</u>	<u>-</u>	<u>(4,110,000)</u>
Revenue over other financing uses	<u>(775,000)</u>	<u>(3,215,000)</u>	<u>(1,867,996)</u>	<u>1,347,004</u>	<u>(843,159)</u>
Appropriated fund balance	<u>775,000</u>	<u>3,215,000</u>	<u>-</u>	<u>(3,215,000)</u>	<u>-</u>
Revenues and appropriated fund balanc over (under) other financing uses	<u>-</u>	<u>-</u>	<u>(1,867,996)</u>	<u>\$ (1,867,996)</u>	<u>(843,159)</u>
Beginning of year, July 1			<u>3,908,955</u>		<u>4,752,114</u>
End of year, June 30			<u>\$ 2,040,959</u>		<u>\$ 3,908,955</u>

**County of Currituck, North Carolina**  
**County Government Facilities Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Pension Ended June 30, 2022**

	June 30, 2022			Actual		Variance Positive (Negative)
	Project Authorization	Prior Years	Reclassifications	Current Year	Total to Date	
<b>Revenues</b>						
Intergovernmental revenues:						
State aid to airports	\$ 2,393,564	\$ 1,236,064	\$ -	\$ 809,189	\$ 2,045,253	\$ (348,311)
Public safety building	1,000,000	-	-	1,000,000	1,000,000	-
Total	3,393,564	1,236,064	-	1,809,189	3,045,253	(348,311)
Investment earnings (loss)	1,344,923	936,221	-	(289,353)	646,868	(698,055)
Total revenues	4,738,487	2,172,285	-	1,519,836	3,692,121	(1,046,366)
<b>Expenditures</b>						
General government						
ABC Store - Corolla, CIP	2,300,000	710,748	-	281,510	992,258	1,307,742
Fuel Farm Replacement	1,000,000	-	-	176	176	999,824
Historic Courthouse Generator	467,890	-	-	-	-	467,890
Public Works Maintenance Building	1,000,000	-	-	-	-	1,000,000
Total	4,767,890	710,748	-	281,686	992,434	3,775,456
Public safety:						
Incinerator	-	140,298	(140,298)	-	-	-
Jail - Sewer connection to MCP Sewer	409,000	407,431	-	-	407,431	1,569
Public Safety Facility	24,045,786	17,978,463	140,298	3,171,704	21,290,465	2,755,321
County-wide Broadband project	1,000,000	73,745	-	34,493	108,238	891,762
Total public safety	25,454,786	18,599,937	-	3,206,197	21,806,134	3,648,652
Transportation:						
ALP Update, CIP	359,000	165,126	-	192,058	357,184	1,816
N Apron Rehabilitation, CIP	1,012,192	408,256	-	525,377	933,633	78,559
Terminal Fencing, CIP	242,931	218,150	-	15,726	233,876	9,055
PAPI and Light Vault	455,598	425,013	-	-	425,013	30,585
Total transportation	2,069,721	1,216,545	-	733,161	1,949,706	120,015
Cultural and recreational:						
Connect Corolla Corolla Village Rd Sidewalk	505,189	422,813	-	-	422,813	82,376
Connect Corolla - NC 12 Beautification	266,075	241,950	-	-	241,950	24,125
Connect Corolla - Phase IV	700,345	639,036	-	-	639,036	61,309
Connect Corolla - Contingencies	639,024	-	-	-	-	639,024
Corolla 10 acres masterplan, CIP	100,000	77,037	-	998	78,035	21,965
Perch St. Walkover, CIP	152,128	133,485	-	-	133,485	18,643
Barracuda St. Walkover, CIP	153,128	133,124	-	-	133,124	20,004
Bonito Walkover Replacement	25,767	-	-	-	-	25,767
Sailfish St. Walkover, CIP	154,979	141,056	-	-	141,056	13,923
Coral St. Walkover	236,993	4,417	-	118,381	122,798	114,195
Dolphin St. Walkover	263,773	4,417	-	197,097	201,514	62,259
Mackerel St. Walkover	317,334	4,416	-	21,452	25,868	291,466
Marlin St Walkover 2023	25,767	-	-	-	-	25,767
Sturgeon St Walkover 2023	25,767	-	-	-	-	25,767
Jarvisburg Historic Colored School Siding	50,000	1,004	-	15,262	16,266	33,734
Historic Corolla Park - Maritime Museum	4,286,337	3,910,883	-	247,736	4,158,619	127,718
Historic Corolla Park - Playground	750,000	-	-	-	-	750,000
Historic Jail Preservation	275,000	-	-	205,350	205,350	69,650
Recreation baseball/softball fields - Maple	-	1,500	(1,500)	-	-	-
Recreation soccer fields - Maple	530,000	484,669	-	-	484,669	45,331
Recreation - Shingle Landing Park, CIP	2,855,000	2,649,514	-	147,203	2,796,717	58,283
Sound Park Bulkhead 2022	50,000	-	-	27,601	27,601	22,399
Total cultural and recreational	12,362,606	8,849,321	(1,500)	981,080	9,828,901	2,533,705
Total expenditures	44,655,003	29,376,551	(1,500)	5,202,124	34,577,175	10,077,828
Revenues under expenditures	(39,916,516)	(27,204,266)	1,500	(3,682,288)	(30,885,054)	9,031,462

**County of Currituck, North Carolina**  
**County Government Facilities Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Pension Ended June 30, 2022**

	June 30, 2022			Actual		Variance Positive (Negative)
	Project Authorization	Prior Years	Reclassifications	Current Year	Total to Date	
<b>Other financing sources (uses):</b>						
Installment purchase obligation	21,400,000	21,400,000	-	-	21,400,000	-
Transfers (to) from other funds:						
General Fund	485,285	468,619	(1,500)	467,890	935,009	449,724
Tourism Development Authority	9,391,657	3,153,515	-	2,170,850	5,324,365	(4,067,292)
Capital Improvements Fund	4,186,425	7,175,464	-	-	7,175,464	2,989,039
Transfer Tax Capital Fund	4,453,149	10,780,276	-	2,646,486	13,426,762	8,973,613
Total other financing sources (uses)	<u>39,916,516</u>	<u>42,977,874</u>	<u>(1,500)</u>	<u>5,285,226</u>	<u>48,261,600</u>	<u>8,345,084</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 15,773,608</u>	<u>\$ -</u>	1,602,938	<u>\$ 17,376,546</u>	<u>\$17,376,546</u>
Fund balances:						
Beginning of year, July 1				<u>15,773,608</u>		
End of year, June 30				<u>\$ 17,376,546</u>		



**County of Currituck, North Carolina**  
**School Facilities Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Prior Years	Reclassification	Actual		Total to Date	Variance Positive (Negative)
				Current Year			
<b>Revenues</b>							
State Lottery proceeds	\$ 1,441,500	\$ 1,398,392	\$ -	\$ 405,000		\$ 1,803,392	\$ 361,892
Investment earnings (loss)	1,200,000	2,679,974	-	(548,893)		2,131,081	931,081
Total revenues	<u>2,641,500</u>	<u>4,078,366</u>	<u>-</u>	<u>(143,893)</u>		<u>3,934,473</u>	<u>1,292,973</u>
<b>Expenditures</b>							
Intergovernmental - education:							
Griggs - HVAC Phase III	238,000	221,698	-	-		221,698	16,302
Griggs - HVAC Media and Café	300,000	-	-	293,909		293,909	6,091
CCMS - Roof	150,000	36,577	-	47,710		84,287	65,713
CCMS - Silicone Roof Coating	340,000	-	-	305,701		305,701	34,299
MES - Replace main roof 2019	103,000	102,889	-	-		102,889	111
MES - Addition 2021	15,299,800	240,060	-	3,584,217		3,824,277	11,475,523
Moyock / Tulls Creek Elem School	3,500,000	-	-	-		-	3,500,000
Moyock Elem School #2	1,000,000	-	-	-		-	1,000,000
MMS - Addition 2021	7,663,039	138,663	-	1,705,649		1,844,312	5,818,727
CES - Center Wing Roof	175,000	193,884	(29,999)	-		163,885	11,115
CES - Silicone Roof Coating	65,000	-	-	57,323		57,323	7,677
CCHS - HVAC Dec 2017	30,500	36,872	(6,873)	-		29,999	501
CCHS - Energy Mgmt June 2018	40,000	-	36,872	-		36,872	3,128
Total expenditures	<u>28,904,339</u>	<u>970,643</u>	<u>-</u>	<u>5,994,509</u>		<u>6,965,152</u>	<u>21,939,187</u>
Revenues over (under) expenditures	<u>(26,262,839)</u>	<u>3,107,723</u>	<u>-</u>	<u>(6,138,402)</u>		<u>(3,030,679)</u>	<u>23,232,160</u>
<b>Other financing sources:</b>							
Transfers from							
General Fund	6,763,039	-	-	9,163,039		9,163,039	2,400,000
School Capital Improvements Fund	8,359,400	5,209,540	-	4,090,000		9,299,540	940,140
Transfer Tax Capital Fund	11,140,400	1,743,064	-	10,009,800		11,752,864	612,464
	<u>26,262,839</u>	<u>6,952,604</u>	<u>-</u>	<u>23,262,839</u>		<u>30,215,443</u>	<u>3,952,604</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 10,060,327</u>	<u>\$ -</u>	<u>17,124,437</u>		<u>\$ 27,184,764</u>	<u>\$ 27,184,764</u>
Fund balances:							
Beginning of year, July 1				10,060,327			
End of year, June 30				<u>\$ 27,184,764</u>			

**County of Currituck, North Carolina**  
**Transfer Tax Capital Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Other taxes and licenses					
Land transfer tax	\$ 5,000,000	\$ 5,646,486	\$ 9,962,417	\$ 4,315,931	\$ 11,672,841
Investment earnings (loss)	100,000	100,000	(199,412)	(299,412)	25,632
Total revenues	<u>5,100,000</u>	<u>5,746,486</u>	<u>9,763,005</u>	<u>4,016,519</u>	<u>11,698,473</u>
<b>Expenditures:</b>					
Fees Paid to Officials	-	-	-	-	-
Total expenditures	<u>700</u>	<u>700</u>	<u>-</u>	<u>700</u>	<u>-</u>
Revenues over expenditures	<u>5,099,300</u>	<u>5,745,786</u>	<u>9,763,005</u>	<u>4,017,219</u>	<u>11,698,473</u>
<b>Other financing uses:</b>					
Transfers to General Fund	(4,875,424)	(4,875,424)	(3,284,679)	(1,590,745)	(4,657,924)
Transfers to Land Banking Fund	(350,000)	(350,000)	(200,000)	(200,000)	(200,000)
County Government Facilities Fund	(2,000,000)	(2,646,486)	(2,646,486)	-	-
School Construction	-	(10,009,800)	(10,009,800)	(10,009,800)	-
Transfers to Moyock Central Sewer Fund	-	-	-	-	-
Total other financing uses	<u>(7,225,424)</u>	<u>(17,881,710)</u>	<u>(16,140,965)</u>	<u>1,740,745</u>	<u>(4,857,924)</u>
Revenues over (under) expenditures and other financing uses	<u>(2,126,124)</u>	<u>(12,135,924)</u>	<u>(6,377,960)</u>	<u>5,757,964</u>	<u>6,840,549</u>
Appropriated fund balance	<u>2,126,124</u>	<u>12,135,924</u>	<u>-</u>	<u>(12,135,924)</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>(6,377,960)</u>	<u>\$ (6,377,960)</u>	<u>6,840,549</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>19,237,565</u>		<u>12,397,016</u>
End of year, June 30			<u>\$ 12,859,605</u>		<u>\$ 19,237,565</u>

**County of Currituck, North Carolina**  
**Tourism Development Authority**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Period Ended June 30, 2022**  
**For the Fiscal Period June 30, 2022**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>Revenues:</b>					
Occupancy Tax	\$ -	\$ -	\$ 17,936,277	\$ -	\$ 16,650,164
Retail sales - Tourism Promotion	-	-	18,182	-	9,300
Retail sales - Whalehead in Historic Corolla	-	-	15,601	-	13,185
Penalties and interest	-	-	20,479	-	1,312
Promotion events	-	-	32,641	-	15,125
Whalehead donations	-	-	3,424	-	125,806
Whalehead events	-	-	48,743	-	20,813
Whalehead rents	-	-	56,953	-	23,554
Whalehead tours	-	-	93,854	-	57,193
Miscellaneous grants	-	-	1,140	-	-
Miscellaneous revenue	-	-	-	-	7,104
Investment earnings (loss)	-	-	(453,341)	-	39,322
Total revenues	<u>12,888,044</u>	<u>15,250,491</u>	<u>17,773,953</u>	<u>2,523,462</u>	<u>16,962,878</u>
<b>Expenditures:</b>					
Tourism Promotion:					
Salaries	-	-	799,821	-	707,045
Operating expenses	-	-	296,689	-	152,818
Retail merchandise	-	-	12,048	-	6,265
Promotions	-	-	2,774,653	-	3,154,375
Debt service - principal lease	-	-	5,038	-	-
Debt service - interest lease	-	-	1,039	-	-
Capital outlay	-	-	93,295	-	46,229
Total Tourism Promotions	<u>4,648,688</u>	<u>4,654,650</u>	<u>3,982,583</u>	<u>672,067</u>	<u>4,066,732</u>
Tourism Related Expenditures:					
Operations:					
Salaries	-	-	261,788	-	251,087
Contracted services	-	-	291,751	-	203,120
Operating expenses	-	-	48,761	-	34,301
Beach nourishment	-	-	12,670	-	5,860
Carova Beach Park	-	-	1,889	-	2,530
Corolla Wild Horse support	-	-	80,950	-	74,984
Historic Jarvisburg Colored School operations	-	-	11,418	-	10,645
Lifeguard services	-	-	971,746	-	925,879
Outer Banks access ramps	-	-	25,205	-	8,938
Signs	-	-	2,171	-	9,837
Capital outlay	-	-	447,143	-	85,091
Total Operations	<u>1,610,964</u>	<u>2,325,042</u>	<u>2,155,492</u>	<u>169,550</u>	<u>1,612,272</u>
Maritime Museum Corolla	-	-	-	-	25,388
Whalehead in Historic Corolla Park:					
Salaries	-	-	482,702	-	329,648
Operating expenses	-	-	485,043	-	273,398
Capital outlay	-	-	18,122	-	9,425
Total Whalehead in Historic Corolla Park	<u>2,704,719</u>	<u>2,704,719</u>	<u>985,867</u>	<u>1,718,852</u>	<u>612,471</u>
Total tourism related expenditures	<u>6,259,652</u>	<u>6,979,692</u>	<u>6,138,075</u>	<u>841,617</u>	<u>2,250,131</u>
Total expenditures	<u>8,964,371</u>	<u>9,684,411</u>	<u>7,123,942</u>	<u>2,560,469</u>	<u>6,316,863</u>

**County of Currituck, North Carolina**  
**Tourism Development Authority**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Period Ended June 30, 2022**  
**For the Fiscal Period June 30, 2022**

	2022			Variance with Final Positive (Negative)	2021
	Budgeted Amounts		Actual		Actual
	Original	Final			
Revenues over expenditures	3,923,673	5,566,080	10,650,011	5,083,931	10,646,015
<b>Other financing sources (uses):</b>					
Transfers (to) from other funds:					
General Fund	(4,337,744)	(4,487,436)	(4,325,707)	161,729	(3,529,669)
General Fund	-	-	-	-	(103,409)
General Fund	50,000	50,000	50,000	-	50,000
Lease liability issued	-	-	37,529	37,529	-
Carova Beach Service District Fund	(30,000)	(30,000)	(30,000)	-	(36,781)
Multi-year Fund	(250,000)	(250,000)	(250,000)	-	(250,000)
County Governmental Facilities Fund	(2,170,850)	(2,620,850)	(2,170,850)	450,000	(92,750)
Total other financing sources (uses)	<u>5,838,436</u>	<u>(7,338,286)</u>	<u>(6,689,028)</u>	<u>649,258</u>	<u>(3,962,609)</u>
Revenues and other financing sources over (under) expenditures and other financing sources	(1,514,763)	(1,772,206)	3,960,983	5,733,189	6,683,406
Appropriated fund balance	<u>1,514,763</u>	<u>1,772,206</u>	-	<u>(1,772,206)</u>	-
Revenues, other financing sources, and appropriated fund balance over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	3,960,983	<u>\$ 3,960,983</u>	6,683,406
Fund balances:					
Beginning of year, July 1			22,715,476		<u>16,032,070</u>
Fund balance: Tourism promotion			16,442,577		13,872,562
Fund balance: Tourism related expenditures			10,233,882		8,842,914
End of year, June 30			<u>\$ 26,676,459</u>		<u>\$ 22,715,476</u>

