

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2020



County of Currituck, North Carolina

Prepared by the Currituck County Finance Department

County of Currituck, North Carolina
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June 30, 2020

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**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

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Benjamin C. Stikeleather
County Manager
Donald Ike McRee
County Attorney
Leeann Walton
Clerk to the Board

January 29, 2021

The Board of Commissioners
Currituck County, North Carolina

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of Currituck County for the fiscal year ended June 30, 2020. The financial statements and supplemental schedules contained herein have been audited by the independent, certified public accounting firm of Carr, Riggs & Ingram, LLC, 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 approximately 27,952; 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. Due to the COVID-19 pandemic, the Currituck beaches were closed for several weeks to non-resident property owners and visitors. Once the Currituck Outer Banks reopened, the County has welcomed back our visitors and has experienced increased occupancy due to the flexibility of teleworking and remote learning that has significantly increased during the pandemic. Development continues to grow throughout the County Outer Banks and also 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 deepwater ports in Hampton Roads. This favorable location continues to attract residents and the population has increased 16.93 percent from 2011 to 2020.

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 \$6,403,894,792 to \$6,592,164,374, an increase of 2.94 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, 2013. The county-wide tax rate for the fiscal year ending June 30, 2020 was \$0.48 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 a Maritime Museum and an ABC Store are in process on the Currituck Outer Banks.

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. Although there are no major public school capital projects at this time, the County continues to work with the Board of Education to maintain the current facilities. The Board of Education is actively looking for 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 Comprehensive Annual Financial Report.)

The County also had several initiatives in process throughout this year. Expansion of the airport runways continued to be a priority and design was underway at the end of this fiscal year. Construction of a public safety facility in Maple, a park in Moyock, completion of the connection of the Detention Center to the sewer located in Maple Commerce Park, construction of a Maritime Museum 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, Capital Projects Fund, and Agency Funds are reported on the modified accrual basis in the financial statements. The County's Proprietary and the Pension Trust 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; however, the auditor reported the early implementation of a new governmental accounting standard impacting the accounting for fiduciary funds. The implementation resulted in a general fund balance increase of \$1,715,346 and a material weakness in internal control related to the adjustment. The fund balance continues to be committed for the post employment health insurance and the Law Enforcement Officers' Special Separation Allowance liabilities. Two new trusts have been created to administer the funds in the future.

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.

In addition to tourism, the County is also focusing on several Economic Development priorities and projects. The Currituck Station Mega-Site is a long-term economic development plan developed for Currituck County to bring residential and commercial opportunities to the county over the next three decades. The 3,000-acre site in Moyock will include retail stores, medical offices, and even locations for high-tech industrial warehouse distribution and advanced manufacturing businesses with a variety of residential areas.

Other priorities include priming the mainland for future development around the Mid-Currituck Bridge; encouraging business growth in Lower Currituck to build on the momentum triggered by the H2OBX Waterpark; 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 both County governmental facilities and education facilities, which are funded by the County even though they are assets of the school. The County has committed to construction of a Public Safety facility in cooperation with the College of the Albemarle to provide fire and rescue training for Northeastern North Carolina. In addition, within the next five years, the County anticipates continued demands for additional 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 0.324% for savings accounts, 1.195% for commercial paper and 1.750% for federal agencies.

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, 2020 the Whalehead Club, Bridal suite restroom facility at Historic Corolla Park, 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, LLC., were selected through a formal request for proposals process. The Auditors' report on the General Purpose Financial Statements is included 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 eighteenth Comprehensive Annual 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 Comprehensive Annual 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 comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual 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 comprehensive annual 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,

Benjamin C. Stikeleather

Benjamin C. Stikeleather
County Manager

Sandra L. Hill

Sandra L. Hill
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

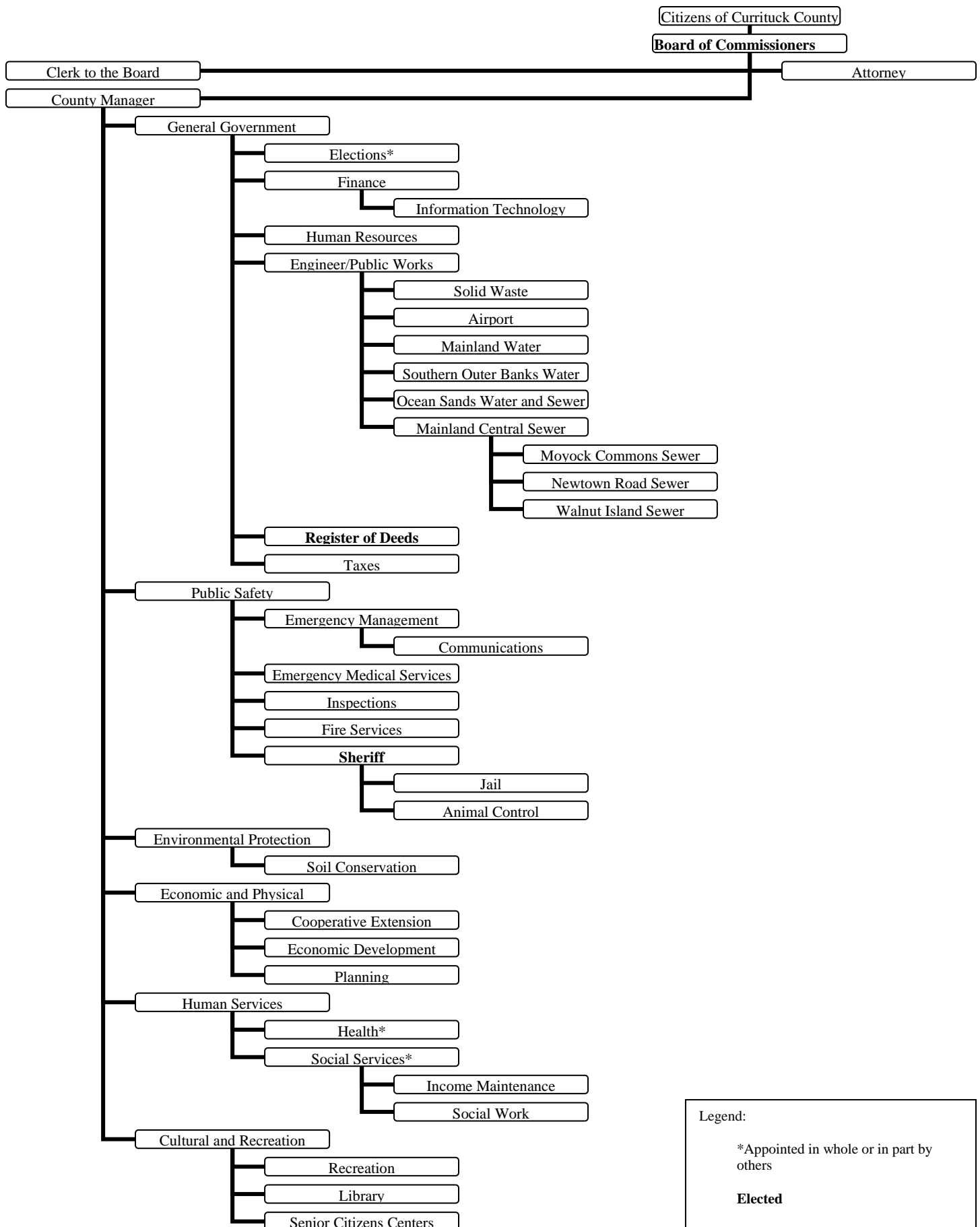
**County of Currituck
North Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



COUNTY OF CURRITUCK, NORTH CAROLINA

BOARD OF COUNTY COMMISSIONERS

Michael H. Payment, Chairman

Paul Beaumont, Vice Chairman

Bob White

J. Owen Etheridge

Mary “Kitty” Etheridge

Selina Jarvis

Kevin McCord

COUNTY OFFICIALS

Benjamin C. Stikeleather

County Manager

Leeann Walton

Clerk to the Board

Donald I. McRee Jr.

County Attorney

Sydni Banks

Elections Supervisor

Matthew Beickert

Sheriff

Denise A. Hall

Register of Deeds

Cameron S. Lowe

Cooperative Extension Director

Larry Lombardi

Economic Development Director

Mary Beth Newns

Emergency Management Director

Eric Weatherly

Engineer

Ralph Melton

Chief Fire and EMS Director

Sandra L. Hill

Finance Director

Sarah Tyson

Human Resources Director

Logan Steese

Information Technology Director

William Newns

Chief Building Inspector

Laurie LoCicero

Planning Director

Jason S. Weeks

Parks & Recreation Director

Samantha Hurd

Social Services Director

Tracy L. Sample

Tax Administrator

Tameron Kugler

Travel & Tourism Director

Laura Salmons

Librarian



Carr, Riggs & Ingram, LLC

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INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Currituck County, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Currituck County, North Carolina as of and for the year then ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Currituck County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those statements were audited by other auditors whose reports have 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. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Currituck County ABC Board were not audited in accordance with *Governmental Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Currituck County, North Carolina as of June 30, 2020 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Tourism Development Authority for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note IX to the financial statements, Currituck County reviewed its classification of reporting funds and adopted *Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities*. The reclassification and adoption of the new standard resulted in a cumulative effect of change in accounting principles of \$1,715,346 to the June 30, 2020 net position. Our opinions are not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Postemployment Benefits' Schedules of Changes in the Total OPEB Liability and Related Ratios, the Local Government Employee's Retirement System Schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions and the Firefighters' and Rescue Squad Workers' Pension Fund Schedules of the County's Proportionate Share of the Net Pension Liability and County Contributions on pages 19 through 30, 103, 104, 105, and 107, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, page 106, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with

management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

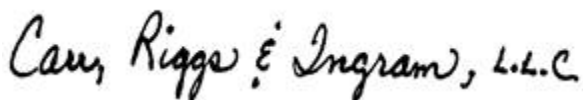
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Currituck County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules as well as the accompanying Schedule 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.

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

The introductory information and the statistical sections have not been subjected to the auditing procedures applied on the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2021 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 the 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.



New Bern, NC
January 29, 2021

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Management's Discussion and Analysis

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, 2020. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements which follow this narrative.

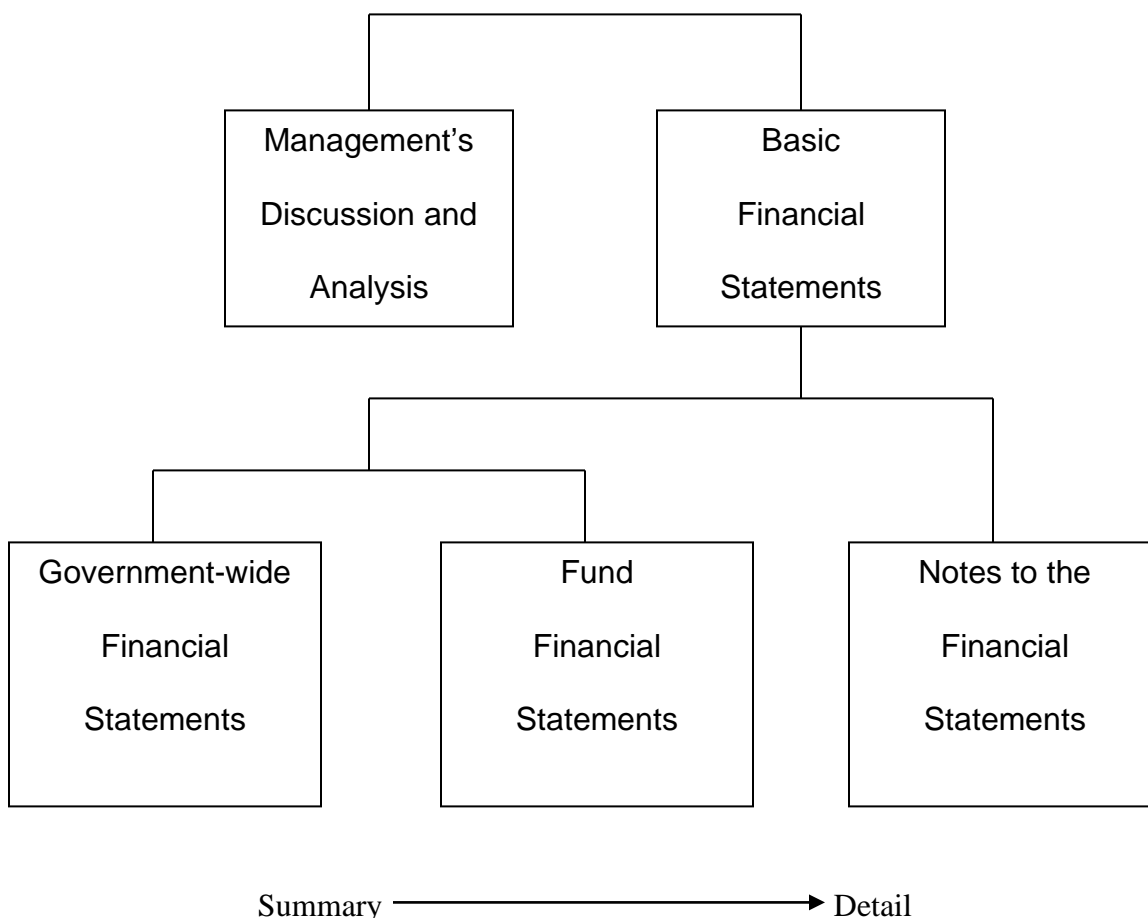
Financial Highlights

- The assets and deferred outflows of resources of Currituck County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$211,082,117 (*net position*).
- The government's total net position increased by \$10,510,571, before restatement, 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 \$109,472,967, after a net increase in fund balance of \$21,950,088, before restatement. Approximately 44.83% of this total amount, or \$49,078,260, is restricted or nonspendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,064,887 or 21.39% of total general fund expenditures for the fiscal year.
- Currituck County's governmental funds debt increased by \$19,834,175 during the current fiscal year due to new debt for the construction of a public safety facility.
- Currituck County's proprietary funds debt decreased by \$2,485,000 or 11.88%, which is attributed to early retirement of debt for the Mainland Central Sewer System in 2019 and by making scheduled payments for previous outstanding debt.
- Currently, the County does not hold any debt that has been rated by investment rating agencies.

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 gage 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 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.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Currituck County has several custodial funds to account for fines and forfeitures, social services, deed of trust and inmate funds.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 47 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 103 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 \$211,082,117 as of June 30, 2020. The County's net position increased by \$10,510,571, before restatement, for the fiscal year ended June 30, 2020. One of the largest portions \$116,213,522 (55.06%) reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). As of June 30, 2020, 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 \$48,998,040 (23.21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$45,870,555 (21.73%) is unrestricted.