**County of Currituck, North Carolina**  
**American Rescue Plan Act Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Actual Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental					
ARPA Funds	\$ 5,392,637	\$ -	\$ 2,696,318	\$ 2,696,318	\$ (2,696,319)
Investment earnings (loss)	-	-	630	630	630
Total revenues	<u>5,392,637</u>	<u>-</u>	<u>2,696,948</u>	<u>2,696,948</u>	<u>(2,695,689)</u>
<b>Expenditures</b>					
Public safety					
Salaries and employee benefits	5,392,637	-	2,696,948	2,696,948	2,695,689
Total expenditures	<u>5,392,637</u>	<u>-</u>	<u>2,696,948</u>	<u>2,696,948</u>	<u>2,695,689</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ -</u>		

County of Currituck, North Carolina  
Combining Statement of Net Position  
Non-Major Proprietary Funds  
June 30, 2022  
(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)

					<b>Totals</b>	
	<b>Ocean Sands Water and Sewer System Developmental Fees Fund</b>	<b>Mainland Water System Developmental Fees Fund</b>	<b>Southern Outer Banks Water System Developmental Fees Fund</b>	<b>Mainland Sewer System Developmental Fees Fund</b>	<b>June 30, 2022</b>	<b>June 30, 2021</b>
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash	252,021	867,239	1,165,286	370,507	2,655,053	3,628,916
Receivables, net	-	34,331	920	-	35,251	-
Total current assets	<u>252,021</u>	<u>901,570</u>	<u>1,166,206</u>	<u>370,507</u>	<u>2,690,304</u>	<u>3,628,916</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	-	-	-	-	-	4,279
<b>NET POSITION</b>						
Unrestricted	252,021	901,570	1,166,206	370,507	2,690,304	3,624,637
Total net position	<u>\$ 252,021</u>	<u>\$ 901,570</u>	<u>\$ 1,166,206</u>	<u>\$ 370,507</u>	<u>\$ 2,690,304</u>	<u>\$ 3,624,637</u>

**County of Currituck, North Carolina**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Non-Major Proprietary Funds**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

					<b>Totals</b>	
	<b>Ocean Sands Water and Sewer System Developmental Fees Fund</b>	<b>Mainland Water System Developmental Fees Fund</b>	<b>Southern Outer Banks Water System Developmental Fees Fund</b>	<b>Mainland Sewer System Developmental Fees Fund</b>	<b>June 30, 2022</b>	<b>June 30, 2021</b>
<b>OPERATING REVENUES</b>						
Charges for services	\$ 94,596	\$ 859,970	\$ 795,841	\$ 5,860	\$ 1,756,267	\$ 2,372,697
Total operating revenues	<u>94,596</u>	<u>859,970</u>	<u>795,841</u>	<u>5,860</u>	<u>1,756,267</u>	<u>2,372,697</u>
<b>NONOPERATING REVENUES</b>						
Investment earnings (loss)	(4,358)	(30,188)	5,399	(6,228)	(35,375)	4,044
Total nonoperating revenue	<u>(4,358)</u>	<u>(30,188)</u>	<u>5,399</u>	<u>(6,228)</u>	<u>(35,375)</u>	<u>4,044</u>
Income before transfers	90,238	829,782	801,240	(368)	1,720,892	2,376,741
<b>Transfers to other funds</b>	<u>(20,225)</u>	<u>(2,135,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>(2,655,225)</u>	<u>(985,000)</u>
Change in net position	70,013	(1,305,218)	301,240	(368)	(934,333)	1,391,741
Total net position - beginning	182,008	2,206,788	864,966	370,875	3,624,637	2,232,896
Total net position - ending	<u>\$ 252,021</u>	<u>\$ 901,570</u>	<u>\$ 1,166,206</u>	<u>\$ 370,507</u>	<u>\$ 2,690,304</u>	<u>\$ 3,624,637</u>

**County of Currituck, North Carolina**  
**Combining Statement of Cash Flows**  
**Non-Major Proprietary Fund**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	Ocean Sands Water and Sewer System Developmental Fees Fund	Mainland Water System Developmental Fees Fund	Southern Outer Banks Water System Developmental Fees Fund	Mainland Sewer System Developmental Fees Fund	Totals	
					June 30, 2022	June 30, 2021
Cash flows from operating activities:						
Cash received from customers	\$ 94,596	\$ 821,360	\$ 794,921	\$ 5,860	\$ 1,716,737	\$ 2,437,590
Net cash provided by operating activities	<u>94,596</u>	<u>821,360</u>	<u>794,921</u>	<u>5,860</u>	<u>1,716,737</u>	<u>2,437,590</u>
Cash flows from noncapital financing activities:						
Transfer to other funds	(20,225)	(2,135,000)	(500,000)	-	(2,655,225)	(985,000)
	<u>(20,225)</u>	<u>(2,135,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>(2,655,225)</u>	<u>(985,000)</u>
Cash flows from investing activities:						
Interest on investments	(4,358)	(30,188)	5,399	(6,228)	(35,375)	4,044
Net increase in cash and cash equivalents	70,013	(1,343,828)	300,320	(368)	(973,863)	1,456,634
Cash and cash equivalents, July 1	182,008	2,211,067	864,966	370,875	3,628,916	2,172,282
Cash and cash equivalents, June 30	<u>\$ 252,021</u>	<u>\$ 867,239</u>	<u>\$ 1,165,286</u>	<u>\$ 370,507</u>	<u>\$ 2,655,053</u>	<u>\$ 3,628,916</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income	\$ 94,596	\$ 859,970	\$ 795,841	\$ 5,860	\$ 1,756,267	\$ 2,372,697
Adjustments to reconcile operating income to net cash provided by						
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	-	(34,331)	(920)	-	(35,251)	66,019
Increase (decrease) in accounts payable and accrued liabilities	-	(4,279)	-	-	(4,279)	(1,126)
Total adjustments	<u>-</u>	<u>(38,610)</u>	<u>(920)</u>	<u>-</u>	<u>(39,530)</u>	<u>64,893</u>
Net cash provided by operating activities	<u>\$ 94,596</u>	<u>\$ 821,360</u>	<u>\$ 794,921</u>	<u>\$ 5,860</u>	<u>\$ 1,716,737</u>	<u>\$ 2,437,590</u>



**County of Currituck, North Carolina**  
**Ocean Sands Water and Sewer System Developmental Fees Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Water system developmental fees	\$ -	\$ -	\$ 53,128	\$ -	\$ 50,142
Sewer system developmental fees	-	-	41,468	-	11,848
Total, water and sewer operating revenues	<u>-</u>	<u>-</u>	<u>94,596</u>	<u>94,596</u>	<u>61,990</u>
Nonoperating revenues:					
Investment earnings (loss)	-	-	(4,358)	-	222
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>(4,358)</u>	<u>(4,358)</u>	<u>222</u>
Total revenues	<u>-</u>	<u>-</u>	<u>90,238</u>	<u>90,238</u>	<u>62,212</u>
Appropriated net position	20,225	20,225	-	(20,225)	-
<b>Other financing uses:</b>					
Transfer to Ocean Sands Water & Sewer operations	<u>(20,225)</u>	<u>(20,225)</u>	<u>(20,225)</u>	<u>-</u>	<u>-</u>
Total revenue, appropriated net position over other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>70,013</u>	<u>\$ 70,013</u>	<u>62,212</u>
Change in net position			<u>\$ 70,013</u>		<u>\$ 62,212</u>

**County of Currituck, North Carolina**  
**Mainland Water System Developmental Fees Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance	2021
	Original Budget	Final Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>					
Water system developmental fees	\$ -	\$ -	\$ 859,970	\$ -	\$ 1,734,111
Total water operating revenues	<u>500,000</u>	<u>785,000</u>	<u>859,970</u>	<u>74,970</u>	<u>1,734,111</u>
Nonoperating revenues:					
Investment earnings (loss)	-	-	(30,188)	-	2,325
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>(30,188)</u>	<u>(30,188)</u>	<u>2,325</u>
Total revenues	<u>500,000</u>	<u>785,000</u>	<u>829,782</u>	<u>44,782</u>	<u>1,736,436</u>
Appropriated net position	350,000	1,350,000	-	(1,350,000)	-
<b>Other financing uses:</b>					
Transfer to Mainland Water Construction Fund	(850,000)	(2,135,000)	(2,135,000)	-	(250,000)
Transfer to Mainland Water Fund	-	-	-	-	(550,000)
	<u>(850,000)</u>	<u>(2,135,000)</u>	<u>(2,135,000)</u>	<u>-</u>	<u>(800,000)</u>
Total revenue, appropriated net position over other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>(1,305,218)</u>	<u>\$ (1,305,218)</u>	<u>\$ 936,436</u>
Change in net position			<u>\$ (1,305,218)</u>		<u>\$ 936,436</u>

**County of Currituck, North Carolina**  
**Southern Outer Banks Water System Developmental Fees Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			2021	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues:</b>					
Water system developmental fees	\$ -	\$ -	\$ 795,841	\$ -	\$ 464,956
Total water operating revenues	<u>-</u>	<u>500,000</u>	<u>795,841</u>	<u>295,841</u>	<u>464,956</u>
Nonoperating revenues:					
Investment earnings (loss)	-	-	5,399	-	708
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>5,399</u>	<u>5,399</u>	<u>708</u>
Total revenues	<u>-</u>	<u>500,000</u>	<u>801,240</u>	<u>301,240</u>	<u>465,664</u>
<b>Other financing uses:</b>					
Transfers to Southern Outer Banks Water Construction	-	(500,000)	(500,000)	-	-
Total revenues over other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>301,240</u>	<u>\$ 301,240</u>	<u>465,664</u>
Change in net position			<u>\$ 301,240</u>		<u>\$ 465,664</u>

**County of Currituck, North Carolina**  
**Mainland Sewer System Developmental Fees Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Charges for services:					
Sewer system developmental fees	\$ -	\$ -	\$ 5,860	\$ -	\$ 111,640
Total, sewer operating revenues	<u>350,000</u>	<u>350,000</u>	<u>5,860</u>	<u>(344,140)</u>	<u>111,640</u>
Nonoperating revenues:					
Interest earnings	-	-	(6,228)	-	789
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>(6,228)</u>	<u>(6,228)</u>	<u>789</u>
Total revenues	<u>350,000</u>	<u>350,000</u>	<u>(368)</u>	<u>(350,368)</u>	<u>112,429</u>
<b>Other financing uses:</b>					
Transfer to Mainland Central Sewer Construction Fund	(185,000)	(185,000)	-	185,000	(185,000)
Transfer to Moyock Sewer Operations	<u>(165,000)</u>	<u>(165,000)</u>	<u>-</u>	<u>165,000</u>	<u>-</u>
	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>	<u>350,000</u>	<u>(185,000)</u>
Total revenue over other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>(368)</u>	<u>\$ (368)</u>	<u>(72,571)</u>
Change in net position			<u>\$ (368)</u>		<u>\$ (72,571)</u>

**County of Currituck, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Operating revenues:					
Charges for services:					
Solid waste disposal charges	\$ -	\$ -	\$4,732,781	\$ -	\$2,949,559
Recycling	-	-	33,950	-	16,431
Tipping fees	-	-	1,030,716	-	915,979
Total	<u>4,628,500</u>	<u>4,803,500</u>	<u>5,797,447</u>	<u>993,947</u>	<u>3,881,969</u>
Nonoperating revenues:					
Ad valorem taxes	-	-	12,972	-	8,854
White goods tax	-	-	21,555	-	14,681
White goods disposal tax	-	-	82,842	-	92,495
Tire tax	-	-	47,396	-	40,001
Lease liability issued	-	-	55,847	-	-
Other solid waste grants	-	-	-	-	387
Sale of equipment	-	-	-	-	1,280
Investment earnings (loss)	172,500	-	(49,856)	-	4,074
Total	<u>172,500</u>	<u>187,500</u>	<u>170,756</u>	<u>(16,744)</u>	<u>161,772</u>
Appropriated net position	<u>535,335</u>	<u>588,979</u>	<u>-</u>	<u>(588,979)</u>	<u>-</u>
Total revenues and appropriated net position	<u>5,336,335</u>	<u>5,579,979</u>	<u>5,968,203</u>	<u>388,224</u>	<u>4,043,741</u>
<b>Expenditures:</b>					
Solid waste administration:					
Salaries & benefits	-	-	27,336	-	16,354
Telephone and postage	-	-	272	-	248
Travel	-	-	1,502	-	-
Training and education	-	-	681	-	-
Other administrative expenditures	-	-	94,369	-	102,655
Total	<u>126,726</u>	<u>127,026</u>	<u>124,160</u>	<u>2,866</u>	<u>119,257</u>
Solid waste operations:					
Utilities	-	-	6,068	-	6,019
Repair and maintenance	-	-	18,113	-	6,882
Rent	-	-	23,500	-	49,950
Supplies	-	-	24,164	-	21,303
Professional services	-	-	2,635	-	26,945
Contract services, other	-	-	26,069	-	26,977
Contract services, collection	-	-	2,410,109	-	2,371,400
Contract services, disposal	-	-	2,559,889	-	2,458,013
Site work and landscaping	-	-	16,305	-	19,702
White goods disposal	-	-	53,251	-	61,817
White goods disposal tax	-	-	61,000	-	60,029
Tire disposal	-	-	41,042	-	42,688
Monitoring wells	-	-	2,570	-	4,690
Recycling	-	-	544,410	-	529,569
Total	<u>6,086,537</u>	<u>6,337,881</u>	<u>5,789,125</u>	<u>548,756</u>	<u>5,924,498</u>
Debt service:					
Debt principal	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>	<u>-</u>
Total	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>	<u>-</u>

**County of Currituck, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
Capital outlays	315,872	307,872	60,564	247,308	99,529
Total expenditures	<u>6,536,335</u>	<u>6,779,979</u>	<u>5,981,049</u>	<u>798,930</u>	<u>6,143,284</u>
Revenues and appropriated net position over expenditures	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>(12,846)</u>	<u>1,187,154</u>	<u>(2,099,543)</u>
<b>Other financing sources:</b>					
Transfers from General Fund	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>	<u>1,200,000</u>
Revenues, appropriated net position, and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	1,187,154	<u>\$ 1,187,154</u>	(899,543)
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>					
Reconciling items:					
Capital outlays			60,564		99,529
Depreciation			(68,594)		(68,437)
Debt principal			7,200		-
Amortization expense - lease			(6,205)		-
Interest expense - leases			(964)		-
Lease liability issued			(55,847)		-
(Increase) decrease in total OPEB liability			(14,441)		(18,308)
(Increase) decrease in accrued salaries			(239)		(640)
(Increase) decrease in accrued vacation			(1,179)		-
Increase (decrease) in deferred outflows of resources - pension			(6,578)		6,729
(Increase) decrease in net pension liability			939		(5,455)
(Increase) decrease in deferred inflow of resources - pension			2,419		(107)
(Increase) decrease in deferred inflow of resources - OPEB			(8,833)		(3,815)
Increase (decrease) in deferred outflow of resources - OPEB			4,911		474
Total reconciling items			<u>(86,847)</u>		<u>9,970</u>
Change in net position			<u>\$ 1,100,307</u>		<u>\$ (889,573)</u>