Currituck County's Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 117,158,213	\$ 88,998,375	\$ 23,187,108	\$ 19,198,352	\$ 140,345,321	\$ 108,196,727
Capital assets	101,271,707	94,903,529	54,836,815	55,526,594	156,108,522	150,430,123
Total assets	218,429,920	183,901,904	78,023,923	74,724,946	296,453,843	258,626,850
Total deferred outflows of resources	7,225,912	5,950,435	519,963	336,906	7,745,875	6,287,341
Long-term liabilities outstanding	57,505,653	35,072,118	18,722,106	20,912,008	76,227,759	55,984,126
Current portion of long-term liabilities	3,150,000	495,825	2,573,600	2,485,000	5,723,600	2,980,825
Other liabilities	6,862,924	2,607,201	1,019,721	722,029	7,882,645	3,329,230
Total liabilities	67,518,577	38,175,144	22,315,427	24,119,037	89,834,004	62,294,181
Total deferred inflows of resources	3,043,113	3,490,403	240,484	273,407	3,283,597	3,763,810
Net position:						
Net investment in capital assets	79,801,707	93,267,704	36,411,815	34,616,594	116,213,522	127,884,298
Restricted	48,998,040	39,590,510	-	-	48,998,040	39,590,510
Unrestricted	26,294,395	15,328,578	19,576,160	16,052,814	45,870,555	31,381,392
Total net position	\$ 155,094,142	\$ 148,186,792	\$ 55,987,975	\$ 50,669,408	\$ 211,082,117	\$ 198,856,200

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 98.33%, in-line with the statewide average of 98.92%
- Management's proactive stance on monitoring spending across County departments to ensure compliance with the budget
- Continued low cost of debt

Currituck County Changes in Net Position Figure 3

	Governmental Activities		Business-type Activities		Total	Total
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 4,583,585	\$ 4,255,858	\$ 14,837,829	\$ 14,002,911	\$ 19,421,414	\$ 18,258,769
Operating grants and contributions	3,567,552	3,144,614	56,887	49,650	3,624,439	3,194,264
Capital grants and contributions	1,501,156	1,033,473	-	-	1,501,156	1,033,473
General revenues:						
Property taxes	31,792,243	30,829,053	617,084	615,922	32,409,327	31,444,975
Other taxes	33,973,858	32,137,186	-	-	33,973,858	32,137,186
Other , Unrestricted	1,003,001	2,545,354	243,230	330,282	1,246,231	2,875,636
Investment earnings, unrestricted	1,538,858	609,114	305,652	231,758	1,844,510	840,872
Total revenues	77,960,253	74,554,652	16,060,682	15,230,523	94,020,935	89,785,175
Expenses:						
General government	8,897,014	9,798,835	-	-	8,897,014	9,798,835
Public safety	26,423,861	24,646,123	-	-	26,423,861	24,646,123
Transportation	1,281,488	1,908,078	-	-	1,281,488	1,908,078
Economic and physical development	9,585,996	6,614,928	-	-	9,585,996	6,614,928
Environmental protection	666,258	1,102,947	-	-	666,258	1,102,947
Human services	4,482,172	4,270,307	-	-	4,482,172	4,270,307
Cultural and recreation	4,174,691	5,516,269	-	-	4,174,691	5,516,269
Education	12,730,970	12,193,477	-	-	12,730,970	12,193,477
Interest on long-term debt	298,360	51,626	-	-	298,360	51,626
Solid Waste	-	-	5,383,866	4,970,865	5,383,866	4,970,865
Water and sewer	-	-	9,230,352	9,693,392	9,230,352	9,693,392
Total expenses	68,540,810	66,102,590	14,614,218	14,664,257	83,155,028	80,766,847
Increase in net position before transfers, special item and capital contributions	9,419,443	8,452,062	1,446,464	566,266	10,865,907	9,018,328
Gain (Loss) on sale of capital assets	(355,336)	-	-	-	(355,336)	-
Transfers	(3,872,103)	(3,337,198)	3,872,103	3,337,198	-	-
Increase in net position	5,192,004	5,114,864	5,318,567	3,903,464	10,510,571	9,018,328
Net position, beginning	148,186,792	143,071,928	50,669,408	46,765,944	198,856,200	189,837,872
Net position, beginning, restated	149,902,138	143,071,928	50,669,408	46,765,944	200,571,546	189,837,872
Net position, ending	\$ 155,094,142	\$ 148,186,792	\$ 55,987,975	\$ 50,669,408	\$ 211,082,117	\$ 198,856,200

Governmental activities. Governmental activities increased the County's net position by \$5,192,004, 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 CARES Act COVID-19 funding

Business-type activities: Business-type activities increased Currituck County's net position by \$5,318,567. The main element of this increase is from increased consumption revenue in public utility systems and retirement of debt in the Mainland Central Sewer system.

The cumulative effect of all activities increased Currituck County's net position by \$10,510,571, before restatement.

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 \$11,064,887, while total fund balance reached \$26,062,447. The County currently has an available fund balance of 21.39% of general fund expenditures, while total fund balance represents 50.38% 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

	2020 Total	Restated 2019 Total	Change in Fund Balances
General	\$ 26,062,447	\$ 25,295,725	\$ 766,722
County Governmental Facilities	32,726,523	15,851,043	16,875,480
School Facilities	8,082,164	7,420,975	661,189
Tourism Development Authority	16,203,073	16,482,964	(279,891)
Transfer Tax Capital Fund	12,397,016	11,460,153	936,863
Other Governmental	14,001,744	11,012,019	2,989,725
	<u>\$ 109,472,967</u>	<u>\$ 87,522,879</u>	<u>\$ 21,950,088</u>

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 County Governmental Facilities and School Facilities reflect increases due to funding of projects in the current year that will be completed in future years with the most significant capital project for the construction of a public safety building. Fund balances in the Tourism Development Authority Fund, which decreased due to several weeks of beach closures due to COVID-19, are for tourism promotion and tourism related expenditures, which funds a portion of the recreation expansion projects. The increase in fund balance for the other governmental funds is the result of funding for capital projects that will be completed in future years.

At June 30, 2020, the governmental funds of Currituck County reported a combined fund balance of \$109,472,967, a 27.58% 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

	Revised Budget	Actual	Variance
Revenues:			
Ad valorem taxes	\$ 30,480,277	\$ 31,547,155	\$ 1,066,878
Other taxes and licenses	7,096,875	8,167,165	1,070,290
Restricted intergovernmental	3,920,839	2,770,357	(1,150,482)
Unrestricted intergovernmental	158,300	163,691	5,391
Permits and fees	3,096,854	3,686,895	590,041
Sales and services	678,217	770,834	92,617
Investment earnings	356,458	335,482	(20,976)
Miscellaneous	510,623	886,617	375,994
Total revenues	<u>46,298,443</u>	<u>48,328,196</u>	<u>2,029,753</u>
Expenditures:			
General government	8,068,333	7,448,753	619,580
Public safety	22,100,861	20,863,229	1,237,632
Transportation	620,009	469,147	150,862
Environmental protection	275,343	223,815	51,528
Economic and physical development	1,679,980	1,552,022	127,958
Human services	4,888,560	4,141,295	747,265
Cultural and recreational	2,385,396	2,226,954	158,442
Education	12,758,118	12,730,970	27,148
Debt service	1,892,906	1,864,185	28,721
Total expenditures	<u>54,669,506</u>	<u>51,520,370</u>	<u>3,149,136</u>
Revenues over (under) expenditures	(8,371,063)	(3,192,174)	5,178,889
Other financing sources (uses):			
Transfers to other funds	(4,211,483)	(4,211,483)	-
Transfers from other funds	8,064,533	7,988,273	(76,260)
Total other financing sources (uses)	<u>3,853,050</u>	<u>3,776,790</u>	<u>(76,260)</u>
Revenues and other financing sources over expenditures and other financing uses	(4,518,013)	584,616	5,102,629
Appropriated fund balance	<u>4,518,013</u>	<u>-</u>	<u>(4,518,013)</u>
Revenues, appropriated fund balance, and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 584,616</u>	<u>\$ 584,616</u>

Total amendments to the General Fund increased budgeted revenues by \$1,907,794. General fund revenues recognized increases over the prior year, with a total revenue increase of \$1,951,590. The overall actual General fund revenues were \$2,029,753 greater than budget, primarily due to increased property tax collections and other tax revenues. The final budget for expenditures was \$54,669,506, which was a \$3,379,468

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. Unrestricted net position of the Solid Waste Fund at the end of the fiscal year amounted to \$1,930,643, and those for the Water and Sewer Districts totaled \$17,645,517. 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 2020	June 30 2019	Change in Net Position
Solid Waste	\$ 2,369,090	\$ 2,835,496	\$ (466,406)
Ocean Sands Water and Sewer	7,755,974	7,869,463	(113,489)
Mainland Water	10,756,335	10,016,318	740,017
Southern Outer Banks Water	21,013,079	19,764,986	1,248,093
Mainland Central Sewer	11,860,601	9,787,588	2,073,013
Non-Major Proprietary Funds			
Ocean Sands Water & Sewer System			
Developmental Fees	119,796	7,383	112,413
Mainland Water System			
Developmental Fees	1,270,352	308,242	962,110
Southern Outer Banks Water System			
Developmental Fees	399,302	68,682	330,620
Mainland Central Sewer System			
Developmental Fees	443,446	11,250	432,196
Total	<u>\$ 55,987,975</u>	<u>\$ 50,669,408</u>	<u>\$ 5,318,567</u>

Capital Asset and Debt Administration

Capital assets. Currituck County's capital assets for its governmental and business – type activities as of June 30, 2020, totals \$156,108,522, 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:

- Design and construction of the Public Safety Facility
- Connecting Corolla – Phase V
- Ocean Sands Sewer replacement and expansion

Figure 7

CURRITUCK COUNTY'S CAPITAL ASSETS

(net of depreciation)

	Governmental Activities	Business-type Activities	Total	Total
	2020	2020	2020	2019
Land	\$ 20,716,253	\$ 1,970,953	\$ 22,687,206	\$ 22,681,031
Buildings and system	40,819,726	40,778,969	81,598,695	84,386,102
Computer Equipment	732,730	927,142	1,659,872	1,100,044
Furniture & Fixtures	25,672,657	519,476	26,192,133	25,742,380
Equipment	1,319,189	10,377,085	11,696,274	12,353,817
Vehicles and motorized equipment	3,097,272	263,190	3,360,462	3,054,475
Construction in progress	8,913,880	-	8,913,880	1,112,274
Total	\$ 101,271,707	\$ 54,836,815	\$ 156,108,522	\$ 150,430,123

Additional information on the County's capital assets can be found in note III.A. 5, beginning on page 66 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2020, Currituck County had total bonded debt outstanding of \$10,900,000, 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, Southern Outer Banks Water System and Ocean Sands Water and Sewer District and for construction of a building, with outstanding balances of \$1,140,000, \$1,275,000, \$6,250,000, and \$20,330,000 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	
	2020	2019	2020	2019	2020	2019
Installment Purchase	\$ 21,470,000	\$ 1,635,825	\$ 7,525,000	\$ 8,875,000	\$ 28,995,000	\$ 10,510,825
Revenue bonds	-	-	10,900,000	12,035,000	10,900,000	12,035,000
General obligation bonds	-	-	-	-	-	-
Compensated absences	1,302,109	1,283,814	90,183	86,087	1,392,292	1,369,901
Net pension liability (LGRS)	7,886,452	6,448,511	494,475	400,678	8,380,927	6,849,189
Total pension liability (LEOSSA)	2,671,119	2,290,154	-	-	2,671,119	2,290,154
Total OPEB liability	27,325,973	23,909,639	2,286,048	2,000,243	29,612,021	25,909,882
Total debt	\$ 60,655,653	\$ 35,567,943	\$ 21,295,706	\$ 23,397,008	\$ 81,951,359	\$ 58,964,951

Currituck County's total debt increased by \$17,349,175 during the past fiscal year. This increase is due to new debt for the construction of the public safety building. This debt is also offset by making scheduled payments on existing debt.

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 \$498,448,150, see Schedule 10, page 180. The County has no bonds authorized but unissued at June 30, 2020.

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

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the economy of the County.

- As of June 30, 2020, Currituck County had one of the lowest unemployment rates in the State with a rate of 6%, compared to the State average of 7.5%.

Budget Highlights for the Fiscal Year Ending June 30, 2021

Governmental Activities: Currituck County's octennial revaluation became effective for the 2014 fiscal year. Governmental fund revenues in the general funds are budgeted conservatively with a 10.94% decrease from the actual revenues received for the year ended June 30, 2020 due to collections of motor vehicle taxes for overlapping years and increases in permits and fees realized after the budget was adopted.

Budgeted expenditures in the General Fund are anticipated to be \$53,157,086 before transfers to other funds, approximately 2.77% decrease over the prior year budget. The County anticipates growth due to increases in construction and expenses are anticipated to be steady in proportion to this growth.

The County is in the process of construction of a Public Safety and Training facility in the upcoming fiscal year. This project will be funded through revenues accumulated in prior years, debt of \$21,400,000 that was approved in October 2019 and funding from various capital grants.

Business – type Activities: For the upcoming fiscal year, the County will continue to evaluate the operations of all business-type activities. Expansion of the Ocean Sands Sewer system replacement was completed in 2019 and this project still has the removal of the old system that was completed in the fiscal year ending June 30, 2020. The County is also in the process of considering options for sewer expansion in the northern Currituck mainland.

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 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.

County of Currituck, North Carolina
Statement of Net Position
June 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Currituck County ABC Board
ASSETS				
Cash and cash equivalents	\$ 5,312,101	\$ 7,944,003	\$ 13,256,104	\$ 1,272,341
Restricted Cash	23,043,469	2,515,490	25,558,959	-
Investments	83,257,120	10,835,128	94,092,248	-
Receivables (net)	694,139	620	694,759	6,000
Other receivables (net)	552,011	1,943,227	2,495,238	-
Due from other governments	4,089,642	-	4,089,642	-
Due from component unit	6,493	-	6,493	-
Internal balances	51,360	(51,360)	-	-
Inventories	80,220	-	80,220	725,830
Prepaid items	-	-	-	42,321
Net pension asset	71,658	-	71,658	-
Capital assets:				
Land, improvements, non-depreciable collections and construction in progress	29,630,133	1,970,953	31,601,086	425,900
Other capital assets, net of depreciation	71,641,574	52,865,862	124,507,436	1,278,898
Total capital assets	101,271,707	54,836,815	156,108,522	1,704,798
Total assets	218,429,920	78,023,923	296,453,843	3,751,290
DEFERRED OUTFLOWS OF RESOURCES				
	7,225,912	519,963	7,745,875	60,727
LIABILITIES				
Accounts payable and accrued expenses	6,161,211	920,369	7,081,580	409,771
Deferred revenue	701,713	-	701,713	-
Customer deposits	-	99,352	99,352	-
Due to primary government	-	-	-	189,468
Current portion of long-term liabilities	3,150,000	2,573,600	5,723,600	-
Long-term liabilities:				
Net pension liability - LGERS	7,886,452	494,475	8,380,927	100,771
Total pension liability - LEOSSA	2,671,119	-	2,671,119	-
Due in more than one year	46,948,082	18,227,631	65,175,713	245,567
Total long-term liabilities	57,505,653	18,722,106	76,227,759	346,338
Total liabilities	67,518,577	22,315,427	89,834,004	945,577
DEFERRED INFLOWS OF RESOURCES				
	3,043,113	240,484	3,283,597	5,075
NET POSITION				
Net investment in capital assets	79,801,707	36,411,815	116,213,522	1,704,799
Restricted for:				
Stabilization by State Statute	4,699,506	-	4,699,506	-
Public Safety	1,658,306	-	1,658,306	-
Education	346,485	-	346,485	-
Tourism	15,894,380	-	15,894,380	-
Working capital	-	-	-	175,341
Capital assets	26,399,363	-	26,399,363	981,225
Unrestricted (deficit)	26,294,395	19,576,160	45,870,555	-
Total net position	\$ 155,094,142	\$ 55,987,975	\$ 211,082,117	\$ 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, 2020

Program Revenues

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental Activities:				
General government	\$ 8,897,014	\$ 1,903,676	\$ 85,384	\$ -
Public safety	26,423,861	2,001,633	1,297,795	994,984
Transportation	1,281,488	364,876	-	359,130
Economic and physical development	9,585,996	-	174,626	-
Environmental protection	666,258	239,293	38,485	-
Human services	4,482,172	-	1,971,262	-
Cultural and recreation	4,174,691	74,107	-	-
Education	12,730,970	-	-	147,042
Interest on long-term debt	298,360	-	-	-
Total governmental activities	68,540,810	4,583,585	3,567,552	1,501,156
Business-type activities:				
Solid Waste	5,383,866	3,549,793	49,887	-
Water and Sewer	9,230,352	11,288,036	7,000	-
Total business-type activities	14,614,218	14,837,829	56,887	-
	<u>\$ 83,155,028</u>	<u>\$ 19,421,414</u>	<u>\$ 3,624,439</u>	<u>\$ 1,501,156</u>
Component units:				
ABC Board	\$ 4,859,576	\$ 4,859,576	\$ -	\$ -
Total component units	<u>\$ 4,859,576</u>	<u>\$ 4,859,576</u>	<u>\$ -</u>	<u>\$ -</u>

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, 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
Cumulative effect of change in accounting principle
Net position, beginning - restated
Net position-ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Currituck County ABC Board
\$ (6,907,954)	\$ -	\$ (6,907,954)	\$ -
(22,129,449)	-	(22,129,449)	-
(557,482)	-	(557,482)	-
(9,411,370)	-	(9,411,370)	-
(388,480)	-	(388,480)	-
(2,510,910)	-	(2,510,910)	-
(4,100,584)	-	(4,100,584)	-
(12,583,928)	-	(12,583,928)	-
(298,360)	-	(298,360)	-
(58,888,517)	-	(58,888,517)	-
-	(1,784,186)	(1,784,186)	-
-	2,064,684	2,064,684	-
-	280,498	280,498	-
(58,888,517)	280,498	(58,608,019)	-
			-
			-
31,792,243	-	31,792,243	-
-	617,084	617,084	-
1,501,841	-	1,501,841	-
1,377,703	-	1,377,703	-
11,614,907	-	11,614,907	-
5,167,824	-	5,167,824	-
12,328,736	-	12,328,736	-
1,049,184	-	1,049,184	-
314,801	-	314,801	-
618,862	-	618,862	-
1,538,858	305,652	1,844,510	-
1,003,001	243,230	1,246,231	-
(355,336)	-	(355,336)	-
67,952,624	1,165,966	69,118,590	-
(3,872,103)	3,872,103	-	-
64,080,521	5,038,069	69,118,590	-
5,192,004	5,318,567	10,510,571	-
148,186,792	50,669,408	198,856,200	2,861,365
1,715,346	-	1,715,346	-
149,902,138	50,669,408	200,571,546	-
\$ 155,094,142	\$ 55,987,975	\$ 211,082,117	\$ 2,861,365

County of Currituck, North Carolina
Balance Sheet
Governmental Funds
June 30, 2020
Major

	Major					Nonmajor	
	General	County Governmental Facilities Fund	School Facilities Fund	Tourism Development Authority Fund	Transfer Tax Capital Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 5,312,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,312,101
Restricted Cash	1,307,358	21,389,626	346,485	-	-	-	23,043,469
Investments	20,143,129	13,109,148	7,730,523	16,252,322	12,397,016	13,624,982	83,257,120
Taxes receivable, net	647,445	-	-	172	-	46,522	694,139
Other receivables, net	476,603	-	5,156	41,942	-	28,310	552,011
Due from other governments	2,508,850	62,917	-	17,002	-	1,500,873	4,089,642
Due from component unit	6,493	-	-	-	-	-	6,493
Due from other funds	51,360	-	-	-	-	-	51,360
Inventories	1,474	-	-	78,746	-	-	80,220
Total assets	\$ 30,454,813	\$ 34,561,691	\$ 8,082,164	\$ 16,390,184	\$ 12,397,016	\$ 15,200,687	\$ 117,086,555
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 3,688,396	\$ 1,835,168	\$ -	\$ 186,939	\$ -	\$ 450,708	\$ 6,161,211
Deferred revenue	-	-	-	-	-	701,713	701,713
Total liabilities	3,688,396	1,835,168	-	186,939	-	1,152,421	6,862,924
DEFERRED INFLOWS OF RESOURCES							
Property taxes receivable	647,445	-	-	172	-	46,522	694,139
Prepaid taxes	56,525	-	-	-	-	-	56,525
Total deferred inflows of resources	703,970	-	-	172	-	46,522	750,664
Fund balances:							
Nonspendable:							
Inventories	1,474	-	-	78,746	-	-	80,220
Restricted:							
Stabilization by State Statute	3,043,306	62,917	5,156	58,944	-	1,529,183	4,699,506
Emergency Telephone System	-	-	-	-	-	292,444	292,444
Fire Protection	-	-	-	-	-	1,365,862	1,365,862
County Governmental Assets	3,890,169	-	-	-	11,980,144	1,817,166	17,687,479
School Capital Assets	-	-	346,485	-	-	-	346,485
Tourism	-	-	-	15,894,380	-	-	15,894,380
Watershed Improvements	-	-	-	-	-	8,437,965	8,437,965
Whalehead Beach Solid Waste	-	-	-	-	-	273,919	273,919
Committed:							
Carova Beach Service District	-	-	-	171,003	-	-	171,003
Fire Equipment Replacement	-	-	-	-	-	285,205	285,205
County Governmental Assets	-	32,663,606	-	-	-	-	32,663,606
School Capital Assets	-	-	7,730,523	-	-	-	7,730,523
Other post-employment benefits	-	-	-	-	-	-	-
Tax Revaluation	807,608	-	-	-	-	-	807,608
Post Employment Benefit plans	1,759,351	-	-	-	-	-	1,759,351
Assigned:							
Subsequent year's expenditures	5,495,652	-	-	-	416,872	-	5,912,524
Unassigned:							
	11,064,887	-	-	-	-	-	11,064,887
Total fund balances	26,062,447	32,726,523	8,082,164	16,203,073	12,397,016	14,001,744	109,472,967
Total liabilities, deferred inflows of resources, and fund balances	\$ 30,454,813	\$ 34,561,691	\$ 8,082,164	\$ 16,390,184	\$ 12,397,016	\$ 15,200,687	\$ 117,086,555

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, 2020

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

Total Fund Balance, Governmental Funds	\$ 109,472,967
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	101,271,707
Net pension asset - Register of Deeds	71,658
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position	1,615,337
Benefit payment and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	121,355
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	396,267
Net pension liability - LGERS	(7,886,452)
Total pension liability - LEOSSA	(2,671,119)
Total OPEB liability	(27,325,973)
Deferred inflows of resources for taxes and special assessments receivable	694,139
Pension related deferrals	3,158,106
OPEB related deferrals	(1,051,741)
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>(22,772,109)</u>
Net position of governmental activities	<u><u>\$ 155,094,142</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 Year Ended June 30, 2020

	Major					Nonmajor	
	General Fund	County Governmental Facilities Fund	School Facilities Fund	Tourism Development Authority Fund	Transfer Tax Capital Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Ad valorem taxes	\$ 31,547,155	\$ -	\$ -	\$ 28,905	\$ -	\$ 2,850,639	\$ 34,426,699
Other taxes and licenses	8,167,165	-	-	12,328,736	5,167,824	5,430,589	31,094,314
Unrestricted intergovernmental	163,691	-	-	-	-	-	163,691
Restricted intergovernmental	2,770,357	359,130	147,042	-	-	1,518,188	4,794,717
Permits and fees	3,686,895	-	-	-	-	-	3,686,895
Sales and services	770,834	-	-	178,234	-	-	949,068
Investment earnings	406,260	300,861	114,715	292,753	215,001	209,268	1,538,858
Miscellaneous	886,617	-	-	384	-	116,000	1,003,001
Total revenues	48,398,974	659,991	261,757	12,829,012	5,382,825	10,124,684	77,657,243
EXPENDITURES							
Current:							
General government	7,648,425	628,850	-	-	-	-	8,277,275
Public safety	20,863,229	5,180,488	-	-	-	4,845,692	30,889,409
Transportation	469,147	388,625	-	-	-	-	857,772
Environmental protection	223,815	-	-	-	-	73,697	297,512
Economic and physical development	1,562,022	-	-	5,839,897	-	1,605,656	9,007,575
Human services	4,141,295	-	-	-	-	-	4,141,295
Cultural and recreational	2,226,954	2,591,537	-	-	-	-	4,818,491
Intergovernmental:							
Education	12,730,970	-	350,568	-	-	-	13,081,538
Debt service:							
Principal	1,565,825	-	-	-	-	-	1,565,825
Interest	298,360	-	-	-	-	-	298,360
Total expenditures	51,730,042	8,789,500	350,568	5,839,897	-	6,525,045	73,235,052
Excess (deficiency) of revenues over expenditures	(3,331,068)	(8,129,509)	(88,811)	6,989,115	5,382,825	3,599,639	4,422,191
OTHER FINANCING SOURCES (USES)							
Transfers from other funds	8,188,273	3,604,989	750,000	65,000	-	-	12,608,262
Installment purchase obligation	-	21,400,000	-	-	-	-	21,400,000
Transfers to other funds	(4,090,483)	-	-	(7,334,006)	(4,445,962)	(609,914)	(16,480,365)
Total other financing sources and (uses)	4,097,790	25,004,989	750,000	(7,269,006)	(4,445,962)	(609,914)	17,527,897
Net change in fund balance	766,722	16,875,480	661,189	(279,891)	936,863	2,989,725	21,950,088
Fund balances-beginning	23,580,379	15,851,043	7,420,975	16,482,964	11,460,153	11,012,019	85,807,533
Cumulative effect of change in accounting principle	1,715,346	-	-	-	-	-	1,715,346
Fund balance - beginning, as restated	25,295,725	15,851,043	7,420,975	16,482,964	11,460,153	11,012,019	87,522,879
Fund balances-ending	\$ 26,062,447	\$ 32,726,523	\$ 8,082,164	\$ 16,203,073	\$ 12,397,016	\$ 14,001,744	\$ 109,472,967

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 Year Ended June 30, 2020

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

Net changes in fund balances - total governmental funds	\$ 21,950,088
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period	6,723,514
Cost of capital asset disposed of during the year, not recognized on modified accrual basis	(355,336)
Benefit payments and pension administration costs for LEOSA are deferred outflows of resources on the Statement of Net Position	121,355
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	1,615,337
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	396,267
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	245,088
The issuance of long-term debt (e.g., bonds, leases) 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.	(19,834,175)
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>(5,670,134)</u>
Total changes in net position of governmental activities	<u><u>\$5,192,004</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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	General Fund				
	2020			Variance With Final Positive (Negative)	2019
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Ad valorem taxes	\$ 30,480,277	\$ 30,480,277	\$ 31,547,155	\$ 1,066,878	\$ 31,045,361
Other taxes and licenses	6,921,200	7,096,875	8,167,165	1,070,290	7,512,094
Unrestricted intergovernmental	158,300	158,300	163,691	5,391	165,706
Restricted intergovernmental	2,510,054	3,920,839	2,770,357	(1,150,482)	2,511,227
Permits and fees	3,013,587	3,096,854	3,686,895	590,041	3,208,383
Sales and services	678,217	678,217	770,834	92,617	828,872
Investment earnings	176,427	356,458	335,482	(20,976)	362,225
Miscellaneous	452,587	510,623	886,617	375,994	742,738
Total revenues	44,390,649	46,298,443	48,328,196	2,029,753	46,376,606
Expenditures					
Current:					
General government	7,207,567	8,068,333	7,448,753	619,580	6,511,257
Public safety	20,179,267	22,100,861	20,863,229	1,237,632	19,862,435
Transportation	530,259	620,009	469,147	150,862	434,911
Environmental protection	275,343	275,343	223,815	51,528	183,957
Economic and physical development	1,633,102	1,679,980	1,552,022	127,958	1,474,568
Human services	4,776,066	4,888,560	4,141,295	747,265	4,046,505
Cultural and recreational	2,382,634	2,385,396	2,226,954	158,442	1,957,267
Intergovernmental:					
Education	12,558,118	12,758,118	12,730,970	27,148	12,085,949
Debt service	1,747,682	1,892,906	1,864,185	28,721	1,631,937
Total expenditures	51,290,038	54,669,506	51,520,370	3,149,136	48,188,786
Revenues over (under) expenditures	(6,899,389)	(8,371,063)	(3,192,174)	5,178,889	(1,812,180)
Other financing sources (uses):					
Transfers to other funds	(3,926,483)	(4,211,483)	(4,211,483)	-	(3,604,483)
Transfers from other funds	7,589,212	8,064,533	7,988,273	(76,260)	7,682,652
Total other financing sources (uses)	3,662,729	3,853,050	3,776,790	(76,260)	4,078,169
Revenues and other financing sources over expenditures and other financing uses	(3,236,660)	(4,518,013)	584,616	5,102,629	2,265,989
Appropriated fund balance	3,236,660	4,518,013	-	(4,518,013)	-
Revenues, appropriated fund balance, and other financing sources over expenditures and other financing uses	-	\$ -	584,616	\$ 584,616	2,265,989
Fund balances:					
Beginning of year, July 1			19,064,708		16,798,719
Cumulative effect of change in accounting principle			1,715,346		-
Beginning of Year, July 1 - restated			20,780,054		16,798,719
End of year, June 30	\$ -		\$ 21,364,670		\$ 19,064,708