**County of Currituck, North Carolina**  
**Ocean Sands Water and Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Charges for services:					
Water sales	\$ -	\$ -	\$ 799,076	\$ -	\$ 733,941
Penalties and interest, water	-	-	2,872	-	13,442
Other operating revenues, water	-	-	271	-	3,504
Total, water operating revenues	<u>720,300</u>	<u>720,300</u>	<u>802,219</u>	<u>81,919</u>	<u>750,887</u>
Sewer charges	-	-	878,984	-	714,196
Sewer tap fees	-	-	17,799	-	-
Penalties and interest, sewer	-	-	11,515	-	7,489
Other operating revenues, sewer	-	-	3,953	-	3,504
Total, sewer operating revenues	<u>733,500</u>	<u>759,172</u>	<u>912,251</u>	<u>153,079</u>	<u>725,189</u>
Total operating revenues	<u>1,453,800</u>	<u>1,479,472</u>	<u>1,714,470</u>	<u>234,998</u>	<u>1,476,076</u>
Nonoperating revenues:					
Tax revenue	-	-	568,279	-	539,078
Interest earnings	-	-	(30,585)	-	2,047
Total nonoperating revenues	<u>566,149</u>	<u>566,149</u>	<u>537,694</u>	<u>(28,455)</u>	<u>541,125</u>
Total revenues	<u>2,019,949</u>	<u>2,045,621</u>	<u>2,252,164</u>	<u>206,543</u>	<u>2,017,201</u>
Appropriated net position	<u>273,229</u>	<u>292,917</u>	<u>-</u>	<u>(292,917)</u>	<u>-</u>
Total revenues and appropriated net position	<u>2,293,178</u>	<u>2,338,538</u>	<u>2,252,164</u>	<u>(86,374)</u>	<u>2,017,201</u>
<b>Expenditures:</b>					
Administration:					
Administration fee	-	-	45,736	-	108,519
Processing fees	-	-	5,330	-	5,369
Telephone and postage	-	-	5,128	-	4,915
Data transmission	-	-	913	-	527
Travel and training	-	-	137	-	85
Supplies	-	-	9,607	-	-
Uniforms	-	-	220	-	1,154
Dues and subscriptions	-	-	7,623	-	35,032
Software license fees	-	-	1,336	-	750
Total	<u>337,340</u>	<u>366,752</u>	<u>76,030</u>	<u>290,722</u>	<u>156,351</u>
Water treatment operations:					
Utilities	-	-	4,689	-	4,552
Repairs and maintenance	-	-	21,674	-	2,574
Lab tests	-	-	1,338	-	5,981
System supplies	-	-	12,069	-	18,410
Contracted services	-	-	453,420	-	460,394
Professional services	-	-	60	-	7,203
Total	<u>522,756</u>	<u>522,756</u>	<u>493,250</u>	<u>29,506</u>	<u>499,114</u>

**County of Currituck, North Carolina**  
**Ocean Sands Water and Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**

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

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
Sewer treatment operations:					
Salaries & benefits	-	-	122,805	-	140,446
Utilities	-	-	51,890	-	59,874
Repairs and maintenance	-	-	33,151	-	21,775
Gas	-	-	7,818	-	12,808
Lab tests	-	-	37,390	-	32,014
System supplies	-	-	39,813	-	17,427
Chemicals	-	-	108,394	-	73,565
Contracted services	-	-	89,898	-	60,366
Professional services	-	-	126	-	10,781
Total	<u>502,244</u>	<u>502,244</u>	<u>491,285</u>	<u>10,959</u>	<u>429,056</u>
Debt service:					
Interest and other charges	137,813	137,813	137,813	-	150,062
Debt principal	500,000	500,000	500,000	-	500,000
Total	<u>637,813</u>	<u>637,813</u>	<u>637,813</u>	<u>-</u>	<u>650,062</u>
Capital outlay	313,250	329,198	89,276	239,922	93,748
Total expenditures	<u>2,313,403</u>	<u>2,358,763</u>	<u>1,787,654</u>	<u>571,109</u>	<u>1,828,331</u>
Revenues and appropriated net position over expenditures	(20,225)	(20,225)	464,510	484,735	188,870
Transfer from Ocean Sands development fees	20,225	20,225	20,225	-	-
Revenues and appropriated net position over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	484,735	<u>\$ 484,735</u>	188,870

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

Reconciling items:				
Capital outlays			89,276	93,748
Debt principal			500,000	500,000
(Increase) decrease in accrued salaries			(1,370)	6,490
(Increase) decrease in accrued vacation			13,135	(7,275)
(Increase) decrease in total OPEB liability			(25,769)	50,723
Depreciation			(570,890)	(560,723)
Investment earnings from capital project funds			(1,609)	474
Expenses (revenue) from capital projects fund			-	(61,015)
(Increase) decrease in deferred inflows of resources - pension			(26,316)	(305)
(Increase) decrease in net pension liability			27,160	(1,960)
Increase (decreases) in deferred outflows of resources - pension			2,495	(6,677)
Increase (decrease) in deferred outflow of resources - OPEB			(4,591)	20,158
(Increase) decrease in deferred inflow of resources - OPEB			(35,692)	(10,166)
Total reconciling items			<u>(34,171)</u>	<u>23,472</u>
Change in net position			<u>\$ 450,564</u>	<u>\$ 212,342</u>



**County of Currituck, North Carolina**  
**Ocean Sands Water & Sewer Construction Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings (loss)	\$ -	\$ 95,748	\$ (1,609)	\$ 94,139	\$ 94,139
Total revenues	-	95,748	(1,609)	94,139	94,139
<b>Expenditures</b>					
Contract services	12,328,231	12,034,084	131,413	12,165,497	162,734
Professional services	870,712	870,712	-	870,712	-
Total expenditures	13,198,943	12,904,796	131,413	13,036,209	162,734
Revenues under expenditures	(13,198,943)	(12,809,048)	(133,022)	(12,942,070)	256,873
<b>Other financing sources:</b>					
Transfers from other funds:					
Proceeds from debt	7,500,000	7,500,000	-	7,500,000	-
Ocean Sands Water & Sewer Fund	5,698,943	5,489,827	-	5,489,827	-
Total other financing sources	13,198,943	12,989,827	-	12,989,827	(209,116)
Revenues and other financing sources over (under) expenditures	\$ -	\$ 180,779	\$ (133,022)	\$ 47,757	\$ 47,757

**County of Currituck, North Carolina**  
**Mainland Water Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Charges for services:					
Water sales	\$ -	\$ -	\$ 3,832,386	\$ -	\$ 3,501,587
Water tap fees	-	-	62,203	-	55,735
Reconnection fees	-	-	93,341	-	72,258
Penalties and interest	-	-	88,548	-	61,708
Sale of materials	-	-	35,982	-	50,034
Total	<u>3,670,000</u>	<u>3,724,800</u>	<u>4,112,460</u>	<u>387,660</u>	<u>3,741,322</u>
Nonoperating revenues:					
Investment earnings (loss)	-	-	(117,042)	-	14,175
Other nonoperating revenues	-	-	-	-	5,653
Total nonoperating revenues	<u>80,000</u>	<u>80,000</u>	<u>(117,042)</u>	<u>(197,042)</u>	<u>19,828</u>
Total revenues	<u>3,750,000</u>	<u>3,804,800</u>	<u>3,995,418</u>	<u>190,618</u>	<u>3,761,150</u>
Appropriated net position	<u>1,354,942</u>	<u>1,686,382</u>	<u>-</u>	<u>(1,686,382)</u>	<u>-</u>
Total revenue and appropriated net position	<u>5,104,942</u>	<u>5,491,182</u>	<u>3,995,418</u>	<u>(1,495,764)</u>	<u>3,761,150</u>
<b>Expenditures:</b>					
Administration:					
Salaries and benefits	-	-	43,121	-	47,961
Administrative support	-	-	255,863	-	222,076
Data transmission	-	-	20,425	-	3,315
Credit card fees	-	-	19,145	-	23,132
Telephone and postage	-	-	42,187	-	41,539
Travel	-	-	-	-	637
Training and education	-	-	4,981	-	1,310
Supplies	-	-	49,133	-	140,712
Dues and subscriptions	-	-	14,851	-	21,651
Software license fees	-	-	5,950	-	3,612
Other administration	-	-	3	-	45
Total	<u>430,593</u>	<u>482,826</u>	<u>455,659</u>	<u>27,167</u>	<u>505,990</u>
Water treatment operations:					
Salaries and benefits	-	-	819,305	-	873,368
Utilities	-	-	204,386	-	194,733
Repairs and maintenance	-	-	38,673	-	22,960
System supplies	-	-	143,352	-	-
Fuel	-	-	41,377	-	19,459
Lab tests	-	-	3,559	-	16,272
Chemicals	-	-	104,447	-	62,007
Uniforms	-	-	4,470	-	3,222
Contracted services	-	-	266,882	-	295,545
Professional services	-	-	346	-	7,660
Total	<u>1,627,121</u>	<u>1,954,158</u>	<u>1,626,797</u>	<u>327,361</u>	<u>1,495,226</u>

**County of Currituck, North Carolina**  
**Mainland Water Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance	2021
	Original Budget	Final Budget	Actual	Positive (Negative)	Actual
Debt service:					
Interest and other charges	-	-	279,078	-	312,958
Debt principal	-	-	1,225,000	-	1,180,000
Total	<u>1,504,078</u>	<u>1,504,078</u>	<u>1,504,078</u>	<u>-</u>	<u>1,492,958</u>
Capital outlay	943,150	950,120	623,248	326,872	597,472
Total expenditures	<u>4,504,942</u>	<u>4,891,182</u>	<u>4,209,782</u>	<u>681,400</u>	<u>4,091,646</u>
Revenues and appropriated net position over expenditures	<u>600,000</u>	<u>600,000</u>	<u>(214,364)</u>	<u>(814,364)</u>	<u>(330,496)</u>
<b>Other financing sources:</b>					
Transfer from Mainland Water Development Fees Fund	-	-	-	-	550,000
Transfer to Mainland Water Construction	(600,000)	(600,000)	(600,000)	-	-
Transfer from General Fund	-	-	-	-	8,188
	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>	<u>558,188</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>(814,364)</u>	<u>\$ (814,364)</u>	<u>227,692</u>
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>					
Reconciling items:					
Capital outlays			623,248		597,472
Debt principal			1,225,000		1,180,000
Depreciation			(1,161,831)		(1,070,713)
Transfer from Mainland Water Development Fees to Mainland Water Construction Fund			2,135,000		250,000
Transfer from Mainland Water to Mainland Water Construction Fund			600,000		-
(Increase) decrease in total OPEB liability			(222,917)		99,640
(Increase) decrease in accrued vacation			(19,791)		609
(Increase) decrease in accrued salaries			(6,878)		62,520
Increase (decrease) in deferred outflows of resources - pension			67,146		(13,721)
(Increase) decrease in net pension liability			123,028		(44,384)
(Increase) decrease in deferred inflow of resources - pension			(203,449)		(2,216)
(Increase) decrease in deferred inflow of resources - OPEB			(249,549)		(87,311)
Increase (decrease) in deferred outflow of resources - OPEB			(36,615)		154,345
Total reconciling items			<u>2,872,392</u>		<u>1,126,241</u>
Change in net position			<u>\$ 2,058,028</u>		<u>\$ 1,353,933</u>

**County of Currituck, North Carolina**  
**Mainland Water Construction Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
Investment earnings (loss)	\$ -	\$ 4	\$ (34,183)	\$ (34,179)	\$ (34,179)
Total revenues	<u>-</u>	<u>4</u>	<u>(34,183)</u>	<u>(34,179)</u>	<u>(34,179)</u>
<b>Expenditures</b>					
2022 Mainland Water Plant Expansion	500,000	-	-	-	500,000
16" Watermain and Boosters	750,000	-	-	-	750,000
Deep Well & Connect to Plant	950,000	-	63,604	63,604	886,396
Coinjock Canal Redundancy	285,000	550	95,474	96,024	188,976
Total expenditures	<u>2,485,000</u>	<u>550</u>	<u>159,078</u>	<u>159,628</u>	<u>2,325,372</u>
Revenues under expenditures	<u>(2,485,000)</u>	<u>(546)</u>	<u>(193,261)</u>	<u>(193,807)</u>	<u>2,291,193</u>
<b>Other financing sources:</b>					
Transfers from other funds:					
Mainland Water Fund	600,000	-	600,000	600,000	-
Mainland Water Developmental Fees Fund	1,885,000	250,000	2,135,000	2,385,000	500,000
Total other financing sources	<u>2,485,000</u>	<u>250,000</u>	<u>2,735,000</u>	<u>2,985,000</u>	<u>500,000</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 249,454</u>	<u>\$ 2,541,739</u>	<u>\$ 2,791,193</u>	<u>\$ 2,791,193</u>

**County of Currituck, North Carolina**  
**Southern Outer Banks Water System Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022		Actual	Variance Positive (Negative)	2021
	Original Budget	Final Budget			Actual
<b>Revenues:</b>					
Charges for services:					
Water sales	\$ -	\$ -	\$ 3,226,356	\$ -	\$ 3,045,080
Administration	-	-	445,439	-	443,232
Billing services	-	-	8,583	-	3,829
Penalties and interest	-	-	39,546	-	20,213
Other operating revenues	-	-	94,763	-	27,859
Total, water operating revenues	<u>3,556,000</u>	<u>3,556,000</u>	<u>3,814,687</u>	<u>258,687</u>	<u>3,540,213</u>
Nonoperating revenues:					
Rent	-	-	155,005	-	226,987
Capital contributions	-	-	30,000	-	-
Investment earnings (loss)	-	-	(168,021)	-	10,554
Lease revenues	-	-	74,769	-	-
Interest revenue - leases	-	-	23,196	-	-
Total nonoperating revenues	<u>294,288</u>	<u>294,288</u>	<u>114,949</u>	<u>(179,339)</u>	<u>237,541</u>
Total revenues	<u>3,850,288</u>	<u>3,850,288</u>	<u>3,929,636</u>	<u>(79,348)</u>	<u>3,777,754</u>
Appropriated net position	<u>243,000</u>	<u>318,670</u>	<u>-</u>	<u>(318,670)</u>	<u>-</u>
Total revenues and appropriated net position	<u>4,093,288</u>	<u>4,168,958</u>	<u>3,929,636</u>	<u>(239,322)</u>	<u>3,777,754</u>
<b>Expenditures:</b>					
Administration:					
Salaries and benefits	-	-	140,552	-	145,247
Telephone and postage	-	-	19,451	-	18,205
Travel	-	-	685	-	-
Training and education	-	-	1,790	-	1,250
Data transmission	-	-	13,179	-	5,901
Advertising	-	-	-	-	428
Supplies	-	-	66,409	-	56,267
Credit card fees	-	-	8,932	-	8,665
Dues and subscriptions	-	-	8,068	-	7,241
Other administrative expenditures	-	-	191,106	-	196,998
Total administration expenditures	<u>694,893</u>	<u>708,242</u>	<u>450,172</u>	<u>258,070</u>	<u>440,201</u>
Water treatment operations:					
Salaries and benefits	-	-	421,655	-	515,459
Utilities	-	-	243,593	-	245,911
Gas, oil, etc	-	-	27,593	-	15,117
Repairs and maintenance	-	-	14,301	-	14,445
Lab tests	-	-	22,895	-	15,785
Chemicals	-	-	188,672	-	202,371
Uniforms	-	-	2,160	-	2,028
Contracted services	-	-	37,099	-	65,291
Total water treatment operations	<u>1,287,212</u>	<u>1,273,863</u>	<u>957,968</u>	<u>315,895</u>	<u>1,076,407</u>

**County of Currituck, North Carolina**  
**Southern Outer Banks Water System Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
Debt service:					
Interest and other charges	5,058	5,058	5,058	-	25,288
Debt principal	425,000	425,000	425,000	-	850,000
Total	<u>430,058</u>	<u>430,058</u>	<u>430,058</u>	-	<u>875,288</u>
Capital outlays	<u>181,125</u>	<u>256,795</u>	<u>238,600</u>	18,195	<u>1,406,787</u>
Total expenditures	<u>2,593,288</u>	<u>2,668,958</u>	<u>2,076,798</u>	592,160	<u>3,798,683</u>
Revenues and appropriated net position over (under) expenditures	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,852,838</u>	352,838	<u>(20,929)</u>
<b>Other financing sources:</b>					
Transfer to Southern Outer Banks Construction	(1,500,000)	(1,500,000)	(1,500,000)	-	-
	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	-	-
Total revenue, appropriated net position and other financing sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	352,838	<u>\$ 352,838</u>	<u>\$ (20,929)</u>