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

General Fund				
2020				2019
Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Actual
General Fund ending fund balance, June 30		21,364,670	-	19,064,708
Revaluation Fund				
Investment earnings		13,954	-	16,553
Transfer-in from General Fund		121,000	-	121,000
Expenditures		(199,672)	-	-
Beginning Fund Balance, Revaluation		872,326	-	734,773
Land Banking Fund				
Investment earnings		56,824	-	73,455
Transfer-in from Transfer Tax Capital Fund		200,000	-	200,000
Expenditures		(10,000)	-	-
Beginning Fund Balance, Land Banking Fund		3,643,345	-	3,369,890
Carova Beach Service District Fund				
Revenues		-	-	-
Transfer-in from Tourism Development Authority Fund		-	-	-
Transfer-out General Fund		-	-	-
Expenditures		-	-	-
Beginning Fund Balance, Carova Beach Service District Fund		-	-	-
Ending Fund Balance, June 30 (Exhibit 4)		<u>\$ 26,062,447</u>	<u>\$ -</u>	<u>\$ 23,580,379</u>

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

Tourism Development Authority

2020				2019
Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Actual
\$ -	\$ -	\$ -	\$ -	\$ -
11,900,000	12,373,018	12,328,736	(44,282)	12,475,908
-	-	-	-	498,873
-	-	-	-	-
-	-	-	-	10,532
187,000	197,500	178,234	(19,266)	249,552
152,161	159,189	290,687	131,498	407,056
6,500	6,500	384	(6,116)	3,205
<u>12,245,661</u>	<u>12,736,207</u>	<u>12,798,041</u>	<u>61,834</u>	<u>13,645,126</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,295,589	6,698,157	5,806,100	892,057	5,524,990
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>6,295,589</u>	<u>6,698,157</u>	<u>5,806,100</u>	<u>892,057</u>	<u>5,524,990</u>
<u>5,950,072</u>	<u>6,038,050</u>	<u>6,991,941</u>	<u>953,891</u>	<u>8,120,136</u>
(6,638,322)	(7,473,782)	(7,397,522)	76,260	(6,061,194)
-	-	-	-	77,915
<u>(6,638,322)</u>	<u>(7,473,782)</u>	<u>(7,397,522)</u>	<u>76,260</u>	<u>(5,983,279)</u>
(688,250)	(1,435,732)	(405,581)	1,030,151	2,136,857
<u>688,250</u>	<u>1,435,732</u>	<u>-</u>	<u>(1,435,732)</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	(405,581)	<u>\$ (405,581)</u>	2,136,857
		<u>16,437,651</u>		<u>14,300,794</u>
		<u>\$ 16,032,070</u>		<u>\$ 16,437,651</u>

Tourism Development Authority

2020					2019
Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Actual	
-	-	16,032,070	-	16,437,651	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	30,971	-	16,065	
-	-	130,000	-	20,000	
-	-	(1,484)	-	-	
-	-	(33,797)	-	(40,000)	
-	-	45,313	-	49,248	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,203,073</u>	<u>\$ -</u>	<u>\$ 16,482,964</u>	

County of Currituck, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	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	Totals June 30, 2020	Totals June 30, 2019
ASSETS								
Current assets:								
Cash and cash equivalents	\$ -	\$ 623,421	\$ -	\$ 3,944,107	\$ 3,376,475	\$ -	\$ 7,944,003	\$ 12,325,620
Restricted cash	-	243,856	80,218	18,634	500	2,172,282	2,515,490	1,539,724
Investments	2,267,363	-	7,567,765	1,000,000	-	-	10,835,128	3,700,498
Taxes receivable, net	15	605	-	-	-	-	620	769
Receivables, net	85,064	248,597	742,765	562,092	238,690	66,019	1,943,227	1,683,101
Total current assets	2,352,442	1,116,479	8,390,748	5,524,833	3,615,665	2,238,301	23,238,468	19,249,712
Noncurrent assets:								
Capital assets:								
Land, improvements, and construction in progress	62,962	963,012	5,150	42,600	897,229	-	1,970,953	1,970,953
Other capital assets, net of depreciation	375,485	12,209,348	14,650,709	17,866,538	7,763,782	-	52,865,862	53,555,641
Total capital assets	438,447	13,172,360	14,655,859	17,909,138	8,661,011	-	54,836,815	55,526,594
Total noncurrent assets	438,447	13,172,360	14,655,859	17,909,138	8,661,011	-	54,836,815	55,526,594
Total assets	2,790,889	14,288,839	23,046,607	23,433,971	12,276,676	2,238,301	78,075,283	74,776,306
DEFERRED OUTFLOWS OF RESOURCES	-	44,815	232,555	193,244	49,349	-	519,963	336,906
LIABILITIES								
Current liabilities:								
Accounts payable	421,799	52,980	72,118	135,515	102,958	5,405	790,775	600,212
Due to other funds	-	-	-	-	51,360	-	51,360	51,360
Customer deposits	-	-	80,218	18,634	500	-	99,352	94,662
Accrued salaries	-	8,890	81,316	33,996	5,392	-	129,594	27,155
Accrued vacation	-	2,100	20,500	18,500	2,500	-	43,600	-
Revenue bonds payable	-	-	1,180,000	-	-	-	1,180,000	1,135,000
Notes payable	-	500,000	-	850,000	-	-	1,350,000	1,350,000
Total current liabilities	421,799	563,970	1,434,152	1,056,645	162,710	5,405	3,644,681	3,258,389
Noncurrent liabilities:								
Liabilities payable from restricted assets:								
Accrued vacation	-	4,112	23,292	13,216	5,963	-	46,583	86,087
Revenue bonds payable	-	-	9,720,000	-	-	-	9,720,000	10,900,000
Notes payable	-	5,750,000	-	425,000	-	-	6,175,000	7,525,000
Net pension liability	-	43,581	219,580	176,838	54,476	-	494,475	400,678
Other postemployment benefits	-	195,439	1,018,654	852,826	219,129	-	2,286,048	2,000,243
Total noncurrent liabilities	-	5,993,132	10,981,526	1,467,880	279,568	-	18,722,106	20,912,008
Total liabilities	421,799	6,557,102	12,415,678	2,524,525	442,278	5,405	22,366,787	24,170,397
DEFERRED INFLOWS OF RESOURCES	-	20,578	107,149	89,611	23,146	-	240,484	273,407
NET POSITION								
Net investment in capital assets	438,447	6,922,360	3,755,859	16,634,138	8,661,011	-	36,411,815	34,616,594
Unrestricted	1,930,643	833,614	7,000,476	4,378,941	3,199,590	2,232,896	19,576,160	16,052,814
Total net position	\$ 2,369,090	\$ 7,755,974	\$ 10,756,335	\$ 21,013,079	\$ 11,860,601	\$ 2,232,896	\$ 55,987,975	\$ 50,669,408

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

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, 2020	June 30, 2019
OPERATING REVENUES								
Charges for services	\$ 3,549,793	\$ 1,302,930	\$ 3,484,772	\$ 3,503,382	\$ 714,579	\$ 2,239,406	\$ 14,794,862	\$ 11,940,206
Water and sewer taps	-	2,000	35,017	2,050	-	-	39,067	2,056,175
Miscellaneous	-	3,900	-	-	-	-	3,900	6,530
Total operating revenues	3,549,793	1,308,830	3,519,789	3,505,432	714,579	2,239,406	14,837,829	14,002,911
OPERATING EXPENSES								
Administration	103,291	152,149	541,297	295,299	313,284	-	1,405,319	1,374,776
Water operations	-	547,404	1,217,531	1,031,034	-	-	2,795,968	2,802,824
Sewer operations	-	540,031	-	-	583,479	-	1,123,510	1,251,203
Landfill operations	5,216,416	-	-	-	-	-	5,216,416	4,854,013
Depreciation	64,159	590,254	1,222,687	1,201,731	440,797	-	3,519,628	3,666,942
Total operating expenses	5,383,866	1,829,838	2,981,515	2,528,063	1,337,559	-	14,060,841	13,949,758
Operating income (loss)	(1,834,073)	(521,008)	538,274	977,369	(622,980)	2,239,406	776,988	53,153
NONOPERATING REVENUES (EXPENSES)								
Tax revenue	79,743	537,341	-	-	-	-	617,084	615,922
Contributed capital	-	-	-	7,000	-	-	7,000	-
Sale of capital assets	-	-	-	-	-	-	-	(48,680)
Rent	-	-	-	224,355	3,600	-	227,955	231,759
Unrestricted intergovernmental revenues	49,887	-	-	-	-	-	49,887	49,650
Investment earnings	38,037	24,971	116,422	84,887	18,402	22,933	305,652	330,282
Interest expenses	-	(162,313)	(345,546)	(45,518)	-	-	(553,377)	(665,820)
Miscellaneous	-	7,520	5,867	-	1,888	-	15,275	-
Total nonoperating revenue (expense)	167,667	407,519	(223,257)	270,724	23,890	22,933	669,476	513,113
Income (loss) before contributions and transfers	(1,666,406)	(113,489)	315,017	1,248,093	(599,090)	2,262,339	1,446,464	566,266
Transfers from (to) other funds	1,200,000	-	425,000	-	2,672,103	(425,000)	3,872,103	3,337,198
Change in net position	(466,406)	(113,489)	740,017	1,248,093	2,073,013	1,837,339	5,318,567	3,903,464
Total net position, beginning	2,835,496	7,869,463	10,016,318	19,764,986	9,787,588	395,557	50,669,408	46,765,944
Total net position - ending	\$ 2,369,090	\$ 7,755,974	\$ 10,756,335	\$ 21,013,079	\$ 11,860,601	\$ 2,232,896	\$ 55,987,975	\$ 50,669,408

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

							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, 2020	June 30, 2019
Cash flows from operating activities:								
Cash received from customers	\$ 3,559,751	\$ 1,336,198	\$ 3,429,003	\$ 3,348,473	\$ 688,761	\$ 2,217,171	\$ 14,579,357	\$ 13,786,202
Cash paid for goods and services	(5,317,767)	(1,048,374)	(825,702)	(541,564)	(666,993)	-	(8,400,400)	(8,154,190)
Cash paid to employees for services	-	(153,410)	(752,196)	(634,549)	(145,941)	-	(1,686,096)	(1,694,783)
Customer deposits received	-	-	6,840	8,875	-	-	15,715	13,820
Customer deposits returned	-	-	(5,852)	(4,573)	-	-	(10,425)	(22,303)
Other operating revenue	-	3,900	-	-	-	-	3,900	6,530
Net cash provided (used) by operating activities	(1,758,016)	138,314	1,852,093	2,176,662	(124,173)	2,217,171	4,502,051	3,935,276
Cash flows from noncapital financing activities								
Tax revenues	79,743	537,341	-	-	-	-	617,084	615,922
Rental Income	-	-	-	224,355	3,600	-	227,955	231,759
Transfer from (to) other funds	1,200,000	-	425,000	-	2,672,103	(425,000)	3,872,103	3,337,198
Net cash provided (used) by noncapital financing	1,279,743	537,341	425,000	224,355	2,675,703	(425,000)	4,717,142	4,184,879
Cash flows from capital and related financing activities:								
Acquisition and construction of capital assets	(105,847)	(934,081)	(532,374)	(635,442)	(622,107)	-	(2,829,851)	(5,766,246)
Principal paid on bond maturities and installment purchase contracts	-	(500,000)	(1,135,000)	(850,000)	-	-	(2,485,000)	(4,060,000)
Interest paid on bond maturities and installment purchase contracts	-	(162,313)	(345,546)	(45,518)	-	-	(553,377)	(665,820)
Installment purchase obligation issued	-	-	-	-	-	-	-	-
Intergovernmental revenues	49,887	-	5,867	-	-	-	55,754	49,650
Sale of capital assets	-	-	-	-	-	-	-	21,962
Insurance recovery	-	7,520	-	-	1,888	-	9,408	-
Net cash provided (used) by capital and related financing activities	(55,960)	(1,588,874)	(2,007,053)	(1,530,960)	(620,219)	-	(5,803,066)	(10,420,454)
Cash flows from investing activities:								
Purchase (proceeds) of investments	(2,267,363)	500,000	(4,367,267)	(1,000,000)	-	-	(7,134,630)	(3,700,498)
Contributed capital	-	-	-	7,000	-	-	7,000	-
Interest on investments	38,037	24,971	116,422	84,887	18,402	22,933	305,652	330,282
Net cash provided by investing activities	(2,229,326)	524,971	(4,250,845)	(908,113)	18,402	22,933	(6,821,978)	(3,370,216)
Net increase (decrease) in cash and cash equivalents	(2,763,559)	(388,248)	(3,980,805)	(38,056)	1,949,713	1,815,104	(3,405,851)	(5,670,515)
Cash and cash equivalents, July 1	2,763,559	1,255,525	4,061,023	4,000,797	1,427,262	357,178	13,865,344	19,535,859
Cash and cash equivalents, June 30	<u>\$ -</u>	<u>\$ 867,277</u>	<u>\$ 80,218</u>	<u>\$ 3,962,741</u>	<u>\$ 3,376,975</u>	<u>\$ 2,172,282</u>	<u>\$ 10,459,493</u>	<u>\$ 13,865,344</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:								
Operating income (loss)	\$ (1,834,073)	\$ (521,008)	\$ 538,274	\$ 977,369	\$ (622,980)	\$ 2,239,406	\$ 776,989	\$ 53,153
Adjustments to reconcile operating income to net cash provided (used) by operating activities:								
Depreciation	64,159	590,254	1,222,687	1,201,731	440,797	-	3,519,628	3,666,942
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable	9,958	31,268	(90,786)	(156,959)	(25,818)	(27,640)	(259,977)	(210,179)
(Increase) decrease in deferred outflows of resources for pensions	-	(17,732)	(77,924)	(74,368)	(13,033)	-	(183,057)	(120,252)
Increase (decrease) in accounts payable and accrued liabilities	1,940	16,040	36,992	67,627	61,956	5,405	189,960	119,338
(Increase) decrease in accrued salaries	-	6,377	69,399	23,990	2,673	-	102,439	1,957
(Increase) decrease in accrued vacation	-	129	(421)	6,277	(1,888)	-	4,097	(3,928)
(Increase) decrease in deferred inflows of resources for pensions	-	(2,153)	(14,686)	(12,248)	(3,232)	-	(32,319)	89,496
Increase (decrease) in net pension liability	-	10,705	40,816	32,320	9,956	-	93,797	123,269
Increase (decrease) in OPEB payable	-	24,434	127,354	106,621	27,396	-	285,805	223,963
Increase (decrease) in customer deposits	-	-	388	4,302	-	-	4,690	(8,483)
Total adjustments	76,057	659,322	1,313,819	1,199,293	498,807	(22,235)	3,725,063	3,882,123
Net cash provided (used) by operating activities	<u>\$ (1,758,016)</u>	<u>\$ 138,314</u>	<u>\$ 1,852,093</u>	<u>\$ 2,176,662</u>	<u>\$ (124,173)</u>	<u>\$ 2,217,171</u>	<u>\$ 4,502,051</u>	<u>\$ 3,935,275</u>
Cash and cash equivalents	\$ -	\$ 623,421	\$ -	\$ 3,944,107	\$ 3,376,475	\$ -	\$ 7,944,003	\$ 12,325,620
Restricted cash	-	243,856	80,218	18,634	500	2,172,282	2,515,490	1,539,724
Total cash	<u>\$ -</u>	<u>\$ 867,277</u>	<u>\$ 80,218</u>	<u>\$ 3,962,741</u>	<u>\$ 3,376,975</u>	<u>\$ 2,172,282</u>	<u>\$ 10,459,493</u>	<u>\$ 13,865,344</u>

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

County of Currituck, North Carolina
Combining Statement of Fiduciary Net Position
June 30, 2020

	Custodial Funds				
	Social Services	Fines and Forfeitures	Deed of Trust	Inmate Accounts	Totals
Assets					
Cash and cash equivalents	\$ 41,522	\$ -	\$ 3,658	\$ 38,409	\$ 83,589
Due from other governments	-	19,351	-	-	19,351
Total assets	<u>\$ 41,522</u>	<u>\$ 19,351</u>	<u>\$ 3,658</u>	<u>\$ 38,409</u>	<u>\$ 102,940</u>
Liabilities					
Accounts payable	\$ 41,522	\$ -	\$ -	\$ 38,409	\$ 79,931
Due to other governments	-	19,351	3,658	-	23,009
Total liabilities	<u>41,522</u>	<u>19,351</u>	<u>3,658</u>	<u>38,409</u>	<u>102,940</u>
Net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities and net position	<u>\$ 41,522</u>	<u>\$ 19,351</u>	<u>\$ 3,658</u>	<u>\$ 38,409</u>	<u>\$ 102,940</u>

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

County of Currituck, North Carolina
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2020

	Custodial Funds				
	Social Services	Fines and Forfeitures	Deed of Trust	Inmate Accounts	Totals
Additions					
Contributions	\$ 210,044	\$ -	\$ 40,269	\$ 85,451	\$ 335,764
Other governmental revenue	-	278,519	-	-	278,519
Total additions	<u>210,044</u>	<u>278,519</u>	<u>40,269</u>	<u>85,451</u>	<u>614,283</u>
Deductions					
Beneficiary payments to individuals	210,044	-	-	85,451	295,495
Payments to the state	-	278,519	40,269	-	318,788
	<u>210,044</u>	<u>278,519</u>	<u>40,269</u>	<u>85,451</u>	<u>614,283</u>
Change in net position	-	-	-	-	-
Beginning net position	-	-	-	-	-
Ending net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

County of Currituck, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2020

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 two discretely presented component units are reported in separate columns 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 management oversees all operations of the Tourism Development Authority.	None issued.

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. 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 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; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the Tourism Development Authority Fund.

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.

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.

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:

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

Non-major Funds. The County maintains nineteen 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, and the CARE Act COVID-19 Fund are reported as non-major special revenue funds. The Fire Equipment Replacement Fund, Capital Improvements Fund, 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, except for the agency funds which have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which 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. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Waste, six Watershed Special Revenue Funds, Knotts Island Fire District, 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 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 immaterial 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). The majority of the County and the ABC Board's investments are carried at fair value. The NCCMT, which consists of two SEC-registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a SEC-registered (2a-7) money market mutual fund which invests in treasuries and government agencies and is rated AAAM by S&P. The second fund, the Term Portfolio, is a short-term bond fund investing in treasuries, government agencies, and money market instruments allowed under G.S. 159-30. The Term Portfolio has no rating. Both the Government Portfolio and the Term Portfolio are reported at fair value. As of June 30, 2020, The Term portfolio has a duration of .15

years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

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

The unexpended debt proceeds of County Governmental Facilities Fund are classified restricted assets because their use is completely restricted to the purpose for which the debt was obtained. 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 because its use is restricted per North Carolina General Statute 159-18 through 22. Money in the Ocean Sands Water and Sewer District Fund are unspent debt proceeds. 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			
Governmental Activities			
General Fund	Tax Revaluation	\$	831,992
General Fund	Deposits Held in Trust		475,366
School Facilities Fund	Grant Funds		346,485
County Government Facilities Fund	Unexpended debt proceeds		21,389,626
Total Governmental Activities			<u>\$ 23,043,469</u>

Currituck County Restricted Cash

Business-Type Activities		
Ocean Sands Water & Sewer District	Unspent debt proceeds	\$ 243,856
Mainland Water Fund	Customer deposits	80,218
Southern Outer Banks Water Fund	Customer deposits	18,634
Mainland Central Sewer Fund	Customer deposits	500
Ocean Sands Water & Sewer System		
Developmental Fees Fund	Capital improvements	119,796
Mainland Water System Developmental		
Fees Fund	Capital improvements	1,219,576
Southern Outer Banks Water System		
Developmental Fees Fund	Capital improvements	384,059
Mainland Central Sewer System		
Developmental Fees Fund	Capital improvements	448,851
Total Business-Type Activities		<u>\$ 2,515,490</u>
Total Restricted Cash		<u><u>\$ 25,558,959</u></u>

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, 2019. 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. 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.

6. Inventories and Prepaid Items

The inventories of the County and the ABC Board are valued at cost (first-in, first-out), which approximates market. 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 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.

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.

7. 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 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

8. 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, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion - pension related deferrals, and contributions made to the OPEB and 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, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only four items that meet the criterion for this category - prepaid taxes, special assessments receivable, OPEB and other pension related deferrals.

9. Long-term Obligations

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

10. 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 \$630,000 and the long-term portion was \$672,109. For the Business-Type activities, the current portion was \$43,600 and the long-term portion was \$46,583. 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, 2020 and 2019 amounted to approximately \$4,941 and \$4,544, respectively, and is all 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.

11. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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.

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 Fire Protection – portion of fund balance that is restricted by revenue source for fire protection expenditures.

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 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.

Committed Fund Balance – Portion of fund balance that can only be used for specific purpose imposed by majority vote of the County of Currituck'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 requires majority action by the governing body.

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

Committed to Fire Protection Services – portion of fund balance that can only be used for fire protection throughout the County.

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.

Assigned for 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.

12. Defined Benefit Pension

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 has 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. Investments are reported at fair value.

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.

13. 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 Total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about assets, liabilities, and additions to/deductions from the OPEB Plan's net position. Benefit payments are recognized when due and payable in accordance with the benefit terms.

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 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. The County is currently reviewing this statement to determine the effect on the County's 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 postponed by 18 months.

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. The

County is currently reviewing this statement to determine the effect on the County's 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 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 County's 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 2020, the GASB issued GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, Certain Asset Retirement Obligations
- Statement No. 84, Fiduciary Activities
- Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements
- Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- Statement No. 90, Majority Equity Interests
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates
- Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)
- Implementation Guide No. 2018-1, Implementation Guidance Update—2018
- Implementation Guide No. 2019-1, Implementation Guidance Update—2019
- Implementation Guide No. 2019-2, Fiduciary Activities.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, Leases
- Implementation Guide No. 2019-3, Leases.

Earlier application of the provisions addressed in this Statement is encouraged and is permitted to the extent specified in each pronouncement as originally issued. The requirements of this Statement are effective immediately.

G. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The net adjustment of \$45,621,175 consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 177,691,813
Less accumulated depreciation	(76,420,106)
Net capital assets	<u>101,271,707</u>
Net pension asset	71,658
Contributions to the pension plan in the current fiscal year	1,615,337
Contributions to OPEB plan in the current fiscal year	396,267
Benefit payments and pension administration costs for LEOSSA	121,355
Net pension liability	(7,886,452)
Total pension liability	(2,671,119)
Deferred inflows of resources for taxes and special assessments receivable	694,139
Pension related deferrals	3,158,106
OPEB related deferrals	(1,051,741)
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	(21,470,000)
Compensated absences	(1,302,109)
Other postemployment benefits	<u>(27,325,973)</u>
Total adjustment	<u>\$ 45,621,175</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 (\$16,758,084) as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 12,751,477
Cost of disposed capital asset not recorded on fund statement	(355,336)
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.	(6,027,963)
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	1,565,825
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	1,615,337
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	121,355
Contributions to the OPEB plan are deferred outflows of resources on the Statement of Net Position	396,267
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Compensated absences	(18,295)
OPEB expense	(1,878,574)
Pension expense	(3,773,265)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
New debt issued during the year is recorded as a source of funds on the financial statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position.	(21,400,000)
Decrease in deferred inflows of resources - taxes receivable - at end of year	
Reversal of deferred tax revenue recorded at 7/1/19	(449,051)
Recording of tax receipts deferred in the fund statements as of 6/30/20	694,139
Total adjustment	<u>\$ 16,758,084</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 undercollateralization, 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, 2020, the County's deposits had a carrying amount of \$38,895,803 and a bank balance of \$39,892,786. Of the bank balance, \$500,000 was covered by federal depository insurance and \$39,108,067 in interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2020, the County had \$2,849 cash on hand.

At June 30, 2020, the carrying amount of deposits for Currituck County ABC Board was \$1,267,341. At June 30, 2020, the ABC Board's deposits had a bank balance of \$1,371,546. 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, 2020, the ABC Board had \$5,000 cash on hand.

2. Investments

As of June 30, 2020, the County had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less Than 6 Months	6-12 Months	1-5 Years
Commercial Paper	Fair Value - Level 2	\$ 18,975,652	\$ -	\$ 15,940,582	\$ 3,031,372
Federal agencies	Fair Value - Level 1	14,962,424	\$ 1,939,393	\$ 5,017,780	8,005,251
NC Capital Management Trust:					
Cash Portfolio	Fair Value - Level 1	49,801,365	49,801,365	N/A	N/A
Term Portfolio*	Fair Value - Level 1	10,352,807	10,352,807	-	-
Total Investments		<u>\$ 94,092,248</u>	<u>\$ 62,093,565</u>	<u>\$ 20,958,362</u>	<u>\$ 11,036,623</u>

**As of June 30, 2020, the NCCMT Term Portfolio has a duration of 0.15 years. Because the NCCMT Government and Term Portfolios have 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. The NCCMP Term Portfolio has no rating.*

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, 2020, 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 County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2020. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies, and in high grade money market instruments as permitted under North Carolina General Statute 159-30 as amended. 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, 2020, 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, 2020, 52.93% of the County's investments were in the North Carolina Capital Management Trust Cash Portfolio, 11% were in the North Carolina Capital Management Trust Term Portfolio, 10.6% in Agricultural Bank commercial paper and 6.39% was invested in Federal Farm Credit Bank. No other investments represented more than 5% of the County's total investments.

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

Year Levied	Tax	Interest	Total
2017	\$ 1,055,391	\$ 345,641	\$ 1,401,032
2018	1,049,424	249,238	1,298,662
2019	1,051,762	155,135	1,206,897
2020	1,055,078	60,667	1,115,745
Total	\$ 4,211,655	\$ 810,681	\$ 5,022,336

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.

4. Receivables

Receivables at the government-wide level at June 30, 2020, were as follows:

	Taxes and Related Accrued		Due from Other	
	Accounts	Interest	Governments	Total
Governmental Activities:				
General	\$ 476,603	\$ 664,579	\$ 2,508,850	\$ 3,650,032
County Governmental Facilities	-	-	62,917	62,917
School Facilities	5,156	-	-	5,156
Tourism Development Authority	41,942	172	17,002	59,116
Other Governmental Funds	28,310	46,522	1,500,873	1,575,705
Total receivables	552,011	711,273	4,089,642	5,352,926
Allowance for doubtful accounts	-	(17,134)	-	(17,134)
Total-governmental activities	\$ 552,011	\$ 694,139	\$ 4,089,642	\$ 5,335,792
Business-type Activities				
Solid Waste	\$ 85,064	\$ 15	\$ -	\$ 85,079
Ocean Sands Water and Sewer	259,095	605	-	259,700
Mainland Water	774,633	-	-	774,633
Southern Outer Banks Water	583,792	-	-	583,792
Mainland Central Sewer	238,690	-	-	238,690
Other Proprietary Funds	66,019	-	-	66,019
Total receivables	2,007,293	620	-	2,007,913
Allowance for doubtful accounts	(64,066)	-	-	(64,066)
Total - business-type activities	\$ 1,943,227	\$ 620	\$ -	\$ 1,943,847

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

Albemarle Commission; Senior Nutrition program	\$ 6,290
Currituck Clerk of Court; Court Fees	7,951
NC Department of Health and Human Services; DSS Support	105,561
NC Department of Revenue; Franchise taxes	73,853
NC Department of Revenue; Sales and Use tax distribution	3,371,362
NC Department of Revenue; Sales and Use tax refund	361,539
NC Department of Transportation; DMV taxes	159,820
NC Department of Transportation; State Aid to Airports	3,266
	<u>\$ 4,089,642</u>

5. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

5. Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balances	Increases	Decreases	Reclassifications	Ending Balances
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 20,710,078	6,175	-	-	\$ 20,716,253
Construction in progress	1,112,274	7,801,606	-	-	8,913,880
Total capital assets not being depreciated	<u>21,822,352</u>	<u>7,807,781</u>	<u>-</u>	<u>-</u>	<u>29,630,133</u>
Capital assets being depreciated:					
Buildings	77,316,372	107,639	8,549	-	77,415,462
Computer equipment	3,785,291	545,137	75,551	-	4,254,877
Furniture and fixtures	47,216,493	1,407,248	52,554	-	48,571,187
Equipment	5,117,650	1,329,898	1,719,971	53,440	4,781,017
Vehicles and motor equipment	12,307,999	1,446,895	715,757	-	13,039,137
Total capital assets being depreciated	<u>145,743,805</u>	<u>4,836,817</u>	<u>2,572,382</u>	<u>53,440</u>	<u>148,061,680</u>
Less accumulated depreciation for:					
Buildings	34,248,253	2,351,147	3,664	-	36,595,736
Computer equipment	3,421,063	176,635	75,551	-	3,522,147
Furniture and fixtures	21,474,113	1,465,878	41,461	-	22,898,530
Equipment	4,095,415	803,294	1,490,321	53,440	3,461,828
Vehicles and motor equipment	9,423,784	1,231,009	712,928	-	9,941,865
Total accumulated depreciation	<u>72,662,628</u>	<u>6,027,963</u>	<u>2,323,925</u>	<u>53,440</u>	<u>76,420,106</u>
Total capital assets being depreciated, net	<u>73,081,177</u>				<u>71,641,574</u>
Governmental activity capital assets, net	\$ <u>94,903,529</u>			\$	<u>101,271,707</u>