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

Reconciling items:

Capital outlays	238,600	1,406,787
Debt principal	425,000	850,000
Depreciation	(1,184,370)	(1,247,957)
Transfer of building from SOB Dev Fee Fund - capital project fund	500,000	(1,332,594)
Investment earnings - capital project fund	23,013	-
Eliminate transfer from SOWS to construction	1,500,000	-
(Increase) decrease in accrued vacation	(3,472)	1,597
(Increase) decrease in accrued salaries	(3,746)	20,457
Increase (decrease) in deferred outflow of resources - OPEB	(48,752)	108,403
(Increase) decrease in total OPEB liability	(33,371)	135,250
Increase (decrease) in deferred outflow of resources - pensions	23,128	(19,343)
(Increase) decrease in net pension liability	99,775	(18,222)
(Increase) decrease in deferred inflows of resources - pensions	(137,223)	(1,442)
(Increase) decrease in deferred inflow of resources - OPEB	(140,514)	(62,297)
Total reconciling items	<u>1,258,068</u>	<u>(159,361)</u>
Change in net position	<u>\$ 1,610,906</u>	<u>\$ (180,290)</u>

**County of Currituck, North Carolina**  
**Southern Outer Banks Water Construction Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
Investment earnings (loss)	\$ -	\$ -	\$ 23,013	\$ 23,013	\$ 23,013
Total revenues	<u>-</u>	<u>-</u>	<u>23,013</u>	<u>23,013</u>	<u>23,013</u>
<b>Expenditures</b>					
Deep Test Well 2022	750,000	-	157,392	157,392	592,608
SOBWS Plant Expansion	500,000	-	-	-	500,000
Total expenditures	<u>1,250,000</u>	<u>-</u>	<u>157,392</u>	<u>157,392</u>	<u>1,092,608</u>
Revenues over (under) expenditures	<u>(1,250,000)</u>	<u>-</u>	<u>(134,379)</u>	<u>(134,379)</u>	<u>1,115,621</u>
<b>Other finance sources:</b>					
Transfers from other funds:					
Southern Outer Banks Water Fund	750,000	-	1,500,000	1,500,000	750,000
Southern Outer Banks Sys Developmental Fees Fund	500,000	-	500,000	500,000	-
Total transfers from other funds	<u>1,250,000</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>750,000</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,865,621</u>	<u>\$ 1,865,621</u>	<u>\$ 1,865,621</u>

**County of Currituck, North Carolina**  
**Mainland Central Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			Variance Positive (Negative)	2021
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Charges for services:					
Sewer charges	\$ -	\$ -	\$ 824,119	\$ -	\$ 742,074
Tap fees	-	-	-	-	36,180
Penalties and interest	-	-	11,034	-	29,574
Total, sewer operating revenues	<u>794,000</u>	<u>814,200</u>	<u>835,153</u>	<u>20,953</u>	<u>807,828</u>
Nonoperating revenues:					
Rents	-	-	6,900	-	600
Gain on sale of capital assets	-	-	-	-	808
Insurance recovery	-	-	-	-	32,144
Investment earnings (loss)	-	-	(14,726)	-	1,627
Total nonoperating revenues	<u>15,600</u>	<u>15,600</u>	<u>(7,826)</u>	<u>(23,426)</u>	<u>35,179</u>
Total revenues	<u>809,600</u>	<u>829,800</u>	<u>827,327</u>	<u>(2,473)</u>	<u>843,007</u>
Appropriated net assets	<u>250,449</u>	<u>462,667</u>	<u>-</u>	<u>(462,667)</u>	<u>-</u>
Total revenues and appropriated net position	<u>1,060,049</u>	<u>1,292,467</u>	<u>827,327</u>	<u>(465,140)</u>	<u>843,007</u>
<b>Expenditures:</b>					
Administration:					
Salaries and benefits	-	-	48,686	-	64,360
Telephone and postage	-	-	1,460	-	1,334
Training and education	-	-	1,360	-	85
Administration	-	-	131,325	-	109,580
Supplies	-	-	32,046	-	24,667
Credit card fees	-	-	4,116	-	4,656
Dues and subscriptions	-	-	39,686	-	22,908
Software license fees	-	-	916	-	450
Total	<u>472,525</u>	<u>472,525</u>	<u>259,595</u>	<u>212,930</u>	<u>228,040</u>
Sewer treatment operations:					
Salaries and benefits	-	-	48,685	-	64,360
Utilities	-	-	44,764	-	59,407
Gas	-	-	17,775	-	16,247
Data Transmission	-	-	1,824	-	1,824
Repairs and maintenance	-	-	16,844	-	39,673
Lab tests	-	-	55,936	-	37,130
Chemicals	-	-	76,590	-	71,697
Contracted services	-	-	91,926	-	230,448
Depreciation	-	-	-	-	10,779
Uniforms	-	-	570	-	317
Total	<u>612,525</u>	<u>685,657</u>	<u>354,914</u>	<u>330,743</u>	<u>531,882</u>



**County of Currituck, North Carolina**  
**Mainland Central Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Fiscal Period June 30, 2022**  
**(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2021)**

	2022			2021	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Capital outlay	140,000	299,285	250,192	49,093	86,982
Total expenditures	1,225,049	1,457,467	864,701	592,766	846,904
Revenues and appropriated net position over (under) expenditures	(165,000)	(165,000)	(37,374)	127,626	(3,897)
<b>Other financing sources:</b>					
Transfer from Mainland Sewer Development Fees Fund	165,000	165,000	-	(165,000)	-
	165,000	165,000	-	(165,000)	-
Total revenues, appropriated net position and other financing sources over (under) expenditures	\$ -	\$ -	(37,374)	\$ (37,374)	(3,897)

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

Capital outlay	250,192	86,982
Depreciation	(478,104)	(461,754)
(Increase) decrease in accrued salaries	(431)	2,026
(Increase) decrease in accrued vacation	(3,485)	65
(Increase) decrease in total OPEB liability	24,802	70,778
(Increase) decrease in deferred inflows of resources - pension	(24,233)	(35)
(Increase) decrease in net pension liability	22,312	15,274
Increase (decrease) in deferred outflows of resources - pension	3,759	(13,273)
Increase (decrease) in deferred outflows of resources - OPEB	(13,109)	19,465
(Increase) decrease in deferred inflow of resources - OPEB	(16,806)	(8,500)
Investment earnings from Capital Projects Fund	(41,566)	4,247
Transfer from Mainland Central Sewer Development Fees Fund	-	185,000
Total reconciling items	(276,669)	(99,725)
Change in net position	\$ (314,043)	\$ (103,622)

**County of Currituck, North Carolina**  
**Mainland Central Sewer Construction Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Period Ended June 30, 2022**

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
Investment earnings (loss)	\$ 10,000	\$ 12,792	\$ (41,566)	\$ (28,774)	\$ (38,774)
Total revenues	10,000	12,792	(41,566)	(28,774)	(38,774)
<b>Expenditures</b>					
Contract services	100,000	90,000	-	90,000	10,000
Professional services	350,000	342,431	-	342,431	7,569
Contingency	1,051,603	-	-	-	1,051,603
Moyock Sewer Expansion 2022	1,190,000	-	163,381	163,381	1,026,619
Capital outlay	655,000	457,406	-	457,406	197,594
Total expenditures	3,346,603	889,837	163,381	1,053,218	2,293,385
Revenues over (under) expenditures	(3,336,603)	(877,045)	(204,947)	(1,081,992)	2,254,611
<b>Other finance sources:</b>					
Transfers from other funds:					
Mainland Central Sewer Developmental Fees Fund	-	185,000	-	185,000	185,000
County Governmental Construction Fund	378,000	378,000	-	378,000	-
Transfer Tax Capital Fund	2,958,603	2,958,603	-	2,958,603	-
Total transfers from other funds	3,336,603	3,521,603	-	3,521,603	185,000
Revenues and other financing sources over expenditures	\$ -	\$ 2,644,558	\$ (204,947)	\$ 2,439,611	\$ 2,439,611

**County of Currituck, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**June 30, 2022**

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2021</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2022</u>
2021-2022	\$ -	\$ 37,493,455 (a)	\$ 37,244,239 (b)	\$ 249,216 (c)
2020-2021	243,513	-	171,897	71,616
2019-2020	117,861	-	82,251	35,610
2018-2019	36,950	-	15,922	21,028
2017-2018	22,526	-	6,959	15,567
2016-2017	11,562	-	2,420	9,142
2015-2016	7,862	-	1,406	6,456
2014-2015	5,420	-	67	5,353
2013-2014	7,333	-	71	7,262
2012-2013	7,298	-	18	7,280
2011-2012	8,271	-	8,271	-
	<u>\$ 468,596</u>	<u>\$ 37,493,455</u>	<u>\$ 37,533,521 (d)</u>	<u>\$ 428,530</u>
Less: allowance for uncollectible accounts:				
General Fund				<u>(15,899)</u>
Ad valorem taxes receivable - net:				<u>\$ 412,631</u>
 <u>Reconcilement with revenues:</u>				
Ad valorem taxes - General Fund				\$ 37,614,847
Reconciling items:				
Interest collected				(93,790)
Taxes written off				12,464
Total reconciling items				<u>(81,326)</u>
Total collections and credits				<u>\$ 37,533,521 (d)</u>

**County of Currituck, North Carolina**  
**Analysis of Current Tax Levy**  
**County - wide Levy**  
**For the Fiscal Period 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's rate	\$ 8,158,109,783	0.460	\$ 37,527,305	\$ 35,356,880	\$ 2,170,425
Penalties	-		32,842	32,842	-
Total	<u>8,158,109,783</u>		<u>37,560,147</u>	<u>35,389,722</u>	<u>2,170,425</u>
Discoveries:					
Current year taxes	511,304	0.460	2,352	2,352	-
Prior year taxes	70,870		326	326	-
Penalties	-		70	70	-
Total	<u>582,174</u>		<u>2,748</u>	<u>2,748</u>	<u>-</u>
Abatements	<u>(15,095,652)</u>		<u>(69,440)</u>	<u>(41,893)</u>	<u>(27,547)</u>
Total property valuation	<u>\$ 8,143,596,305</u>				
Net levy			37,493,455 (a)	35,350,577	2,142,878
Uncollected taxes at June 30, 2022			<u>249,216 (c)</u>	<u>249,216</u>	<u>-</u>
Current year's taxes collected			<u>\$ 37,244,239 (b)</u>	<u>\$ 35,101,361</u>	<u>\$ 2,142,878</u>
Current levy collection percentage			<u>99.34%</u>	<u>99.30%</u>	<u>100.00%</u>

**County of Currituck, North Carolina  
Ten Largest Taxpayers  
For the Fiscal Period June 30, 2022**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>Assessed Valuation January 1, 2021</b>	<b>Percentage of Total Assessed Valuation</b>
Dominion NC Power	Utilities	\$ 158,062,113	1.94 %
Summit Farms Solar LLC	Solar Energy	87,602,371	1.08
H2OBX LLC	Water Park	38,070,463	0.47
Coastland Properties I LLC	Land Development	22,087,200	0.27
Harrison Inn Corolla LLC	Hotel	20,297,506	0.25
Pine Island Properties LLC	Land Development	15,028,200	0.18
Coastland Corp	Land Development	14,203,375	0.17
Moyock Propco Holdings LLC	Skilled Nursing Facility	10,620,700	0.13
Golasa Holdings LLC	Land Development	10,352,617	0.13
Triangle Old Annapolis Assoc LLC	Residential Rental	8,583,680	0.11
<b>Total</b>		<b><u>\$ 384,908,225</u></b>	<b><u>4.73 %</u></b>

**County of Currituck, North Carolina**  
**Secondary Market Disclosures**  
**For the Fiscal Period June 30, 2022**

Assessed Valuation:	
Assessment Ratio <sup>1</sup>	100 %
Real Property	\$ 7,777,683,830
Personal Property	250,108,860
Public Service Companies <sup>2</sup>	115,803,615
Total Assessed Valuation	\$ 8,143,596,305
Tax Rate per \$100	0.46
Levy (includes discoveries, releases and abatements) <sup>3</sup>	\$ 37,493,455

In addition to the County-wide rate, the following table lists the levies by the County on behalf of watershed improvement districts, Ocean Sands water and sewer district, and Moyock Commons sewer district for the fiscal year ended June 30:

Carova Beach Road Service District	\$ 32,046
Knotts Island fire protection service district	92,409
Corolla fire protection service district	1,627,616
Hog Ditch watershed improvement district	2,233
Moyock watershed improvement district	180,771
Northwest watershed improvement district	3,712
Whalehead solid waste district	127,630
Whalehead watershed improvement district	1,041,191
Ocean Sands/Crown Pointe North watershed improvement district	282,045
Ocean Sands water and sewer district	559,348
Total	\$ 41,442,456

<sup>1</sup> Percentage of appraised value has been established by statute.

<sup>2</sup> Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

<sup>3</sup> The levy includes interest and penalties.

**County of Currituck, North Carolina**  
**Emergency Telephone System Unspent Balance**  
**PSAP Reconciliation**  
**June 30, 2022**

Amounts reported on the Emergency Telephone System Fund budget to actual are different from the PSAP Revenue-Expenditure Report because:

Net Change in Fund Balance, reported on Budget to Actual	\$ (235,266)
Beginning Balance, PSAP Revenue-Expenditure Report	<u>361,153</u>
Ending Balance, PSAP Revenue-Expenditure Report	<u><u>\$ 125,887</u></u>

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## Statistical Section

This part of the County of Currituck's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

### **Financial Trends:**

These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

### **Revenue Capacity:**

These schedules contain information to help the reader assess the factors affecting the county's ability to generate its property and sales taxes.

### **Debt Capacity:**

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the county's ability to issue additional debt in the future.

### **Demographic and Economic Information:**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place and to help make comparisons over time and with other governments.

### **Operating Information:**

These schedules contain information about the county's operations and resources to help the reader understand how the county's financial information relates to the services the county provides and the activities it performs.