Primary Government

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

General government	\$ 1,391,695
Public safety	1,294,032
Transportation	824,274
Environmental protection	297,919
Economic and physical development	159,029
Human services	48,609
Cultural and recreational	2,012,405
Total depreciation expense	<u>\$ 6,027,963</u>

continued

Proprietary Funds
Business-type activities:
Solid Waste
Capital assets not being depreciated:

	Beginning Balances	Increases	Decreases	Reclassifications	Ending Balances
Land	\$ 62,962	-	-	-	\$ 62,962
Construction in process	-	-	-	-	-
Total capital assets not being depreciated	62,962	-	-	-	62,962

Capital assets being depreciated:

Buildings	893,844	15,556	-	-	909,400
Equipment	313,497	90,291	41,154	-	362,634
Vehicles and motor equipment	12,736	-	-	-	12,736
Total capital assets being depreciated	1,220,077	105,847	41,154	-	1,284,770

Less accumulated depreciation for:

Buildings	678,723	30,313	-	-	709,036
Equipment	194,820	33,846	41,153	-	187,513
Vehicles and motor equipment	12,736	-	-	-	12,736
Total accumulated depreciation	886,279	64,159	41,153	-	909,285
Total capital assets being depreciated, net	333,798				375,485

Solid Waste capital assets, net

\$ 396,760					\$ 438,447
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Ocean Sands Water and Sewer District
Capital assets not being depreciated:

Land	\$ 963,012	-	-	-	\$ 963,012
Construction in process	-	-	-	-	-
Total capital assets not being depreciated	963,012	-	-	-	963,012

Capital assets being depreciated:

Plant and distribution systems	15,662,110	856,685	-	-	16,518,795
Computer equipment	569,265	-	-	-	569,265
Furniture and maintenance equipment	1,267,081	77,396	-	-	1,344,477
Vehicles and motor equipment	132,605	-	-	-	132,605
Total capital assets being depreciated	17,631,061	934,081	-	-	18,565,142

Less accumulated depreciation for:

Plant and distribution systems	4,355,048	495,312	-	-	4,850,360
Computer equipment	564,640	1,156	-	-	565,796
Furniture and maintenance equipment	739,839	85,162	-	-	825,001
Vehicles and motor equipment	106,012	8,625	-	-	114,637
Total accumulated depreciation	5,765,539	590,254	-	-	6,355,794
Total capital assets being depreciated, net	11,865,522				12,209,348

Ocean Sands Water and Sewer District capital assets, net

\$ 12,828,534					\$ 13,172,360
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Mainland Water
Capital assets not being depreciated:

Land	\$ 5,150	-	-	-	\$ 5,150
Total capital assets not being depreciated	5,150	-	-	-	5,150

Capital assets being depreciated:

Buildings	18,024,855	21,641	-	-	18,046,496
Computer equipment	305,084	375,947	-	-	681,031
Equipment	21,690,261	44,101	-	-	21,734,362
Vehicles	433,730	90,685	-	-	524,415
Total capital assets being depreciated	40,453,930	532,374	-	-	40,986,304

Less accumulated depreciation for:

Buildings	7,767,393	553,749	-	-	8,321,142
Computer equipment	161,638	84,371	-	-	246,009
Equipment	16,855,124	515,547	-	-	17,370,671
Vehicles	328,753	69,020	-	-	397,773
Total accumulated depreciation	25,112,908	1,222,687	-	-	26,335,595
Total capital assets being depreciated, net	15,341,022				14,650,709

Mainland Water capital assets, net

\$ 15,346,172					\$ 14,655,859
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continued

	Ending Balances	Increases	Decreases	Reclassifications	Ending Balances
Southern Outer Banks Water System					
Capital assets not being depreciated:					
Land	\$ 42,600	-	-	-	\$ 42,600
Total capital assets not being depreciated	42,600	-	-	-	42,600
Capital assets being depreciated:					
Buildings	25,745,961	8,039	-	-	25,754,000
Computer equipment	1,220,519	45,354	-	-	1,265,873
Other equipment	3,403,431	468,209	53,440	-	3,818,200
Vehicles	277,915	113,841	30,153	-	361,603
Total capital assets being depreciated	30,647,826	635,443	83,593	-	31,199,676
Less accumulated depreciation for:					
Buildings	9,507,414	861,273	-	-	10,368,687
Computer equipment	632,774	144,448	-	-	777,222
Other equipment	1,835,587	162,059	53,440	-	1,944,206
Vehicles	239,225	33,951	30,153	-	243,023
Total accumulated depreciation	12,215,000	1,201,731	83,593	-	13,333,138
Total capital assets being depreciated, net	18,432,826				17,866,538
Southern Outer Banks Water Fund					
capital assets, net	\$ 18,475,426				\$ 17,909,138

	Ending Balances	Increases	Decreases	Transfer from other Sewer Funds	Ending Balances
Mainland Central Sewer System					
Capital assets not being depreciated:					
Land	\$ 897,229	-	-	-	\$ 897,229
Total capital assets not being depreciated	897,229	-	-	-	897,229
Capital assets being depreciated:					
Buildings	5,255,788	587,725	-	105,478	5,948,991
Equipment	6,471,460	34,381	-	-105,478	6,400,363
Total capital assets being depreciated	11,727,248	622,106	-	-	12,349,354
Less accumulated depreciation for:					
Buildings	1,955,997	193,491	-	-	2,149,488
Equipment	2,188,778	247,306	-	-	2,436,084
Total accumulated depreciation	4,144,775	440,797	-	-	4,585,572
Total capital assets being depreciated, net	7,582,473				7,763,782
Moyock Central Sewer System					
capital assets, net	\$ 8,479,702				\$ 8,661,011

Business-type activities capital assets, net	\$ 55,526,594				\$ 54,836,815
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Discretely presented component unit

Activity for the ABC Board for the year ended June 30, 2020, was as follows:

	Ending Balances	Increases	Decreases	Reclassifications	Ending Balances
ABC Board - Component Unit					
Capital assets not being depreciated:					
Land	\$ 425,900	-	-	-	\$ 425,900
Total capital assets not being depreciated	425,900	-	-	-	425,900
Capital assets being depreciated:					
Buildings	2,158,507	-	-	-	2,158,507
Other improvements	26,706	-	-	-	26,706
Office furniture and equipment	142,540	-	-	-	142,540
Equipment	170,538	8,900	-	-	179,438
Vehicles and motor equipment	34,827	-	-	-	34,827
Total capital assets being depreciated	2,533,118	8,900	-	-	2,542,018
Less accumulated depreciation for:					
Buildings	851,403	65,424	-	-	916,827
Other improvements	8,354	527	-	-	8,881
Office furniture and equipment	135,152	7,388	-	-	142,540
Equipment	145,166	14,879	-	-	160,045
Vehicles and motor equipment	34,827	-	-	-	34,827
Total accumulated depreciation	1,174,902	88,218	-	-	1,263,120
Total capital assets being depreciated, net	\$ 1,358,216				\$ 1,278,898
ABC Board capital assets, net	\$ 1,784,116				\$ 1,704,798

Construction commitments

At June 30, 2020, Currituck County had active construction commitments to projects are as follows:

Project	Spent-to-date	Remaining Commitment
ABC Store - Corolla (Design)	\$ 644,451	\$ 1,655,549
Jail Sewer Connection to Maple Commerce Park Sewer	232,681	142,319
Public Safety Facility Design	5,878,981	17,520,319
Airport - N Apron Rehabilitation	65,237	408,763
Airport - PAPI and Light Vault	392,188	63,410
NC 12 Beautification	241,325	24,750
Connecting Corolla - Phase V	639,036	61,309
Corolla 10 Acre Masterplan	61,480	38,520
County-wide Broadband	67,220	932,780
Historic Corolla Park - Maritime Museum	192,457	2,365,880
Shingle Landing Park	698,499	2,206,501
Total	<u>\$ 9,113,555</u>	<u>\$ 25,420,100</u>

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2020, were as follows:

	Vendors	Other	Total
Governmental Activities:			
General	\$ 2,035,886	\$ 1,652,510	\$ 3,688,396
County Governmental Facilities	1,835,168	-	1,835,168
Tourism Development Authority	109,953	76,986	186,939
Other Governmental Funds	245,172	205,536	450,708
Total-governmental activities	<u>\$ 4,226,179</u>	<u>\$ 1,935,032</u>	<u>\$ 6,161,211</u>
Business-type Activities			
Solid Waste	\$ 421,799	\$ -	\$ 421,799
Ocean Sands Water and Sewer	52,980	8,890	61,870
Mainland Water	72,118	81,316	153,434
Southern Outer Banks Water	135,515	33,996	169,511
Mainland Central Sewer	102,958	5,392	108,350
Other Proprietary Funds	5,405	-	5,405
Total - business-type activities	<u>\$ 790,775</u>	<u>\$ 129,594</u>	<u>\$ 920,369</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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

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

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

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, 2020, was 9.70% of compensation for law enforcement officers and 8.95% 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 \$1,786,247 and contributions to the pension plan from the ABC Board were \$24,590 for the year ended June 30, 2020.

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

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

At June 30, 2020, the County reported a liability of \$8,380,927 for its proportionate share of the net pension liability. The ABC Board reported a liability of \$100,771 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 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, 20, the County's proportion was .30689%, which was an increase of .01819% from its proportion measured as of June 30, 2019. The ABC Board's proportion was .00369%, which was a decrease of 0.00022% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the County recognized pension expense of \$3,729,874 and the ABC Board recognized pension expense of \$43,348. At June 30, 2020, 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	\$ 1,435,027	\$ -	\$ 17,255	\$ -
Changes of assumptions	1,365,952	-	16,424	-
Net difference between projected and actual earnings on pension plan investments	204,422	-	2,458	-
Changes in proportion and differences between County contributions and proportionate share of contributions	123,035	112,999	-	5,075
County contributions subsequent to the measurement date	1,786,247	-	24,590	-
Total	<u>\$ 4,914,683</u>	<u>\$ 112,999</u>	<u>\$ 60,727</u>	<u>\$ 5,075</u>

\$1,786,247 reported as deferred outflows of resources related to pensions resulting from County contributions and \$24,590 reported as deferred outflows of resources related to pensions resulting from ABC Board contributions subsequent to the measurement date will be recognized as decreases of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	County	ABC Board
Year ended June 30:		
2021	\$ 1,482,894	\$ 15,807
2022	463,527	3,791
2023	809,129	9,056
2024	259,887	2,408
2025	-	-
Thereafter	-	-
	<u>\$ 3,015,437</u>	<u>\$ 31,062</u>

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 percent
Investment rate of return	7.0 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 Annuitants Mortality Table* that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study as of 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, 2020 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 2018, asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

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.

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 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 19,168,712	\$ 8,380,927	\$ (585,908)
ABC Board's proportionate share of the net pension liability (asset)	\$ 230,482	\$ 100,771	\$ (7,045)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) 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, 2018, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	8
Active plan members	<u>65</u>
Total	<u><u>73</u></u>

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. 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 no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statement 73.

3. Actuarial Assumptions

The Entry Age Normal actuarial cost method was used in the December 31, 2018 valuation. The total pension liability (TPL) was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected salary increases	3.50% to 7.35%, including inflation and productivity factor
Discount rate	3.26%

The discount rate used to measure the TPL is the S & P Municipal Bond 20 Year High Grade Rate Index. The actuarial assumptions used in the December 31, 2018 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, 2014.

Deaths After Retirement (Healthy) – RP-2014 Health Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 104% for males and 100% for females.

Deaths Before Retirement - RP-2014 Employee base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015.

Deaths After Retirement (Beneficiary) – RP-2014 Health Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 123% for males and females.

Deaths After Retirement (Disabled) – RP-2014 Disabled Retiree base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 103% for males and 99% for females.

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 Post-Employment Benefits Fund operating budget. 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 \$106,842 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, 2020, the County reported a total pension liability of \$2,671,119. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was rolled forward to December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the County recognized pension expense of \$258,215.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 255,503	\$ -
Changes of assumptions	143,985	81,265
County benefit payments and plan administrative expense made subsequent to the measurement date	121,355	-
Total	<u>\$ 520,843</u>	<u>\$ 81,265</u>

\$121,355 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 total pension liability in the year ending June 30, 2021. 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:

2021	\$	74,019
2022		74,019
2023		75,826
2024		52,131
2025		42,228
Thereafter		-
	\$	<u>318,223</u>

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 3.26%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26% percent) than the current rate:

	1% Decrease (2.26%%)	Discount Rate (3.26%)	1% Increase (4.26%%)
Total pension liability	\$ 2,891,073	\$ 2,671,119	\$ 2,470,513

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

	<u>2020</u>
Beginning balance	\$ 2,290,154
Service Cost	102,010
Interest on the total pension liability	81,417
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	225,938
Changes of assumptions or other inputs	78,442
Benefit payments	(106,842)
Other changes	-
Ending balance of the total pension liability	<u>\$ 2,671,119</u>

Changes of assumptions.

- 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 2.5% and assumed wage inflations was increased from .05% to 1.0%.
- 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, 2018 valuation were based on the results of an actuarial experience study as of December 31, 2014.

c. Supplemental Retirement Income Plan for Law Enforcement Officers

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

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

Contributions for the year ended June 30, 2020, were \$191,456 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 Comprehensive Annual

Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for 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, 2020 were \$937,279 from the County and \$391,788 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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Registers of Deeds' 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.

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 \$4,032 for the year ended June 30, 2020.

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

At June 30, 2020, the County reported an asset of \$71,658 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2019. The total pension liability used to

calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 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, 2020, the County's proportion was 0.36297%, which was a decrease of 0.03939% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the County recognized pension expense of \$7,746. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,455
Change in Assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	733	-
Changes in proportion and differences between County contributions and proportionate share of contributions	5,722	641
County contributions subsequent to the measurement date	4,032	-
Total	<u>\$ 10,487</u>	<u>\$ 4,096</u>

\$4,032 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
	2021 \$ (128)
	2022 2,614
	2023 1,288
	2024 (1,415)
	2025 -
Thereafter	-
	<u>\$ 2,359</u>

Actuarial Assumptions: The total pension liability in the December 31, 2018 actuarial valuation was *determined* using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 7.75 percent, including inflation and productivity factor
Investment rate of return	3.75 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, 2018 valuation were based on the results of an actuarial experience study as of 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. 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, 2020 is 1.4%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2020 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 3.75%. 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 3.75 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 (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	\$ (4,828)	\$ 71,658	\$ (2,917)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) 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 for LGERS and ROD was measured as of December 31, 2018, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of June 30, 2019, with an actuarial valuation date of December 31, 2018. 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:

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$ 8,380,927	\$ (71,658)	\$ -	\$ 8,309,269
Proportion of the Net Pension Liability (Asset)	0.30689%	0.36297%	n/a	
Total Pension Liability	-	-	\$ 2,671,119	\$ 2,671,119
Pension Expense	\$ 3,729,874	\$ 7,746	\$ 258,215	\$ 3,995,835

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 1,435,027	\$ -	\$ 255,503	\$ 1,690,530
Changes of assumptions	1,365,952	-	143,985	1,509,937
Net difference between projected and actual earnings on pension plan investments	204,422	733	-	205,155
Changes in proportion and differences between County contributions and proportionate share of contributions	123,035	5,722	-	128,757
County contributions (LGERS,ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	1,786,247	4,032	121,355	1,911,634
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 3,455	\$ -	\$ 3,455
Changes of assumptions	-	-	81,265	81,265
Changes in proportion and differences between County contributions and proportionate share of contributions	112,999	641	-	113,640

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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR 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.