**Schedule 1**  
Currituck County, North Carolina  
Net Position by Component  
*(accrual basis of accounting)*

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 101,478,868	\$ 104,063,563	\$ 103,521,339	\$ 95,026,547	\$ 98,607,671	\$ 98,629,299	\$ 93,267,704	\$ 79,801,707	\$ 100,350,733	\$ 102,559,955
Restricted	18,056,879	21,530,373	21,700,488	22,905,623	36,645,981	35,385,491	39,590,510	48,998,040	57,756,484	67,058,289
Unrestricted	16,509,722	13,767,217	19,081,705	20,283,060	8,333,046	9,057,138	15,328,578	26,294,395	20,022,393	25,447,416
Total governmental activities net position	<u>\$ 136,045,469</u>	<u>\$ 139,361,153</u>	<u>\$ 144,303,532</u>	<u>\$ 138,215,230</u>	<u>\$ 143,586,698</u>	<u>\$ 143,071,928</u>	<u>\$ 148,186,792</u>	<u>\$ 155,094,142</u>	<u>\$ 178,129,610</u>	<u>\$ 195,065,660</u>
Business-type activities										
Net investment in capital assets	\$ 29,352,060	\$ 28,462,332	\$ 31,801,937	\$ 32,769,142	\$ 34,461,551	\$ 28,527,935	\$ 34,616,594	\$ 36,411,815	\$ 36,484,705	\$ 36,989,205
Unrestricted	13,550,093	14,330,486	11,857,259	12,082,511	10,841,508	18,238,009	16,052,814	19,576,160	21,526,315	24,496,521
Total business-type activities net position	<u>\$ 42,902,153</u>	<u>\$ 42,792,818</u>	<u>\$ 43,659,196</u>	<u>\$ 44,851,653</u>	<u>\$ 45,303,059</u>	<u>\$ 46,765,944</u>	<u>\$ 50,669,408</u>	<u>\$ 55,987,975</u>	<u>\$ 58,011,020</u>	<u>\$ 61,485,726</u>
Primary government										
Net investment in capital assets	\$ 130,830,928	\$ 132,525,895	\$ 135,323,276	\$ 127,795,689	\$ 133,069,222	\$ 127,157,234	\$ 127,884,298	\$ 116,213,522	\$ 136,835,438	\$ 139,549,160
Restricted	18,056,879	21,530,373	21,700,488	22,905,623	36,645,981	35,385,491	39,590,510	48,998,040	57,756,484	67,058,289
Unrestricted	30,059,815	28,097,703	30,938,964	32,365,571	19,174,554	27,295,147	31,381,392	45,870,555	41,548,708	49,943,937
Total governmental activities net position	<u>\$ 178,947,622</u>	<u>\$ 182,153,971</u>	<u>\$ 187,962,728</u>	<u>\$ 183,066,883</u>	<u>\$ 188,889,757</u>	<u>\$ 189,837,872</u>	<u>\$ 198,856,200</u>	<u>\$ 211,082,117</u>	<u>\$ 236,140,630</u>	<u>\$ 256,551,386</u>

**Schedule 2**  
Currituck County, North Carolina  
Changes in Net Position  
(accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities:										
General government	\$ 7,999,138	\$ 6,607,468	\$ 6,716,864	\$ 7,316,823	\$ 7,605,726	\$ 7,720,712	\$ 8,837,696	\$ 8,897,014	\$ 7,556,420	\$ 10,449,940
Public safety	19,305,733	20,161,974	19,371,231	20,237,291	22,184,580	23,107,388	24,646,123	26,423,861	27,624,989	26,822,245
Transportation	1,079,075	1,000,818	884,955	1,864,818	878,356	879,908	1,908,078	1,281,488	1,324,549	1,650,849
Economic and physical development	3,531,181	761,700	1,401,180	7,059,866	6,919,571	7,125,880	6,614,928	9,585,996	8,503,879	8,703,035
Environmental protection	3,174,699	8,490,835	6,735,282	1,112,071	1,304,616	1,352,279	1,102,947	666,258	1,538,969	1,460,874
Human services	4,492,638	4,688,478	4,551,724	4,821,314	5,135,697	4,183,766	4,270,307	4,482,172	4,648,114	4,777,142
Cultural and recreation	1,982,118	3,131,488	2,945,656	2,337,746	3,649,685	3,521,851	5,516,269	4,174,691	6,539,776	4,381,998
Education	10,100,754	10,782,180	11,099,664	11,078,398	11,223,471	11,377,025	12,193,477	12,730,970	14,320,422	20,322,535
Interest on long-term debt	364,671	290,717	196,630	133,147	106,219	79,098	51,626	298,360	519,211	478,838
Total governmental activities expenses	<u>52,030,007</u>	<u>55,915,658</u>	<u>53,903,186</u>	<u>55,961,474</u>	<u>59,007,921</u>	<u>59,347,907</u>	<u>65,141,451</u>	<u>68,540,810</u>	<u>72,576,329</u>	<u>79,047,456</u>
Business-type activities:										
Solid Waste	4,274,049	4,135,657	4,256,648	4,285,157	4,814,409	4,716,685	4,970,865	5,383,866	5,894,800	6,012,049
Water and Sewer	8,295,709	8,437,098	8,528,166	8,669,910	8,900,685	9,534,844	9,693,392	9,230,352	9,050,855	9,799,970
Total business-type activities expenses	<u>12,569,758</u>	<u>12,572,755</u>	<u>12,784,814</u>	<u>12,955,067</u>	<u>13,715,094</u>	<u>14,251,529</u>	<u>14,664,257</u>	<u>14,614,218</u>	<u>14,945,655</u>	<u>15,812,019</u>
Total primary government expenses	<u>\$ 64,599,765</u>	<u>\$ 68,488,413</u>	<u>\$ 66,688,000</u>	<u>\$ 68,916,541</u>	<u>\$ 72,723,015</u>	<u>\$ 73,599,436</u>	<u>\$ 79,805,708</u>	<u>\$ 83,155,028</u>	<u>\$ 87,521,984</u>	<u>\$ 94,859,475</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 2,007,829	\$ 1,500,025	\$ 1,377,621	\$ 1,333,039	\$ 1,082,865	\$ 1,110,766	\$ 1,394,939	\$ 1,903,676	\$ 2,495,595	\$ 3,415,516
Public safety	1,906,102	1,495,000	1,788,900	1,779,070	1,751,361	1,961,604	2,068,414	2,001,633	2,571,766	2,080,944
Transportation	487,746	461,021	357,148	375,589	326,746	325,167	408,216	364,876	506,689	703,055
Economic and physical development	99,060	85,482	-	68,765	271,933	317,343	272,050	-	-	290,277
Environmental protection	80,039	-	86,965	-	-	-	-	239,293	334,370	-
Human services	-	14,063	4,408	224	249	279	119	-	-	-
Cultural and recreation	95,097	72,376	70,492	63,688	87,270	91,992	112,120	74,107	54,100	70,175
Operating grants and contributions:										
General government	-	154,237	187,442	174,287	174,988	158,589	70,572	85,384	151,361	157,484
Public safety	187,756	458,824	564,997	851,728	640,816	615,721	859,670	1,297,795	2,243,654	4,422,364
Transportation	-	-	-	-	3,383	3,519	3,781	-	-	3,863
Economic and physical development	33,904	13,547	26,760	-	575,805	69,250	182,589	174,626	83,259	1,140
Environmental protection	-	273,267	-	26,629	110,808	26,550	89,439	38,485	2,163,875	23,171
Human services	2,277,836	2,354,571	2,464,702	2,483,300	2,605,116	1,942,628	1,938,563	1,971,262	-	3,283,922
Cultural and recreation	-	27,206	4,170	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	2,520	41,714	207,170	216,999	235,000	10,657	-	994,984	537,653	1,332,700
Transportation	476,612	73,511	98,700	1,052,019	867,286	753,297	45,855	359,130	-	809,189
Economic and physical development	500,696	77,500	10,000	-	-	-	498,873	-	-	-
Environmental protection	-	-	199,869	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	138,410	-
Cultural and recreation	53,020	50,000	750,000	459,090	-	75,000	-	-	-	-
Education	398,560	270,000	240,000	289,999	185,856	244,357	488,745	147,042	513,000	405,000
Total governmental activities program revenue:	<u>\$ 8,606,777</u>	<u>\$ 7,422,344</u>	<u>\$ 8,439,344</u>	<u>\$ 9,174,426</u>	<u>\$ 8,919,482</u>	<u>\$ 7,706,719</u>	<u>\$ 8,433,945</u>	<u>\$ 9,652,293</u>	<u>\$ 11,793,732</u>	<u>\$ 16,998,800</u>

continued

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Business-type activities:</b>										
Charges for services:										
Solid Waste	\$ 2,690,617	\$ 2,715,259	\$ 2,756,440	\$ 2,789,931	\$ 2,862,539	\$ 3,012,092	\$ 3,410,411	\$ 3,549,793	\$ 3,881,969	\$ 5,797,447
Water and Sewer	8,846,411	8,553,691	9,183,083	9,339,100	8,604,409	10,311,649	10,592,500	11,288,036	11,938,136	12,233,037
Operating grants and contributions:										
Solid Waste	55,392	26,860	39,024	41,780	51,846	62,468	49,650	49,887	55,069	68,951
Water and Sewer	113,475	48,984	12,544	13,621	27,242	49,121	-	7,000	-	30,000
Capital grants and contributions:										
Solid Waste	-	-	-	-	-	-	-	-	-	-
Water and Sewer	206,491	72,527	-	-	500,000	-	-	-	-	-
Total business-type program revenues	<u>11,912,386</u>	<u>11,417,321</u>	<u>11,991,091</u>	<u>12,184,432</u>	<u>12,046,036</u>	<u>13,435,330</u>	<u>14,052,561</u>	<u>14,894,716</u>	<u>15,875,174</u>	<u>18,129,435</u>
Total primary government program revenues	<u>\$ 20,519,163</u>	<u>\$ 18,839,665</u>	<u>\$ 20,430,435</u>	<u>\$ 21,358,858</u>	<u>\$ 20,965,518</u>	<u>\$ 21,142,049</u>	<u>\$ 22,486,506</u>	<u>\$ 24,547,009</u>	<u>\$ 27,668,906</u>	<u>\$ 35,128,235</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (43,423,230)	\$ (48,493,314)	\$ (45,463,842)	\$ (46,787,048)	\$ (50,088,439)	\$ (51,641,188)	\$ (56,707,506)	\$ (58,888,517)	\$ (60,782,597)	\$ (62,048,656)
Business-type activities	(657,372)	(1,155,434)	(793,723)	(770,635)	(1,669,058)	(816,199)	(611,696)	280,498	929,519	2,317,416
Total primary government net expense	<u>\$ (44,080,602)</u>	<u>\$ (49,648,748)</u>	<u>\$ (46,257,565)</u>	<u>\$ (47,557,683)</u>	<u>\$ (51,757,497)</u>	<u>\$ (52,457,387)</u>	<u>\$ (57,319,202)</u>	<u>\$ (58,608,019)</u>	<u>\$ (59,853,078)</u>	<u>\$ (59,731,240)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	\$ 27,912,650	\$ 29,305,427	\$ 28,264,857	\$ 29,969,020	\$ 30,779,188	\$ 31,577,071	\$ 33,811,863	\$ 34,671,787	\$ 32,687,766	\$ 37,574,403
Intergovernmental	21,808,029	22,746,261	24,835,248	24,796,096	26,438,326	28,020,220	29,763,490	31,094,314	49,580,874	51,353,041
Investment earnings	327,131	357,310	386,405	450,673	526,677	609,114	1,760,571	1,538,858	181,931	(2,303,086)
Miscellaneous	-	-	337,425	679,606	867,331	888,609	784,783	1,003,001	1,317,764	479,854
Loss on disposal/sale of capital assets	(99,618)	-	(12,662)	(110,726)	-	(5,569)	(961,139)	(355,336)	157,616	(58,136)
Special item	-	-	-	(13,655,028)	-	-	-	-	-	-
Transfers	(900,461)	(600,000)	(1,180,187)	(1,430,895)	(1,457,168)	(1,818,270)	(3,337,198)	(3,872,103)	(144,385)	(1,200,000)
Total governmental activities	<u>49,047,731</u>	<u>51,808,998</u>	<u>52,631,086</u>	<u>40,698,746</u>	<u>57,154,354</u>	<u>59,271,175</u>	<u>61,822,370</u>	<u>64,080,521</u>	<u>83,781,566</u>	<u>85,846,076</u>
Business-type activities:										
Property taxes	116,393	363,067	315,580	320,358	319,865	609,886	615,922	617,084	640,427	664,093
Investment earnings	115,260	83,032	73,409	97,040	98,154	134,193	330,282	305,652	41,242	(446,754)
Miscellaneous	-	-	196,289	267,231	212,099	181,218	231,758	243,230	267,472	236,674
Loss on disposal/sale of capital assets	(11,036)	-	3,710	(152,432)	33,178	(21,234)	-	-	-	-
Special item	-	-	-	-	-	-	-	-	-	-
Transfers	900,461	600,000	1,180,187	1,430,895	1,457,168	1,818,270	3,337,198	3,872,103	144,385	1,200,000
Total business-type activities	<u>1,121,078</u>	<u>1,046,099</u>	<u>1,769,175</u>	<u>1,963,092</u>	<u>2,120,464</u>	<u>2,722,333</u>	<u>4,515,160</u>	<u>5,038,069</u>	<u>1,093,526</u>	<u>1,654,013</u>
Total primary government	<u>\$ 50,168,809</u>	<u>\$ 52,855,097</u>	<u>\$ 54,400,261</u>	<u>\$ 42,661,838</u>	<u>\$ 59,274,818</u>	<u>\$ 61,993,508</u>	<u>\$ 66,337,530</u>	<u>\$ 69,118,590</u>	<u>\$ 84,875,092</u>	<u>\$ 87,500,089</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 5,624,501	\$ 3,315,684	\$ 7,167,244	\$ (6,088,302)	\$ 7,065,915	\$ 7,629,987	\$ 5,114,864	\$ 5,192,004	\$ 22,998,969	\$ 23,797,420
Business-type activities	463,706	(109,335)	975,452	1,192,457	451,406	1,906,134	3,903,464	5,318,567	2,023,045	3,971,429
Total primary government	<u>\$ 6,088,207</u>	<u>\$ 3,206,349</u>	<u>\$ 8,142,696</u>	<u>\$ (4,895,845)</u>	<u>\$ 7,517,321</u>	<u>\$ 9,536,121</u>	<u>\$ 9,018,328</u>	<u>\$ 10,510,571</u>	<u>\$ 25,022,014</u>	<u>\$ 27,768,849</u>

**Schedule 3**

Currituck County, North Carolina  
Fund Balances, Governmental Funds  
(modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
Nonspendable	\$ 1,257	\$ 809	\$ 2,067	\$ 925	\$ 936	\$ 855	\$ 1,834	\$ 1,474	\$ 929	\$ 9,495
Restricted	3,893,453	5,627,104	5,468,650	5,432,591	6,001,888	6,499,969	6,558,698	6,933,475	7,730,747	7,792,822
Committed	558,516	720,664	497,191	514,738	642,169	768,592	1,043,346	2,566,959	2,436,034	1,369,024
Assigned	3,457,216	3,078,429	2,802,212	3,031,018	2,762,123	2,762,123	3,776,870	5,495,652	3,992,193	2,603,667
Unassigned	2,184,656	1,657,309	4,601,431	6,900,115	8,783,320	10,871,843	12,199,631	11,064,887	20,953,942	20,998,499
<b>Total General Fund</b>	<u>\$ 10,095,098</u>	<u>\$ 11,084,315</u>	<u>\$ 13,371,551</u>	<u>\$ 15,879,387</u>	<u>\$ 18,190,436</u>	<u>\$ 20,903,382</u>	<u>\$ 23,580,379</u>	<u>\$ 26,062,447</u>	<u>\$ 35,113,845</u>	<u>\$ 32,773,507</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ 11,685	\$ 11,685	\$ 36,947	\$ 36,947	\$ 72,352	\$ 78,746	\$ 73,932	\$ 65,052
Restricted	20,971,606	23,082,400	25,046,486	27,366,986	31,853,574	28,885,522	33,031,812	42,064,565	50,025,737	60,003,731
Committed	14,086,564	13,186,791	15,735,865	14,759,977	14,036,382	18,057,551	23,147,882	40,850,337	31,849,213	44,377,060
Assigned	1,137,613	1,069,114	1,827,078	1,266,377	401,602	5,975,108	5,975,108	416,872	2,126,124	-
Unassigned	-	-	-	-	-	-	-	-	-	(258,872)
<b>Total all other governmental funds</b>	<u>\$ 36,195,783</u>	<u>\$ 37,338,305</u>	<u>\$ 42,621,114</u>	<u>\$ 43,405,025</u>	<u>\$ 46,328,505</u>	<u>\$ 52,955,128</u>	<u>\$ 62,227,154</u>	<u>\$ 83,410,520</u>	<u>\$ 84,075,006</u>	<u>\$ 104,186,971</u>

Note: Classification of fund balance terminology changed with GASB 54.

**Schedule 4**

Currituck County, North Carolina  
 Changes in Fund Balances, Governmental Funds  
 (modified accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Ad valorem taxes	\$ 27,989,041	\$ 29,361,207	\$ 29,470,592	\$ 29,977,477	\$ 30,838,508	\$ 31,581,467	\$ 33,840,876	\$ 34,426,699	\$ 35,859,263	\$ 41,057,822
Other taxes and licenses	22,027,710	22,918,114	23,945,444	24,970,332	26,438,323	28,020,220	29,597,784	31,094,314	46,636,136	47,910,066
Unrestricted										
intergovernmental	138,398	154,237	162,807	160,144	169,703	158,588	165,706	163,691	161,740	157,484
Restricted										
intergovernmental	4,398,369	3,512,640	4,778,513	5,031,852	5,229,354	3,740,980	4,181,687	4,794,717	5,642,188	8,957,408
Permits and fees	2,428,470	2,190,793	2,452,641	3,034,476	2,673,065	2,759,125	3,218,915	3,686,895	4,586,158	5,005,900
Sales and services	781,993	841,435	621,183	838,834	880,906	1,065,032	1,090,390	949,068	1,376,362	1,720,776
Investment earnings	327,131	357,310	386,404	450,673	526,677	609,114	1,760,571	1,538,858	181,912	(2,303,087)
Miscellaneous	639,866	560,334	576,849	609,635	814,106	848,095	745,992	1,003,001	1,544,972	1,644,940
Total revenues	<u>58,730,978</u>	<u>59,896,070</u>	<u>62,394,433</u>	<u>65,073,423</u>	<u>67,570,642</u>	<u>68,782,621</u>	<u>74,601,921</u>	<u>77,657,243</u>	<u>95,988,731</u>	<u>104,151,309</u>
<b>Expenditures</b>										
General government	5,962,439	5,716,927	5,742,412	6,002,913	6,225,463	6,856,320	6,631,498	8,277,275	8,891,061	9,706,268
Public safety	20,942,919	18,209,467	19,047,590	20,913,322	20,428,915	22,241,240	23,899,637	30,889,409	37,481,064	31,138,453
Transportation	1,040,638	522,626	570,173	1,468,532	1,274,958	1,188,260	503,711	857,772	1,300,383	1,480,534
Environmental protection	3,150,732	2,021,474	823,289	366,153	469,344	525,278	537,800	297,512	1,535,108	1,130,771
Economic and physical development	8,207,098	7,808,460	6,604,716	7,211,632	8,247,024	7,224,954	7,065,298	9,007,575	7,787,436	9,005,906
Human services	4,236,116	4,416,362	4,513,935	4,690,256	5,003,830	3,995,831	4,046,505	4,141,295	4,321,489	4,732,943
Cultural and recreation	3,393,603	3,744,138	2,749,701	6,916,868	6,326,634	2,560,105	2,805,837	4,818,491	6,424,984	3,451,689
Education	15,859,070	10,782,180	11,099,664	11,078,398	11,223,471	11,377,025	12,193,477	13,081,538	14,320,422	21,208,398
Debt service										
Principal	3,363,205	3,651,980	2,296,344	1,569,561	1,573,088	1,576,671	1,580,018	1,565,825	2,520,000	2,579,992
Interest	364,671	290,717	196,377	133,147	106,219	79,098	51,919	298,360	519,211	478,838
Total expenditures	<u>66,520,491</u>	<u>57,164,331</u>	<u>53,644,201</u>	<u>60,350,782</u>	<u>60,878,946</u>	<u>57,624,782</u>	<u>59,315,700</u>	<u>73,235,052</u>	<u>85,101,158</u>	<u>84,913,792</u>
Excess of revenues over (under) expenditures	(7,789,513)	2,731,739	8,750,232	4,722,641	6,691,696	11,157,839	15,286,221	4,422,191	10,887,573	19,237,517
<b>Other Financing Sources (Uses)</b>										
Lease liability issued	-	-	-	-	-	-	-	-	-	734,110
Transfers in	11,303,731	9,360,360	11,469,373	13,097,461	10,688,217	13,816,062	14,945,330	12,608,262	14,156,465	39,218,170
Transfers out	(12,204,192)	(9,960,360)	(12,649,560)	(14,528,356)	(12,145,384)	(15,634,332)	(18,282,528)	(16,480,365)	(15,364,653)	(41,418,170)
Installment purchase proceeds	3,800,000	-	-	-	-	-	-	21,400,000	-	-
Total other financing sources (uses)	<u>\$ 2,899,539</u>	<u>\$ (600,000)</u>	<u>\$ (1,180,187)</u>	<u>\$ (1,430,895)</u>	<u>\$ (1,457,167)</u>	<u>\$ (1,818,270)</u>	<u>\$ (3,337,198)</u>	<u>\$ 17,527,897</u>	<u>\$ (1,208,188)</u>	<u>\$ (1,465,890)</u>
Net change in fund balances	\$ (4,889,974)	\$ 2,131,739	\$ 7,570,045	\$ 3,291,746	\$ 5,234,529	\$ 9,339,569	\$ 11,949,023	\$ 21,950,088	\$ 9,679,385	\$ 17,771,627
Debt service as a percent of noncapital expenditures	6.56%	7.75%	4.93%	3.36%	3.22%	3.13%	2.99%	2.88%	4.66%	4.70%

**Schedule 5**

Currituck County, North Carolina

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Years

Fiscal Year Ended 30-Jun	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value <sup>1</sup> as a Percentage of Actual Value
	Residential Property	Other	Motor Vehicles	Other					
2013	\$ 6,228,742,953	\$ 1,803,908,007	\$ 215,634,113	\$ 173,676,116	\$ 17,785,438	\$ 8,188,541,638	0.320	\$ 6,762,527,463	121.35%
2014	5,124,668,989	177,970,988	131,595,145	146,457,691	15,067,910	5,565,624,903	0.485	5,787,299,402	96.43%
2015	5,218,928,257	257,265,605	235,857,500	152,012,794	16,886,040	5,864,064,156	0.480	6,229,160,254	94.14%
2016	5,274,539,057	312,917,873	259,117,083	149,422,449	17,194,566	5,995,996,462	0.480	6,272,888,617	95.86%
2017	5,349,880,661	317,836,732	288,355,417	155,371,089	17,784,951	6,111,443,899	0.480	6,532,966,159	93.82%
2018	5,431,504,500	327,292,239	281,322,292	206,447,219	104,102,044	6,246,566,250	0.480	6,940,621,086	91.50%
2019	5,517,454,300	361,357,367	304,828,958	220,254,167	139,648,630	6,403,894,792	0.480	7,182,813,855	91.10%
2020	5,637,022,700	358,168,878	365,223,750	231,749,046	139,005,986	6,592,164,374	0.480	7,869,952,485	85.53%
2021	5,754,617,950	358,691,312	429,899,375	235,560,946	164,051,488	6,778,769,583	0.480	8,271,171,159	83.94%
2022	7,019,103,300	404,695,501	471,831,522	247,965,982	133,843,174	8,143,596,305	0.460	8,398,376,095	98.56%

Source: Currituck County Tax Department

Note: Property is the county is reassessed every 8 years. Tax rates are per \$100 of assessed value. The last revaluation was effective July 1, 2021.

<sup>1</sup> Includes tax-exempt property.

**Schedule 6**

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>County Direct Rates</b>											
General	0.320	0.320	0.485	0.480	0.480	0.480	0.480	0.480	0.480	0.480	0.460
<b><u>Overlapping Rates</u><sup>1</sup></b>											
Corolla Fire Protection District	-	-	-	-	-	-	-	0.050	0.050	0.050	0.050
Knotts Island Fire Protection Service District	-	-	-	-	-	-	-	-	0.050	0.050	0.050
Guinea Mill Watershed Improvement District *	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.020	0.020	-
Hog Ditch Watershed Improvement District	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010
Moyock Watershed Improvement District - Expanded 7/1/2021 *	0.015	0.015	0.015	0.015	0.015	0.015	0.015	0.015	0.015	0.015	0.015
Northwest Watershed Improvement District *	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020
Ocean Sands North and Crown Point Watershed Improvement District	-	-	-	-	-	0.050	0.060	0.060	0.050	0.050	0.050
Whalehead Watershed Improvement District	0.090	0.090	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155
Whalehead Beach Solid Waste Collection & Disposal Service District	0.015	0.015	0.025	0.025	0.025	0.025	0.020	0.020	0.020	0.020	0.019
Carova Beach Road District	-	-	-	-	-	-	-	-	0.010	0.010	0.010
Ocean Sands Water and Sewer District	-	-	0.050	0.050	0.050	0.050	0.110	0.110	0.110	0.110	0.103
Moyock Commons Sewer District	0.245	0.200	0.100	-	-	-	-	-	-	-	-

Source: County of Currituck Budget Ordinance

<sup>1</sup> Overlapping rates are rates that apply specifically to special districts and do not apply to the entire County. Overlapping rates only apply to property located within the special district.

\* Guinea Mill Watershed Improvement District was combined into the Moyock Watershed Improvement District as of 7/1/21



**Schedule 7**

Currituck County, North Carolina  
Principal Tax Payers  
Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2022			Fiscal Year 2013		
		Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Dominion Power	Utilities	\$ 158,062,113	1	1.94%	\$ 55,418,167	2	0.66%
Summit Farms Solar LLC	Solar Energy	87,602,371	2	1.08%			
H20BX LLC	Waterpark	38,070,463	3	0.47%			
Coastland Properties 1, LLC	Land Development	22,087,200	4	0.27%	56,361,000	1	0.67%
Harrison Inn Corolla LLC	Hotel	20,297,506	5	0.25%			
Pine Island Properties LLC	Land Development	15,028,200	6	0.18%	22,132,000	4	0.26%
Coastland Corporation	Land Development	14,203,375	7	0.17%	39,151,900	3	0.47%
Moyock Propco Holdings, CO	Skilled Nursing Facility	10,620,700	8	0.13%			
Golasa Holdings LLC	Land Development	10,352,617	9	0.13%			
Triangle Old Annapolis Assoc LLC	Residential Rental	8,583,680	10	0.11%			
Pine Island Holdings LLC	Land Development				21,900,282	5	0.26%
Corolla Bay LLC	Land Development				15,600,500	6	1.90%
Carolina Telephone	Utility				11,350,578	6	0.14%
Gateway Bank & Trust	Financial Institution				14,288,702	7	0.17%
James E Johnson Jr	Real Estate Investor				10,608,449	8	0.13%
Brian K Newman	Real Estate Investor				8,630,227	9	0.10%
Forrest R Schaeffer	Real Estate Investor				8,449,006	10	0.10%
Total		<u>\$ 384,908,225</u>		<u>4.73%</u>	<u>\$ 252,540,233</u>		<u>4.51%</u>

Source: Currituck County Tax Department

**Schedule 8**

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

Fiscal Year	Taxes Levied for the Fiscal Year			Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	(Original Levy)	Adjustments	Total Adjusted Levy	Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2013	\$ 26,855,308	\$ (80,570)	\$ 26,774,738	\$ 26,371,383	99.70%	\$ 395,846	\$ 26,767,440	99.97%
2014	28,242,743	(81,569)	28,161,174	27,778,323	99.71%	373,281	28,153,841	99.97%
2015	28,211,974	(39,616)	28,172,358	27,838,533	99.86%	329,364	28,166,938	99.98%
2016	28,824,998	(14,367)	28,810,631	28,468,794	99.95%	320,730	28,802,769	99.97%
2017	29,422,162	(66,488)	29,355,674	29,068,844	99.77%	272,323	29,344,110	99.96%
2018	30,051,742	(38,185)	30,013,557	29,737,939	99.87%	253,331	29,991,031	99.92%
2019	30,786,172	(21,136)	30,765,036	30,486,856	99.93%	251,314	30,728,086	99.88%
2020	31,715,926	(41,248)	31,674,678	31,176,057	99.87%	453,052	31,557,114	99.63%
2021	32,611,914	(41,578)	32,570,336	32,326,823	99.87%	169,596	32,326,526	99.25%
2022	37,560,147	(66,692)	37,493,455	37,244,239	99.82%	-	37,241,093	99.33%

Note: The information in this schedule relates to the county-wide tax levy and does not include special district taxes.

**Schedule 9**

Currituck County, North Carolina  
Ratios of Debt Outstanding by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income	Percentage of Actual Value of Taxable Property	Bonded Debt Per Capita <sup>1</sup>	Total Debt Per Capita <sup>1</sup>
	General Obligation Bonds	Installment Purchase Contracts	General Obligation Bonds	Revenue Bonds	Installment Purchase Contracts					
2013	\$ 1,575,000	\$ 12,308,528	\$ 1,490,000	\$ 16,475,000	\$ 9,745,000	\$ 41,593,528	4.18%	0.51%	\$ 805	\$ 1,714
2014	730,000	9,501,548	1,160,000	15,915,000	8,715,000	36,021,548	3.62%	0.65%	717	1,450
2015	-	7,935,456	815,000	15,330,000	7,685,000	31,765,456	3.00%	0.54%	642	1,264
2016	-	6,365,896	540,000	14,635,000	6,655,000	28,195,896	2.55%	0.47%	591	1,099
2017	-	4,792,807	270,000	13,900,000	5,625,000	24,587,807	2.22%	0.40%	538	934
2018	-	3,216,137	-	13,125,000	11,845,000	28,186,137	2.55%	0.41%	498	1,070
2019	-	1,635,825	-	12,035,000	8,875,000	22,545,825	1.94%	0.31%	445	833
2020	-	21,470,000	-	10,900,000	7,525,000	39,895,000	3.24%	0.51%	390	1,426
2021	-	18,950,000	-	9,720,000	6,175,000	34,845,000	2.95%	0.42%	332	1,191
2022	-	16,430,000	-	8,495,000	5,250,000	30,175,000	1.78%	0.36%	286	1,018

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Schedule 12 for personal income and population data.

<sup>b</sup> See Schedule 5 for property values.

**Schedule 10**Currituck County, North Carolina  
Legal Debt Margin Information,  
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed Value of Property	\$ 8,188,541,638	\$ 5,565,624,903	\$ 5,864,064,156	\$ 5,995,996,462	\$ 104,102,044	\$ 6,273,432,500	\$ 6,403,894,792	\$ 6,592,164,374	\$ 6,778,769,583	\$ 8,143,596,305
Debt Limit, 8% of Assessed Value (Statutory Limitation)	655,083,331	445,249,992	469,125,132	479,679,717	8,328,164	501,874,600	512,311,583	527,373,150	542,301,567	651,487,704
Amount of Debt Applicable to Limit										
General Obligation Bonds	3,065,000	1,890,000	6,367,912	4,794,824	3,218,155	1,637,844	-	-	-	-
Revenue Bonds	16,475,000	15,915,000	540,000	270,000	-	-	12,035,000	10,900,000	9,720,000	8,495,000
Installment Purchase Agreements	22,053,528	18,216,548	14,635,000	13,900,000	13,125,000	12,034,999	10,510,825	28,925,000	25,125,000	20,800,000
Less: General Obligation Bonds paid from Enterprise Funds	(1,490,000)	(1,160,000)	(6,365,896)	(4,792,807)	(3,216,137)	(1,635,825)	-	-	-	-
Revenue Bonds from Enterprise Funds	(16,475,000)	(15,915,000)	(540,000)	(270,000)	-	-	(12,035,000)	(10,900,000)	(9,720,000)	(8,495,000)
Total net debt applicable to limit	23,628,528	18,946,548	14,637,016	13,902,017	13,127,018	12,037,018	10,510,825	28,925,000	25,125,000	20,800,000
Legal Debt Margin	<u>\$ 631,454,803</u>	<u>\$ 426,303,444</u>	<u>\$ 454,488,116</u>	<u>\$ 465,777,700</u>	<u>\$ (4,798,854)</u>	<u>\$ 489,837,582</u>	<u>\$ 501,800,758</u>	<u>\$ 498,448,150</u>	<u>\$ 517,176,567</u>	<u>\$ 630,687,704</u>
Total net debt applicable to the limit as a percentage of debt limit	0.29%	0.34%	0.25%	0.23%	12.61%	0.19%	0.16%	0.44%	0.37%	0.26%

Note: The legal debt margin is the difference between the debt limit and the county's net debt outstanding applicable to the limit, and represents the county's legal borrowing authority.