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, 2020, the State contributed \$18,302,000 to the plan. The County of Currituck’s proportionate share of the State’s contribution is \$55,496.

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, 2020, 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 that was associated with the County and supported by the State was \$110,019. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 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 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, 2020 and at June 30, 2019 was 0%.

For the year ended June 30, 2020, the County recognized pension expense of \$57,922 and revenue of \$57,922 for support provided by the State. At June 30, 2020, 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, 2018 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 Comprehensive Annual Financial Report (CAFR) 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. No assets are accumulated in a trust that 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	Date Hired		
	Prior to September 1, 2007	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, 2019, the date of the latest actuarial valuation:

	<u>Employees</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	58
Inactive Members Entitled to but not yet receiving benefits	0
Active plan members	<u>299</u>
Total	<u><u>357</u></u>

Total OPEB Liability

The County's total OPEB liability of \$29,612,021 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 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	1.00 %
Wage inflation	3.50 %
Salary increases, including wage inflation	
General employees	3.50% - 7.75%
Firefighters	3.50% - 7.75%
Law Enforcement Officers	3.50% - 7.35%
Municipal Bond Index Rate	
Prior Measurement Date	3.89%
Measurement Date	3.50%
Health Care Cost Trends	
Pre-Medicare	7.25% for 2018 decreasing to an ultimate rate of 4.75% by 2028
Medicare	5.38% for 2018 decreasing to an ultimate rate of 4.75% by 2022
Dental	4.00%

The discount rate used to measure TOL was based on the June average of the 20-year Bond Buyer General Obligation Bond Index published on the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2018 valuation were based on an actuarial experience study for the period January 1, 2010 through December 31, 2014 adopted by the LGERS Board.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2018 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2018 valuation.

Changes in the Total OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.18 %) or 1-percentage-point higher (4.18%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate (3.5%)</u>	<u>1% Increase</u>
Total OPEB liability	\$ 35,723,995	\$ 29,612,021	\$ 24,885,199

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it 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>
Total OPEB liability	\$ 24,096,097	\$ 29,612,021	\$ 36,979,670

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

For the year ended June 30, 2020, the County recognized OPEB expense of \$1,897,721. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 146,876	\$ 155,169
Changes of assumptions	1,742,109	2,873,543
Benefit payments and administrative costs made subsequent to the measurement date	410,877	-
Total	<u>\$ 2,299,862</u>	<u>\$ 3,028,712</u>

\$410,877 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 total pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2021	\$ (258,769)
2022	(258,769)
2023	(258,769)
2024	(258,769)
2025	(258,769)
Thereafter	154,118
	<u>\$ (1,139,727)</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
Pensions - difference between expected and actual experience		
LGERS	\$ 1,435,027	\$ -
Register of Deeds	-	3,455
LEOSSA	255,503	-
OPEB	146,876	155,169
Pensions - change in assumptions - LGERS	1,365,952	-
Pensions - change in assumptions - ROD	-	-
Pensions - change in assumptions - LEOSSA	143,985	81,265
OPEB - change in assumptions	1,742,109	2,873,543
 Pensions - change in proportion and difference between employer contributions and proportionate share of contributions - ROD	 5,722	 -
Contributions to pension plan subsequent to measurement date - ROD	4,032	641
Contributions to pension plan subsequent to measurement date - LEOSSA	121,355	-
Pensions - difference between projected and actual investment earnings - LGERS	204,422	-
Pensions - difference between projected and actual investment earnings - ROD	733	-
 Pensions - change in proportion and difference between employer contributions and proportionate share of contributions - LGERS	 123,035	 112,999
 Pensions - change in proportion and difference between employer contributions and proportionate share of contributions - ROD	 -	 -
Contributions to pension plan subsequent to the measurement date - LGERS	1,786,247	-
Prepaid taxes not yet earned (General)	-	56,525
Benefit payments to the OPEB plan paid subsequent to measurement date	410,877	-
Total	<u>\$ 7,745,875</u>	<u>\$ 3,283,597</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, 2020, 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 th and March 27 th through September 2029.	\$	20,330,000
\$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% .		<u>1,140,000</u>
Total serviced by the General Fund		<u>21,470,000</u>

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 th and December 19 th , \$500,000 2020 through 2032; \$250,000 2033; interest at 2.45%.		6,250,000
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Serviced by the Southern Outer Banks Water System Fund:

\$8,500,000 2011 Installment Purchase Agreement for purchase of the Carolina Water System that serves Corolla Light, the Pine Island water System and the Currituck Club water system and to refund the existing 2004 debt, dated October 20, 2011 with semi-annual principal payments and interest payments due April 20 th and October 20 th , \$850,000 2020 through 2021 and \$425,000 2022; interest at 2.38%.		<u>1,275,000</u>
Total serviced by the Enterprise Funds		<u>7,525,000</u>
Total Direct Placement Installment Purchase Debt	\$	<u><u>28,995,000</u></u>

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
2021	\$ 2,520,000	\$ 519,214	\$ 1,350,000	\$ 175,351
2022	2,520,000	457,873	925,000	142,871
2023	2,520,000	396,535	500,000	125,563
2024	2,140,000	337,050	500,000	113,313
2025	2,140,000	283,122	500,000	101,063
2026-2030	9,630,000	606,690	2,500,000	321,563
2031-2034	-	-	1,250,000	45,938
	<u>\$ 21,470,000</u>	<u>\$ 2,600,484</u>	<u>\$ 7,525,000</u>	<u>\$ 1,025,662</u>

b. General Obligation Indebtedness

As of June 30, 2020, there is no general obligation debt serviced by the County's general fund or the County proprietary funds.

At June 30, 2020, Currituck County had no bonds authorized but un-issued and a legal debt margin of \$498,448,150.

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%.

Total Revenue Bond debt

\$	10,900,000
\$	10,900,000

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

Year Ending June 30	Business-type Activities	
	Principal	Interest
2021	\$ 1,180,000	\$ 312,958
2022	1,225,000	279,078
2023	1,280,000	243,906
2024	1,330,000	207,155
2025	1,385,000	168,969
2026-2028	4,500,000	262,702
Total	\$ 10,900,000	\$ 1,474,768

Debt Related to Capital Activities – Of the total Governmental Activities debt listed, all \$21,470,000 relates to assets the County holds title. As of June 30, 2020, \$21,389,626 of the construction funds for the Public Safety Building had not been spent.

d. 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, 2020:

	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020	Current Portion of Balance
Governmental activities:					
Direct placement installment purchase	\$ 1,635,825	\$ 21,400,000	\$ 1,565,825	\$ 21,470,000	\$ 2,520,000
Compensated absences	1,283,814	602,065	583,770	1,302,109	630,000
Net pension liability (LGRS)	6,448,511	1,437,941	-	7,886,452	-
Total pension liability (LEOSSA)	2,290,154	380,965	-	2,671,119	-
Total OPEB liability	23,909,639	3,416,334	-	27,325,973	-
Total governmental activities	<u>\$ 35,567,943</u>	<u>\$ 27,237,305</u>	<u>\$ 2,149,595</u>	<u>\$ 60,655,653</u>	<u>\$ 3,150,000</u>
Business-type activities:					
Revenue bonded debt	\$ 12,035,000	\$ -	\$ 1,135,000	\$ 10,900,000	\$ 1,180,000
Direct placement installment purchase	8,875,000	-	1,350,000	7,525,000	1,350,000
Compensated absences	86,087	4,096	-	90,183	43,600
Net pension liability (LGRS)	400,678	93,797	-	494,475	-
Total OPEB liability	2,000,243	285,805	-	2,286,048	-
Total business-type activities	<u>\$ 23,397,008</u>	<u>\$ 383,698</u>	<u>\$ 2,485,000</u>	<u>\$ 21,295,706</u>	<u>\$ 2,573,600</u>
Discretely presented component units:					
Compensated absences - ABC Board	\$ 4,544	\$ 397	\$ -	\$ 4,941	\$ -
Net pension liability	93,470	7,301	-	100,771	-
Total OPEB liability	244,458	1,109	-	245,567	-
Total discretely presented component units long-term liabilities	<u>\$ 342,472</u>	<u>\$ 8,807</u>	<u>\$ -</u>	<u>\$ 351,279</u>	<u>\$ -</u>

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

Transfers to/from other funds at June 30, 2020, consists of the following:

From the General Fund to the Tourism Development Authority Fund for administration of beach driving permits	\$ 65,000
From the General Fund to the Corolla Fire District Replacement Fund to supplement fire services	1,550,370
From the General Fund to the Fire Vehicle Replacement Fund for equipment replacement	267,000
From the General Fund to Knotts Island Fire District to fund operations	1,008,113
From the General Fund to the Solid Waste Fund to fund operations	1,200,000
Total transfers from the General Fund	<u>\$ 4,090,483</u>
From the Tourism Development Authority to the General Fund for economic development, net	\$ 3,477,533
From the Tourism Development Authority to the General Fund for Carova Beach Road maintenance	1,484
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 County Governmental Facilities Fund for museum and walkways construction	3,604,989
Total transfers from the Tourism Development Authority Fund	<u>\$ 7,334,006</u>
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 Mainland Construction Fund for sewer repairs and expansion	2,508,603
From the Transfer Tax Capital Fund to the General Fund for to fund debt and equipment upgrades	1,573,859
From the Transfer Tax Capital Fund to the Mainland Central Sewer Fund for sewer capital repairs	163,500
Total transfers from Transfer Tax Capital Fund	<u>\$ 4,445,962</u>
From governmental funds to the General Fund for shared payroll costs	\$ 609,914
Total transfers from other governmental funds	<u>\$ 609,914</u>
From the Mainland Water System Development Fund to the Mainland Water Fund	\$ 425,000
Total internal balances between the proprietary funds	<u>\$ 425,000</u>
Total	<u>\$ 16,905,365</u>

9. Net Investment in Capital Assets

	Governmental Activities	Business-type Activities
Capital Assets:		
Land, improvements, non-depreciable collections and construction in progress	\$ 29,630,133	\$ 1,970,953
Other capital assets	148,061,680	104,385,246
Total capital assets	177,691,813	106,356,199
Depreciation	(76,420,106)	(51,519,384)
Total capital assets, net of depreciation	101,271,707	54,836,815
Outstanding revenue bonded debt	(21,470,000)	(10,900,000)
Outstanding installment purchase debt	-	(7,525,000)
Total outstanding debt	(21,470,000)	(18,425,000)
Total capital assets, net of depreciation and debt	\$ 79,801,707	\$ 36,411,815

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	\$ 26,062,447
Less:	
Inventories	1,474
County Governmental Assets	3,890,169
Stabilization by State Statute	3,043,306
Appropriated Fund Balance in subsequent budget	5,495,652
Tax Revaluation	807,608
Post Employment Benefit plans	1,759,351
Remaining Fund Balance	11,064,887

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 all ready 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 \$133,429 to Albemarle Regional Health Services during the fiscal year ended June 30, 2020, 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, 2020. 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, 2020. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$49,012 to the Center to supplement its activities. 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 \$72,659 to the Authority during the fiscal year ended June 30, 2020, 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, 2020. 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, 2020, expenditures were \$574,967. 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, 2020. 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 \$23,054 to the Commission during the fiscal year ended June 30, 2020.

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.

	CFDA	Federal	State
Special Supplemental Nutrition Program for Women, and Children	10.557	\$ 228,503	\$ -
Supplemental Nutrition Assistance Program	10.561	2,666,940	-
Temporary Assistance for Needy Families	93.558	73,017	-
Adoption Assistance	93.659	38,732	8,671
Foster Care - Title IV-E	93.658	26,546	4,786
Low Income Energy Assistance	93.674	66,249	-
Medical Assistance Program	93.778	13,073,781	5,847,682
Children's Health Insurance Program	93.767	359,770	28,255
Child Welfare Services Adoption		-	120,534
State/County Special Assistance Program		-	126,147
Total		<u>\$ 16,533,538</u>	<u>\$ 6,136,075</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 \$6,339 to C T Mechanical Inc. from July 1, 2019 through June 30, 2020. Commissioner Michael Payment, sworn into office on December 1, 2014, is a principal owner of this business.

VIII. Significant Effects of Subsequent Events

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, broad domestic and international stock market indices have declined and the County's fair value of investments has declined similarly. Such declines in the fair value of investments held by the County may materially and adversely impact the County's ability to achieve its investment objectives and therefore, its operational objectives. In addition, the extent to which these events will affect the amounts reported in future financial statements remains uncertain.

IX. Reclassification of Funds and Restatement

During the year ended June 30, 2020, the County adopted new accounting guidance by implementing the provisions of *GASB Statement No. 84, Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. Due to the implementation of *GASB 84*, the County will no longer report agency funds. The County reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental funds. These funds reclassifications resulted in the restate of the County's financial statements.

The implementation of this statement has resulted in changing the presentation of the financial statements by removing revenue, expenses and fund balance from two fiduciary funds and recording the transactions in the General Fund. The two funds now recorded in the General Fund are the Post-Retirement Health Plan and the Law Enforcement Officers' Special Separation Allowance. Beginning net position has been restated to reflect this change as follows:

	Exhibit 2 Statement of Activities	Exhibit 4 Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds
Net position, June 30, 2019, as previously reported	\$ 148,186,792	\$ 85,807,533
Reclassification of Funds/Change in accounting principles	1,715,346	1,715,346
Net position, June 30, 2019, restated	<u>\$ 149,902,138</u>	<u>\$ 87,522,879</u>

Due to the implementation of GASB 84, the County will no longer report agency funds. The County reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental funds. The funds reclassification resulted in the restatement of the County's financial statements.