Schedule 11  
Currituck County, North Carolina  
Revenue Bond Coverage  
Mainland Water Revenue Bonds

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>REVENUES</b>										
Water Sales	\$ 2,783,856	\$ 2,740,701	\$ 2,911,883	\$ 2,934,164	\$ 2,874,696	\$ 3,094,533	\$ 3,139,717	\$ 3,332,850	\$ 3,501,587	\$ 3,832,386
Water Impact Fees	291,013	405,200	595,091	624,723	601,276	1,268,600	1,303,036	35,017	55,735	62,203
System Developmental Fees Used for New Capital	-	-	-	-	-	-	-	425,000	555,000	859,970
	\$ 3,074,869	\$ 3,145,901	\$ 3,506,974	\$ 3,558,887	\$ 3,475,972	\$ 4,363,133	\$ 4,442,753	\$ 3,792,867	\$ 4,112,322	\$ 4,754,559
Reconnection Fees	\$ 55,350	\$ 52,375	\$ 50,355	\$ 56,047	\$ 58,700	\$ 77,375	\$ 90,697	\$ 69,712	\$ 72,258	\$ 93,341
Penalties	75,114	85,169	81,887	79,102	73,802	72,928	75,156	60,799	61,708	88,548
Sale of materials	60,099	15,860	30,038	13,960	18,971	15,718	-	21,411	50,034	35,982
Other	-	-	100	84,835	1,000	35,500	-	5,867	5,653	-
Investment Earnings	7,690	9,756	11,738	18,550	33,051	48,397	146,353	116,422	14,175	(117,042)
	\$ 198,253	\$ 163,160	\$ 174,118	\$ 252,494	\$ 185,524	\$ 249,918	\$ 312,206	\$ 274,211	\$ 203,828	\$ 100,829
<b>TOTAL REVENUES</b>	\$ 3,273,122	\$ 3,309,061	\$ 3,681,092	\$ 3,811,381	\$ 3,661,496	\$ 4,613,051	\$ 4,754,959	\$ 4,067,078	\$ 4,316,150	\$ 4,855,388
<b>EXPENSES</b>										
Personnel	\$ 647,997	\$ 630,832	\$ 718,799	\$ 694,687	\$ 499,112	\$ 751,759	\$ 764,733	\$ 751,596	\$ 921,329	\$ 862,426
Operations	786,119	636,330	693,061	712,469	984,253	650,208	731,994	862,694	1,079,887	1,220,030
Capital Outlay	168,605	80,010	228,944	272,506	189,552	189,402	478,057	532,372	597,472	623,248
<b>TOTAL EXPENSES, EXCLUDING DEBT</b>	\$ 1,602,721	\$ 1,347,172	\$ 1,640,804	\$ 1,679,662	\$ 1,672,917	\$ 1,591,369	\$ 1,974,784	\$ 2,146,662	\$ 2,598,688	\$ 2,705,704
<b>REVENUES AVAILABLE FOR DEBT</b>	\$ 1,670,401	\$ 1,961,889	\$ 2,040,288	\$ 2,131,719	\$ 1,988,579	\$ 3,021,682	\$ 2,780,175	\$ 1,920,416	\$ 1,717,462	\$ 2,149,684
2008 Water Revenue Bonds	540,000	560,000	585,000	695,000	735,000	775,000	1,090,000	1,135,000	1,180,000	1,180,000
Interest: 2008 Revenue Bonds	695,914	673,828	599,609	440,150	419,996	399,093	376,841	345,546	312,958	279,078
<b>TOTAL SENIOR DEBT</b>	\$ 1,235,914	\$ 1,233,828	\$ 1,184,609	\$ 1,135,150	\$ 1,154,996	\$ 1,174,093	\$ 1,466,841	\$ 1,480,546	\$ 1,492,958	\$ 1,459,078
2004 General Obligation Bond Refunding	\$ 315,000	\$ 330,000	\$ 345,000	\$ 275,000	\$ 270,000	\$ 270,000	\$ -	\$ -	\$ -	\$ -
Interest: 2004 General Obligation Bond Refunding	75,535	59,785	46,585	29,335	19,710	9,990	-	-	-	-
<b>TOTAL SUBORDINATE DEBT</b>	\$ 390,535	\$ 389,785	\$ 391,585	\$ 304,335	\$ 289,710	\$ 279,990	\$ -	\$ -	\$ -	\$ -
<b>MINIMUM 1.15 SENIOR DEBT COVERAGE</b>	\$ 1,421,301	\$ 1,418,902	\$ 1,362,300	\$ 1,305,423	\$ 1,328,245	\$ 1,350,207	\$ 1,686,867	\$ 1,702,628	\$ 1,716,902	\$ 1,677,940
<b>MINIMUM 1.00 SUBORDINATE DEBT COVERAGE</b>	\$ 390,535	\$ 389,785	\$ 391,585	\$ 304,335	\$ 289,710	\$ 279,990	\$ -	\$ -	\$ -	\$ -
<b>SENIOR DEBT SERVICE COVERAGE</b>	1.35	1.59	1.72	1.88	1.72	2.57	1.90	1.30	1.15	1.47
<b>SUBORDINATE DEBT SERVICE COVERAGE</b>	1.11	1.87	2.19	3.27	2.88	6.60	N/A	N/A	N/A	N/A
<b>TOTAL DEBT SERVICE COVERAGE</b>	1.03	1.21	1.29	1.48	1.38	2.08	1.90	1.30	1.15	1.47

**Schedule 12**

Currituck County, North Carolina  
Demographic and Economic Statistics,  
Last Ten Fiscal Years

	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>a</sup>	Per Capita Personal Income <sup>a</sup>	Public School Enrollment <sup>b</sup>	Unemployment Rate <sup>c</sup>
2013	24,268	941,681	38,803	4,014	5.80%
2014	24,839	995,070	40,061	3,871	5.60%
2015	25,135	1,057,748	42,083	3,923	5.70%
2016	25,664	1,105,139	43,101	3,966	4.80%
2017	26,331	1,162,499	44,149	3,980	4.00%
2018	27,072	1,230,023	45,435	4,012	3.70%
2019	27,978	891,071	31,849	4,049	4.00%
2020	28,510	1,180,086	41,392	4,220	6.00%
2021	29,257	1,699,699	57,320	*	3.40%
2022	29,653	*	*	*	3.60%

\* Information not yet available

Sources:

<sup>a</sup> Bureau of Economic Analysis

<sup>b</sup> Currituck County Board of Education

<sup>c</sup> Bureau of Labor Statistics  
(MSA for Hampton Roads VA and North East NC)

**Schedule 13**

Currituck County, North Carolina  
Full-time Equivalent County Government Employees by Function,  
Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	62.00	62.00	72.00	71.00	72.00	72.00	73.00	74.00	81.80	84.33
Public safety	188.92	192.92	192.67	199.57	202.62	225.62	231.62	239.62	245.62	246.62
Transportation	2.00	2.00	1.40	1.40	1.40	1.40	2.40	2.40	2.65	3.13
Environmental protection	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Community development	22.00	22.00	23.00	22.00	22.00	23.00	24.00	24.00	27.00	29.00
Cultural & recreation	19.60	19.60	19.48	20.71	20.71	20.71	20.71	20.71	21.12	21.12
Human services	41.75	41.75	41.75	43.75	44.75	44.75	44.75	44.75	44.75	45.75
Proprietary operations	28.00	28.00	25.00	25.00	25.00	27.00	27.00	31.00	31.50	37.89
	366.27	370.27	377.30	385.43	390.48	416.48	425.48	438.48	456.44	469.84

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent is calculated by dividing total labor hours by 2,080.

Source: Currituck County Budget

**Schedule 14**

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

<u>Employer</u>	<u>2022</u>		<u>2013</u>	
	<u>Employees<sup>a</sup></u>	<u>Rank</u>	<u>Employees<sup>a</sup></u>	<u>Rank</u>
Currituck County Board of Education	500-999	1	500-999	1
County of Currituck	500-999	2	367	2
Vacasa North Carolina	100-249	3	----	
Food Lion LLC	100-249	4	100-249	3
Resort Realty of the Outerbanks	100-249	5	---	
Twiddy & Co. of Duck Inc.	100-249	6	50-99	9
Academi Training Center LLC	100-249	7	----	
Latham Pool Products Inc	100-249	8		
Constellis Group LLC	50-99	10	----	
Clean Team 4 U Inc.	---		50-99	8
Sentara Health Center	100-249		100-249	4
Southland Trade Corp	---		50-99	5
Corolla Classic Vacations	---		50-99	8
Wells Fargo Insurance	---		50-99	6
The Bank of Hampton Roads	---		50-99	10
<b>Total</b>	<u>1450-2941</u>		<u>1367-2458</u>	

<sup>a</sup> Due to proprietary confidentiality, employment data is available in ranges from the Employment Security Commission of North Carolina.

Source: North Carolina Department of Commerce, Employment Security Commission

**Schedule 15**  
Currituck County, North Carolina  
Operating Indicators by Function

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities:</b>											
<b>Public Safety</b>											
Law Enforcement <sup>1</sup>											
Deputies	63	63	63	63	63	63	65	67	69	69	70
Emergency Medical Services <sup>2</sup>											
Emergency Medical Technicians	72	73	76	76	76	76	51	52	56	56	57
Fire Services											
Fire Fighters	-	-	-	-	-	-	51	51	51	51	51
<b>Human Services<sup>3</sup></b>											
Number of Physicians	10	8	*	*	*	10	*	*	*	*	*
Population/physician ratio	2,650	252	*	*	*	202	*	*	*	*	*
<b>Education<sup>4</sup></b>											
Schools	10	10	10	10	10	10	10	10	10	10	10
Teachers	260	238	248	245	245	252	258	286	286	286	n/a
Student Enrollment	4,175	4,014	3,871	3,923	3,966	3,980	4,012	4,049	4,068	4,220	n/a
SAT Scores <sup>7</sup>	1,440	1,434	1,445	1,504	1,469	1,072	1,097	1,087	n/a	n/a	n/a
<b>Enterprise Activities:</b>											
<b>Newtown Road Sewer<sup>5</sup></b>											
Treatment capacity (MGD)	0.115	0.115	-	-	-	-	-	-	-	-	-
Annual engineering maximum plant capacity (millions of gallons)	0.115	0.115	-	-	-	-	-	-	-	-	-
Amount treated annually (millions of gallons)	3.898	3.843	-	-	-	-	-	-	-	-	-
Unused capacity (millions of gallons)	0.104	0.104	-	-	-	-	-	-	-	-	-
Percentage of capacity utilized	9.57%	9.10%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Residential sewer customers	27	27	27	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Commercial sewer customers	1	1	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Maple Commerce Park Sewer<sup>5</sup></b>											
Treatment capacity (MGD)	*	0.040	0.040	0.040	0.040	0.040	0.040	N/A	N/A	N/A	N/A
Annual engineering maximum plant capacity (millions of gallons)	*	0.040	0.040	0.040	0.040	0.040	0.040	N/A	N/A	N/A	N/A
Amount treated annually (millions of gallons)	*	1.880	1.880	1.540	2.220	2.220	2.181	N/A	N/A	N/A	N/A
Unused capacity (millions of gallons)	*	0.750	0.750	0.075	0.074	0.074	0.034	N/A	N/A	N/A	N/A
Percentage of capacity utilized	*	6.00%	6.00%	5.20%	8.00%	8.00%	14.94%	N/A	N/A	N/A	N/A
Number of residential customers	*	-	-	-	-	-	-	N/A	N/A	N/A	N/A
Number of commercial customers	*	7	8	8	8	8	8	N/A	N/A	N/A	N/A



Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Moyock Commons Sewer<sup>5</sup></b>											
Treatment capacity (MGD)	0.040	0.040	0.040	0.040	0.040	0.040	0.040	N/A	N/A	N/A	N/A
Annual engineering maximum plant capacity (millions of gallons)	0.040	0.040	0.040	0.040	0.040	0.040	0.040	N/A	N/A	N/A	N/A
Amount treated annually (millions of gallons)	3.450	3.450	-	-	-	-	-	N/A	N/A	N/A	N/A
Unused capacity (millions of gallons)	0.031	0.031	-	-	-	-	-	N/A	N/A	N/A	N/A
Percentage of capacity utilized	23.75%	23.75%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of residential customers	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of commercial customers	25	25	23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mainland Central Sewer<sup>5</sup></b>											
Treatment capacity (MGD)	*	0	0.099	0.099	0.099	0.099	0.099	0.099	0.099	0.299	0.299
Annual engineering maximum plant capacity (millions of gallons)	*	0	0.099	0.099	0.099	0.099	0.099	0.099	0.099	0.299	0.299
Amount treated annually (millions of gallons)	*	*	4.790	4.267	8.460	8.460	12.939	12.939	12.939	0.035	24.042
Unused capacity (millions of gallons)	*	*	0.086	0.087	0.076	0.076	0.064	0.064	0.064	0.075	85.093
Percentage of capacity utilized	*	*	13.00%	12.00%	23.00%	23.00%	36.81%	36.81%	36.81%	74.64%	22.03%
Number of residential customers	*	*	-	25	27	27	27	585	585	657	687
Number of commercial customers	*	*	8	32	24	24	24	45	45	73	45
<b>Walnut Island Sewer<sup>5</sup></b>											
Treatment capacity (MGD)	0	0.120	0.120	0.120	0.120	0.120	0.120	N/A	N/A	N/A	N/A
Annual engineering maximum plant capacity (millions of gallons)	0	0.120	0.120	0.120	0.120	0.120	0.120	N/A	N/A	N/A	N/A
Amount treated annually (millions of gallons)	6.49	4.94	4.84	2.73	4.56	4.56	5.82	N/A	N/A	N/A	N/A
Unused capacity (millions of gallons)	0	0.098	0.106	0.112	0.104	0.104	0.104	N/A	N/A	N/A	N/A
Percentage of capacity utilized	0	18.00%	11.00%	6.00%	11.00%	11.00%	13.29%	N/A	N/A	N/A	N/A
Number of residential customers	257	253	264	258	253	253	253	N/A	N/A	N/A	N/A
Number of commercial customers	-	-	-	-	-	-	-	N/A	N/A	N/A	N/A
<b>Southern Outer Banks Water<sup>5</sup></b>											
Average daily usage (in 1,000 gallons)	668	623	595	672	936	936	1,113	944	1,074	1,203	1,394
Water storage capacity (MGD)	4.200	4.200	4.200	4.200	4.200	4.200	3,696	3,696	3,696	3,696	3,696
Number of water pumping stations	5	5	5	5	5	5	2	2	2	2	2
Number of residential customers	3,764	2,905	2,758	2,805	2,825	2,825	3,084	2,934	2,977	3,012	3,114
Number of commercial customers	200	197	202	179	200	200	261	214	215	220	196
<b>Ocean Sands Water and Sewer<sup>5</sup></b>											
Average daily water usage (in 1,000 gallons)	166	166	161	153	162	162	148	163	180	186	187
Water storage capacity (MGD)	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150
Sewer treatment capacity (MGD)	0.600	0.600	0.600	0.600	0.600	0.600	0.500	0.500	0.500	0.600	0.600
Annual engineering maximum sewer plant capacity (millions of gallons)	0.600	0.600	0.600	0.600	0.600	0.600	0.500	0.600	0.600	219.000	219.000
Amount sewer treated annually (millions of gallons)	61	61	59	63	68	68	53	51	51	63	69
Unused daily sewer capacity (millions of gallons)	0.433	0.433	0.438	0.428	0.413	0.413	0.355	0.355	0.355	0.427	150.000
Percentage of sewer capacity utilized	27.85%	27.85%	27.00%	28.60%	31.00%	31.00%	70.96%	70.96%	70.96%	28.77%	31.51%
Number of residential water customers	959	975	978	994	993	993	1,014	1,010	1,017	1,018	1,037
Number of commercial water customers	8	8	8	8	8	8	8	8	8	8	8
Number of residential sewer customers	959	975	978	994	993	993	1,014	1,014	1,014	1,014	1,037
Number of commercial sewer customers	8	8	8	8	8	8	8	8	8	8	8

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Mainland Water<sup>5</sup></b>											
Average daily water usage (in 1,000 gallons)	-	-	-	-	-	-	-	-	-	1,109	1,161
Water storage capacity (MGD)	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,200	3,200	3,200	3,280
Residential water customers	4,856	4,856	5,165	5,253	5,423	5,423	7,482	6,197	6,197	7,188	7,153
Commercial water customers	394	394	417	394	417	417	501	418	418	427	401
<b>Solid Waste<sup>6</sup></b>											
Total number of households served	14,469	14,516	14,624	14,814	15,221	15,455	15,640	16,202	16,530	16,786	17,007
Total tonnage disposed	22,531	24,576	20,013	22,231	21,478	22,752	25,494	23,945	25,439	33,829	35,600
<b>Recycling Program:</b>											
Households served by program	14,469	14,516	14,624	14,814	15,221	15,455	15,640	16,202	16,530	16,786	17,007
Tonnage recovered	2,869	2,540	3,368	2,778	2,914	3,014	2,782	2,137	3,232	2,444	3,160
<b>Mulching/composting program</b>											
Households served by program	14,469	14,516	14,624	14,814	15,221	15,455	15,640	16,202	16,530	16,786	17,007
Tonnage recovered	2,869	1,206	870	1,076	1,011	1,888	1,154	2,180	1,651	1,236	2,038
Total cost of solid waste program	\$ 3,912,428	\$ 3,978,363	\$ 3,790,041	\$ 3,893,336	\$ 3,735,002	\$ 4,187,336	\$ 4,672,364	\$ 4,921,809	\$ 5,190,476	\$ 5,331,637	\$ 5,920,485
Cost per household	\$ 270	\$ 274	\$ 259	\$ 256	\$ 245	\$ 271	\$ 299	\$ 304	\$ 314	\$ 318	\$ 348
Cost per ton - includes recycling & mulch/compost	\$ 138	\$ 140	\$ 156	\$ 149	\$ 174	\$ 164	\$ 147	\$ 175	\$ 184	\$ 145	\$ 146

Sources:

<sup>1</sup>Currituck County Sheriff's Department

<sup>2</sup>Currituck County Emergency Medical Services Department

<sup>3</sup>NC Department of Commerce

<sup>4</sup>Currituck County Schools

<sup>5</sup>Currituck County Utilities Department

<sup>6</sup>Currituck County Public Works Department

<sup>7</sup>The SAT test has been revised and is not comparable to prior years beginning June 30, 2017 reporting. Graduating seniors that did not take the new test are not reported.

\*Data not available

**Schedule 16**  
Currituck County, North Carolina  
Capital Asset Statistics by Function

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities:										
General Government										
Buildings <sup>3</sup>	61	65	65	65	66	66	66	66	66	67
Public Safety										
Law Enforcement <sup>1</sup>										
Stations	1	1	1	1	1	1	1	1	2	2
Satellite Stations	3	3	3	3	3	3	3	3	3	2
Emergency Medical Services <sup>2</sup>										
Stations	11	11	11	11	11	11	11	11	11	11
Cultural and Recreation										
Libraries	3	3	3	3	3	3	3	3	3	3
Parks	3	3	3	3	3	3	3	3	8	8
Community Recreation Facility	1	1	1	1	1	1	1	1	1	1
Enterprise Activities:										
Newtown Road Sewer <sup>4</sup>										
Miles of sewer lines	1	1	1	-	-	-	N/A	N/A	N/A	N/A
Number of treatment plants	1	1	1	-	-	-	N/A	N/A	N/A	N/A
Maple Commerce Park Sewer <sup>4</sup>										
Miles of sewer lines	1.4	1.4	1.4	1.4	1.4	1.4	N/A	N/A	N/A	N/A
Number of treatment plants	1	1	1	1	1	1	N/A	N/A	N/A	N/A
Moyock Commons Sewer <sup>4</sup>										
Miles of sewer lines	6.9	6.9	6.9	-	-	-	N/A	N/A	N/A	N/A
Number of treatment plants	1	1	1	1	-	-	N/A	N/A	N/A	N/A
Mainland Central Sewer										
Miles of sewer lines	1	1.2	1.2	5.9	5.9	5.9	5.9	5.9	30.0	30.4
Number of treatment plants	1	1	1	1	1	1	1	1	4	4

continued

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Walnut Island Sewer<sup>4</sup></b>										
Miles of sewer lines	3.6	3.6	3.6	5.2	5.2	5.2	N/A	N/A	N/A	N/A
Number of treatment plants	1	1	1	1	1	1	N/A	N/A	N/A	N/A
<b>Southern Outer Banks Water<sup>4</sup></b>										
Miles of water lines	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
Number of water wells	113	113	113	113	113	113	113	113	114	114
<b>Ocean Sands Water and Sewer<sup>4</sup></b>										
Miles of water lines	11.09	11.09	11.09	11.09	11.09	11.09	11.09	11.09	11.09	11.09
Miles of sewer lines	12.40	12.40	12.40	12.40	12.40	12.40	12.40	12.40	13.60	13.60
Number of sewer treatment plants	1	1	1	1	1	1	1	1	1	1
<b>Mainland Water<sup>4</sup></b>										
Miles of water lines	262	262	262	263	263	263	263	263	353	353
Number of water wells	31	31	31	31	31	31	31	31	31	31
Number of water pumping stations	7	7	7	7	7	7	7	7	7	7

Sources:

<sup>1</sup>Currituck County Sheriff's Department

<sup>2</sup>Currituck County Emergency Medical Services Department

<sup>3</sup>Currituck County Public Works Department

<sup>4</sup>Currituck County Utilities Department

\*Data not available

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## **Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards***

To the Board of County Commissioners  
Currituck County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Currituck, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprises the County of Currituck's basic financial statements, and have issued our report thereon dated December 28, 2022. Our report includes a reference to other auditors who audited the financial statements of the Currituck County ABC Board as described in our report on the County of Currituck's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Currituck County ABC Board 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 of Currituck's internal control over financial reporting internal control as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Currituck'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.

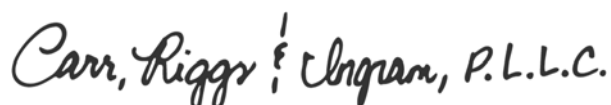
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County of Currituck’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 amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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



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

New Bern, North Carolina

December 28, 2022



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## **Independent Auditors' Report On Compliance With Requirements Applicable To Each Major Federal Program and Internal Control Over Compliance In Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act**

To the Board of County Commissioners  
Currituck County, North Carolina

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

#### ***Opinion on Each Major Federal Program***

We have audited the County of Currituck, North Carolina, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County of Currituck's major federal programs for the year ended June 30, 2022. The County of Currituck's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County of Currituck 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.

#### ***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 County of Currituck's federal programs.

#### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County of Currituck'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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made



by a reasonable user of the report on compliance about the County of Currituck's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County of Currituck'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 of Currituck's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County of Currituck'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 Auditors' Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or 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. Accordingly, this report is not suitable for any other purpose.

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

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

New Bern, North Carolina

December 28, 2022



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## **Independent Auditors' Report On Compliance For Each Major State Program and Internal Control Over Compliance In Accordance with OMB Uniform Guidance and the State Single Audit Implementation Act**

To the Board of County Commissioners  
Currituck County, North Carolina

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

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

We have audited the County of Currituck, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County of Currituck's major state programs for the year ended June 30, 2022. The County of Currituck's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

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

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

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

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County of Currituck'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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County of Currituck's compliance with the requirements of each major State program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County of Currituck'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 of Currituck's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County of Currituck'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 Auditors' Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or 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. Accordingly, this report is not suitable for any other purpose.

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

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

New Bern, North Carolina

December 28, 2022

**CURRITUCK COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Fiscal Year Ended June 30, 2022

**Section I                      Summary of Auditors' Results**

Financial Statements

Type of Auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?                      \_\_\_\_\_ yes                        X   no
- Significant deficiencies identified                      \_\_\_\_\_ 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 deficiencies identified                      \_\_\_\_\_ yes                        X   none reported

Type of Auditors' 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:

Federal AL#/  
CFDA Numbers

CFDA Numbers	Names of Federal Program or Cluster
93.778	Medical Assistance Program (Medicaid Cluster)
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B Programs

\$750,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes                        X   no

State Awards

Internal control over major State programs

- Material weakness(es) identified?                     yes                     no
- Significant deficiencies identified                     yes                     none reported

Type of Auditors' 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                     no

Identification of major State programs:

Names of State Program or Cluster

Public School Building Capital Fund  
E-911 Grant

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**Section II                    Financial Statement Findings**

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None Reported

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

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None Reported

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**Section IV                    State Award Findings and Questioned Costs**

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None Reported



**BOARD OF COMMISSIONERS**  
Michael Payment, Chairman  
Paul M. Beaumont, Vice-Chairman  
J. Owen Etheridge  
Mary "Kitty" Etheridge  
Selina Jarvis  
Kevin McCord  
Bob White

**COUNTY OF CURRITUCK**  
153 Courthouse Road, Suite 201  
Currituck, North Carolina 27929  
Telephone (252) 232-2075 / Fax (252) 232-3551

DONALD I. MCREE, JR.  
Interim County Manager  
County Manager

Leeann Walton  
Clerk to the Board

**CORRECTIVE ACTION PLAN**  
For the Fiscal Year Ended June 30, 2022

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**Section V                      Financial Statement Findings**

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None Reported

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**Section VI                      Federal Award Findings and Questioned Costs**

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None Reported

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**Section VII                      State Award Findings and Questioned Costs**

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None Reported



**CURRITUCK COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
For the Fiscal Year Ended June 30, 2022

None noted.

**COUNTY OF CURRITUCK**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
For the Fiscal Year Ending June 30, 2022

GRANTOR, PASS THROUGH GRANTOR PROGRAM TITLE	Federal Assistance Listing #	AMOUNT EXPENDED FEDERAL	STATE	COUNTY
<b>FEDERAL AWARDS -</b>				
<b>U.S. Department of Agriculture</b>				
North Carolina Department of Health and Human Services				
Division of Social Services				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) Cluster (Note 9)	10.561	\$ 169,372	\$ -	\$ -
<b>Total U.S. Department of Agriculture</b>		<u>169,372</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of the Treasury</b>				
Passed through Office of State Budget and Management				
NC Pandemic Recovery Office				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	2,696,949	-	-
<b>Total U.S. Department of the Treasury</b>		<u>2,696,949</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Transportation</b>				
Passed through NC Department of Transportation				
Airport Improvement Program	20.106	312,593	-	-
<b>Total U.S. Department of Transportation</b>		<u>312,593</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Justice</b>				
Passed through NC Department of Public Safety				
Edward Byrne Memorial Justice Assistance Grant	16.738	28,046	-	-
<b>Total U.S. Department of Justice</b>		<u>28,046</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>				
Passed through North Carolina Department of Health and Human Services				
Division of Social Services:				
Temporary Assistance for Needy Families (TANF):				
Temporary Assistance for Needy Families (TANF) (Notes 9)	93.558	293,566	-	-
<b>Total TANF</b>		<u>293,566</u>	<u>-</u>	<u>-</u>
Low Income Home Energy Assistance				
Administration	93.568	158,428	-	-
Crisis Intervention Program	93.568	25,648	-	-
<b>Total Low Income Home Energy Assistance</b>		<u>184,076</u>	<u>-</u>	<u>-</u>
MaryLee Allen Promoting Safe and Stable Families	93.556	11,324	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	11,543	-	-
Social Services Block Grant	93.667	82,337	-	-
Chafee Foster Care Independence Program (Note 9)	93.674	50	-	-
LINKS - Benefit Payments	93.674	903	226	-
Child Support Enforcement	93.563	133,787	-	-
Foster Care and Adoption Cluster (Note 3):				
Foster Care Title IV-E (Note 9)	93.658	51,391	14,446	-
Adoption Assistance (Note 9)	93.659	1,294	-	-
<b>Total Foster Care and Adoption Cluster</b>		<u>52,685</u>	<u>14,446</u>	<u>-</u>
Division of Child Development and Early Education:				
Child Care Development Fund Cluster:				
Division of Social Services				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	49,295	-	-
<b>Total Subsidized Child Care</b>		<u>49,295</u>	<u>-</u>	<u>-</u>
Centers for Medicare and Medicaid Services:				
Passed-through NC Department of Health and Human Services, Division of Health Benefits:				
Medicaid Cluster:				
Medical Assistance Program (Note 9)	93.778	804,830	535	-
<b>Total Medicaid Cluster</b>		<u>804,830</u>	<u>535</u>	<u>-</u>
Childrens Health Insurance Program - NC Health Choice (Note 9)	93.767	24,771	552	-
<b>Total U.S. Department of Health and Human Services</b>		<u>1,649,167</u>	<u>15,759</u>	<u>-</u>

continued

GRANTOR, PASS THROUGH GRANTOR PROGRAM TITLE	Federal AL / CFDA #	AMOUNT EXPENDED		COUNTY
		FEDERAL	STATE	
<b>U.S. Department of Homeland Security</b>				
Passed through NC Department of Public Safety				
Emergency Management Performance Grants	97.042	63,049	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	450,715	150,238	-
Homeland Security Grant	97.067	22,927	-	-
<b>Total U.S. Department of Homeland Security</b>		<b>536,691</b>	<b>150,238</b>	<b>-</b>
<b>TOTAL FEDERAL AWARDS</b>		<b>5,392,818</b>	<b>165,997</b>	<b>-</b>
<b>STATE AWARDS -</b>				
<b>North Carolina Department of Health and Human Services</b>				
Division of Social Services:				
State Child Welfare		-	2,857	-
<b>Total North Carolina Department of Health and Human Services</b>		<b>-</b>	<b>2,857</b>	<b>-</b>
<b>North Carolina Department of Agriculture</b>				
Stream Debris Removal		-	24,701	-
<b>Total North Carolina Department of Agriculture</b>		<b>-</b>	<b>24,701</b>	<b>-</b>
<b>NC Department of Public Safety</b>				
Disaster Recovery Act of 2019		-	84,270	-
Juvenile Crime Prevention Programs		-	103,985	-
Emergency Management Performance Grants		-	11,950	-
<b>Total North Carolina Department of Public Safety</b>		<b>-</b>	<b>200,205</b>	<b>-</b>
<b>North Carolina Department of Transportation</b>				
Public Transportation Division:				
DOT-8 State Aid to Airports Program		-	496,596	-
<b>Total North Carolina Department of Transportation</b>		<b>-</b>	<b>496,596</b>	<b>-</b>
<b>North Carolina Department of Environmental Quality</b>				
Public School Building Capital Fund - Lottery Proceeds		-	704,643	-
<b>Total North Carolina Department of Environmental Quality</b>		<b>-</b>	<b>704,643</b>	<b>-</b>
<b>North Carolina Department of Information Technology</b>				
E-911 Grant		-	332,700	-
<b>Total North Carolina Department of Information Technology</b>		<b>-</b>	<b>332,700</b>	<b>-</b>
<b>TOTAL STATE AWARDS</b>		<b>-</b>	<b>1,761,702</b>	<b>-</b>
<b>TOTAL FEDERAL AND STATE AWARDS</b>		<b>\$ 5,392,818</b>	<b>\$ 1,927,699</b>	<b>\$ -</b>

The County did not provide federal funds to subrecipients for the fiscal year ended June 30, 2022.

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

Note 1: Basis of Presentation

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

The following are clustered by the NC Department of Health and Human Services and are treated separately for federal audit requirement purposes: Foster Care and Adoption

Note 4: Federal Pass-Through Funds

The County is also the sub-recipient of federal funds that have been subjected to testing and are reported as expenditures and listed as federal pass-through funds. Federal awards other than those indicated as pass-through are considered to be direct.

Note 5: Contingencies

Grant monies received and disbursed by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon experience, the County does not believe that such disallowance, if any, would have a material effect on the financial position of the County.

Note 6: Noncash Assistance

The County did not receive any federal noncash assistance for the fiscal year ended June 30, 2022.

Note 7: Indirect Cost Rate

The County has elected not to use the 10% de Minimis indirect cost rate.

Note 8: Loans and Loan Guarantees

The County did not have any loans or loan guarantee programs required to be reported on the SEFSA.

Note 9: Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients.

<u>Program Title</u>	<u>Assistance Listing #</u>	<u>Federal</u>	<u>State</u>
Special Supplemental Nutrition Program for Women, Infant and Children	10.557	244,934	-
Supplemental Nutrition Assistance Program	10.561	6,312,394	-
Temporary Assistance for Needy Families	93.558	66,571	-
Adoption Assistance	93.659	69,932	13,056
Foster Care - Title IV-E	93.658	5,230	5,922
Medical Assistance Program	93.778	20,584,372	7,622,496
Children's Health Insurance Program	93.767	302,449	67,849
Child Welfare Services Adoption		-	105,586
State / County Special Assistance Program		-	86,227
State Home Foster Care		-	14,619