Required Supplemental Financial Data

- Schedule of Changes in the Total OPEB Liability and Related Ratios
- 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 Total Pension Liability for Law Enforcement Officers Special Separation Allowance
- Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll 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 Total OPEB Liability and Related Ratios
June 30, 2020

	2020	2019	2018
Total OPEB Liability			
Service Cost	\$ 1,136,134	\$ 1,391,990	\$ 1,570,488
Interest	1,002,796	890,861	773,361
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(157,201)	194,486	(26,665)
Changes of assumptions	1,985,081	(1,453,656)	(2,751,420)
Benefit Payments	(264,671)	(273,570)	(196,670)
Net change in total OPEB liability	3,702,139	750,111	(630,906)
Total OPEB liability - beginning	25,909,882	25,159,771	25,790,677
Total OPEB liability - ending	<u>\$ 29,612,021</u>	<u>\$ 25,909,882</u>	<u>\$ 25,159,771</u>
 Covered payroll	 \$ 15,073,212	 \$ 15,073,212	 \$ 15,631,472
Total OPEB liability as a percentage of covered payroll	196.45%	171.89%	160.96%

Notes to Schedule

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

<u>Fiscal Year</u>	<u>Rate</u>
2018	3.56%
2019	3.89%
2020	3.5%

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

	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.307%	0.289%	0.308%	0.296%	0.283%	0.284%	0.295%
County's proportionate share of the net pension liability (asset) \$	\$ 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	19,783,633	18,309,762	17,127,313	15,952,995	15,466,682	14,945,378	14,596,237
County's proportionate share of the net pension liability (asset) as a percentage of its covered-payroll	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 liability	92.00%	92.00%	91.47%	98.09%	98.79%	102.64%	94.35%

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

Schedule of County Contributions
Local Governmental Employees' Retirement System
Last Seven Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 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	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	\$ 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	9.10%	7.94%	7.60%	7.96%	7.21%	7.34%	7.30%

*The above schedule 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)
Register of Deeds' Supplemental Pension Fund
Last Seven Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	3.630%	0.402%	0.393%	0.410%	0.423%	0.428%	0.455%
County's proportionate share of the net pension liability (asset) \$	\$ (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 liability	153.32%	153.31%	153.77%	160.17%	197.29%	193.88%	190.50%

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

Schedule of County Contributions
Register of Deeds' Supplemental Pension Fund
Last Seven Fiscal Years*

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

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

Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2020*

	2020	2019	2018	2017
Beginning Balance	\$ 2,290,154	\$ 2,247,435	\$ 1,849,311	\$ 1,754,373
Service Cost	102,010	107,514	96,646	96,224
Interest on the total pension liability	81,417	69,888	71,078	62,364
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	225,938	28,862	94,434	-
Changes of assumption or other inputs	78,442	(91,979)	151,785	(48,712)
Benefit payments	(106,842)	(71,566)	(15,819)	(14,938)
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 2,671,119</u>	<u>\$ 2,290,154</u>	<u>\$ 2,247,435</u>	<u>\$ 1,849,311</u>

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

Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2020

	2020	2019	2018	2017
Total pension liability	\$2,671,119	\$2,290,154	\$2,247,435	\$1,849,311
Covered payroll	3,930,893	3,759,787	3,803,620	3,611,475
 Total pension liability as a percentage of covered payroll	 67.95%	 60.96%	 59.09%	 51.21%

Notes to the schedules:

Currituck County has no assets accumulated in a trust that meets the criteria in paragraph 4 of paragraph 4 of GASB Statement 73 to pay related benefits.

The above schedules are 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)
Firefighters' and Rescue Squad Workers' Pension Fund
Last Six Fiscal Years*

	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%
County's proportionate share of the net pension liability (asset) \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the County	\$110,019	\$122,733	\$107,436	\$67,078	\$60,691	\$49,324
Total	\$ 110,019	\$ 122,733	\$ 107,436	\$ 67,078	\$ 60,691	\$ 49,324
County's covered-payroll	\$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	2.05%	2.17%	2.99%	1.97%	1.51%	1.27%
Plan fiduciary net position as a percentage of the total pension	89.69%	89.35%	84.94%	91.40%	93.42%	92.76%

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

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County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Budget Positive (Negative)	Actual
	Original	Final	Actual		
Revenues:					
Ad valorem taxes:					
Taxes	\$ -	\$ -	\$ 31,457,097	\$ -	\$ 30,950,054
Interest	-	-	90,058	-	95,307
Total	30,480,277	30,480,277	31,547,155	1,066,878	31,045,361
Other taxes and licenses:					
Sexually oriented business license	-	-	800	-	2,225
Animal tax	-	-	12,634	-	12,371
Marriage license	-	-	21,720	-	27,600
Franchise tax	-	-	314,801	-	319,659
Deed stamp excise tax	-	-	1,049,184	-	922,383
Article 39 local option sales tax	-	-	6,396,387	-	5,952,171
Article 44 local option sales tax	-	-	169	-	224
Medicaid hold harmless funds	-	-	371,470	-	275,461
Total	6,921,200	7,096,875	8,167,165	1,070,290	7,512,094
Unrestricted intergovernmental:					
Gasoline tax refund	-	-	1,189	-	1,368
Payments in lieu of taxes-outside sources	-	-	45,948	-	49,119
Beer and wine tax	-	-	116,554	-	115,219
Total	158,300	158,300	163,691	5,391	165,706
Restricted intergovernmental:					
Federal and State grants	-	-	2,543,499	-	2,293,254
Safe roads act	-	-	3,722	-	3,781
Crime control act	-	-	15,867	-	15,356
Court facility fees	-	-	74,257	-	68,697
Jail fees	-	-	39,382	-	31,533
Officer fees	-	-	93,630	-	98,606
Total	2,510,054	3,920,839	2,770,357	(1,150,482)	2,511,227
Permits and fees:					
Ambulance service fees	-	-	1,149,224	-	1,259,558
Beach parking permits	-	-	611,552	-	403,150
Administration and filing fees	-	-	819,212	-	534,352
Peddler License Fee	-	-	170	-	565
Register of deeds fees	-	-	247,059	-	202,384
Building permit fees	-	-	691,274	-	634,878
Re-inspection fees	-	-	26,400	-	24,350
Planning fees	-	-	61,059	-	38,660
Tour operator fees	-	-	-	-	1,371
Payment in Lieu of Open Space	-	-	41,253	-	89,363
Zoning violation fees	-	-	5,000	-	300
Homeowners' recovery fees	-	-	5,260	-	5,290
CAMA permits	-	-	9,100	-	5,900
Sheriff fees	-	-	19,117	-	7,427
Animal control fees	-	-	1,215	-	835
Total	3,013,587	3,096,854	3,686,895	590,041	3,208,383
Sales and services:					
Rents	-	-	157,027	-	156,494
Airport fees	-	-	85,126	-	86,162
Vending sales	-	-	13,043	-	6,960
Senior meals	-	-	-	-	119
Animal adoption fees	-	-	31,795	-	37,192
Animal reclamation fees	-	-	3,890	-	4,796

County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2019)

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual
	Original	Final			
EMS revenues	-	-	3,000	-	4,000
Jail housing	-	-	70,718	-	45,528
Sale of materials	-	-	548	-	288
Aviation fuel sales	-	-	279,750	-	322,054
Sale of fixed assets	-	-	51,830	-	53,159
Recreation concessions	-	-	16,332	-	21,702
Recreation fees	-	-	57,775	-	90,418
Total	678,217	678,217	770,834	92,617	828,872
Investment earnings	176,427	356,458	335,482	(20,976)	362,225
Miscellaneous:					
Donations	-	-	24,594	-	55,450
Insurance recoveries	-	-	162,803	-	26,210
ABC Education distribution	-	-	34,604	-	19,851
ABC Law enforcement distribution	-	-	24,717	-	24,715
ABC profits	-	-	607,201	-	599,033
OPEB health insurance	-	-	15,743	-	-
Other	-	-	16,955	-	17,479
Total	452,587	510,623	886,617	375,994	742,738
Total revenues	44,390,649	46,298,443	48,328,196	2,029,753	46,376,606
Expenditures:					
General government:					
Administration:					
Salaries and employee benefits	-	-	626,734	-	727,018
Other operating expenditures	-	-	96,348	-	84,489
Total	741,828	741,828	723,082	18,746	811,507
Legal:					
Salaries and employee benefits	-	-	388,947	-	313,221
Other operating expenditures	-	-	108,826	-	53,392
Capital outlay	-	-	3,615	-	-
Total	492,665	517,665	501,388	16,277	366,613
Governing body:					
Salaries and employee benefits	-	-	109,803	-	109,803
Other operating expenditures	-	-	72,930	-	71,474
Total	187,059	187,059	182,733	4,326	181,277
Elections:					
Salaries and employee benefits	-	-	156,941	-	148,888
Other operating expenditures	-	-	54,251	-	48,643
Capital outlay	-	-	-	-	1,795
Total	227,801	227,801	211,192	16,609	199,326
Finance					
Salaries and employee benefits	-	-	430,987	-	415,449
Other operating expenditures	-	-	104,098	-	121,521
Total	638,740	628,939	535,085	93,854	536,970
OPEB :					
OPEB health insurance	-	-	-	-	-
OPEB separation allowance	-	-	-	-	-
Total OPEB	25,087	25,087	-	-	-

County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019
	Budgeted Amounts		Variance with Final Budget Positive (Negative)	Actual
	Original	Final	Actual	
Information Technology:				
Salaries and employee benefits	-	-	361,306	322,906
Other operating expenditures	-	-	289,458	261,998
Capital outlay	-	-	414,330	75,342
Total	719,167	1,162,248	97,154	660,246
Human resources:				
Salaries and employee benefits	-	-	150,970	138,609
Other operating expenditures	-	-	53,552	10,947
Total	208,728	208,728	4,206	149,556
Taxes:				
Salaries and employee benefits	-	-	445,564	427,044
Other operating expenditures	-	-	147,251	135,474
Total	594,323	594,323	1,508	562,518
Public works:				
Salaries and employee benefits	-	-	806,099	681,995
Other operating expenditures	-	-	463,212	446,870
Capital outlay	-	-	210,019	284,344
Total	1,500,124	1,603,015	123,685	1,413,209
Public Utilities:				
Salaries and employee benefits	-	-	155,746	-
Other operating expenditures	-	-	4,992	-
Total	127,478	235,117	74,379	-
Register of deeds:				
Salaries and employee benefits	-	-	293,769	271,267
Other operating expenditures	-	-	597,354	522,461
Total	782,187	932,987	41,864	793,728
Court facilities:				
Operating expenditures	-	-	255,147	150,453
Capital outlay	-	-	36,750	98,309
Total	245,942	304,527	12,630	248,762
Agency appropriations:				
Operating expenditures	-	-	32,800	38,100
Total	38,200	38,200	5,400	38,100
Central services:				
Operating expenditures	-	-	576,954	549,445
Total	678,238	660,809	83,855	549,445
Total general government	7,182,480	8,043,246	594,493	6,511,257
Public safety:				
Sheriff:				
Salaries and employee benefits	-	-	5,989,820	5,696,509
Other operating expenditures	-	-	1,057,370	765,412
Capital outlay	-	-	543,242	763,240
Total	7,610,957	7,709,178	118,746	7,225,161
Jail:				
Salaries and employee benefits	-	-	1,856,992	1,739,529
Other operating expenditures	-	-	599,532	470,880
Capital outlay	-	-	13,252	107,358
Total	2,482,635	2,492,765	22,989	2,317,767

County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual
	Original	Final			
Animal control:					
Salaries and employee benefits	-	-	511,241	-	466,135
Other operating expenditures	-	-	150,831	-	137,650
Capital outlay	-	-	-	-	30,929
Total	684,568	719,999	662,072	57,927	634,714
Jury commission:					
Operating expenditures	-	-	2,500	-	2,350
Total	2,900	2,900	2,500	400	2,350
Emergency medical services:					
Salaries and employee benefits	-	-	4,604,877	-	4,692,147
Other operating expenditures	-	-	565,467	-	518,681
Capital outlay	-	-	233,387	-	290,080
Total	5,581,584	5,604,472	5,403,731	200,741	5,500,908
Emergency management:					
Salaries and employee benefits	-	-	152,538	-	159,266
Other operating expenditures	-	-	81,151	-	61,427
Capital outlay	-	-	-	-	16,976
Total	289,032	378,145	233,689	144,456	237,669
Communications:					
Salaries and employee benefits	-	-	851,979	-	752,657
Other operating expenditures	-	-	238,436	-	203,178
Capital outlay	-	-	-	-	-
Total	1,145,174	1,145,174	1,090,415	54,759	955,835
Building inspections:					
Salaries and employee benefits	-	-	782,505	-	660,620
Other operating expenditures	-	-	70,107	-	72,831
Capital outlay	-	-	-	-	62,246
Total	903,113	904,969	852,612	52,357	795,697
Fire prevention:					
Salaries and employee benefits	-	-	148,875	-	153,305
Other operating expenditures	-	-	59,004	-	40,269
Capital outlay	-	-	19,580	-	38,556
Total	230,139	248,902	227,459	21,443	232,130
Volunteer fire departments:					
Carova Beach Volunteer Fire Department	-	-	178,295	-	174,236
Crawford Volunteer Fire Department	-	-	567,326	-	276,383
Lower Currituck Volunteer Fire Department	-	-	306,841	-	269,854
Knotts Island Volunteer Fire Department	-	-	-	-	686,683
Moyock Volunteer Fire Department	-	-	179,320	-	196,389
Intra-departmental Fire Services	-	-	170,670	-	271,499
Total	1,209,165	1,552,345	1,402,452	149,893	1,875,044
Medical examiner:					
Contracted services	-	-	16,650	-	30,850
Total	40,000	40,000	16,650	23,350	30,850

County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget	Actual
			Positive	
			(Negative)	
Disaster recovery:				
Salaries and employee benefits	-	-	50,661	51,616
Other operating expenditures	-	-	752,748	2,694
Total	-	1,129,478	803,409	54,310
Disaster recovery COVID19:				
Salaries and employee benefits	-	-	73,636	-
Other operating expenditures	-	-	34,396	-
Total	-	172,534	108,032	-
Total public safety	20,179,267	22,100,861	20,863,229	19,862,435
Transportation:				
Airport:				
Salaries and employee benefits	-	-	118,168	57,047
Other operating expenditures	-	-	314,930	330,608
Capital outlay	-	-	12,400	25,289
Total	482,272	572,022	445,498	412,944
Inter-county transportation:				
Contracted services	-	-	23,649	21,967
Total	47,987	47,987	23,649	21,967
Total transportation	530,259	620,009	469,147	434,911
Environmental protection:				
Forestry:				
Contracted services	-	-	59,837	55,061
Total	80,264	80,264	59,837	55,061
Soil and water conservation:				
Salaries and employee benefits	-	-	116,747	116,895
Other operating expenditures	-	-	16,242	12,001
Capital outlay	-	-	30,989	-
Total	195,079	195,079	163,978	128,896
Total environmental protection	275,343	275,343	223,815	183,957
Economic and physical development:				
Cooperative extension:				157,035
Salaries and employee benefits	-	-	164,686	301,148
Other operating expenditures	-	-	346,038	27,005
Contracted services	-	-	27,111	-
Total	588,802	593,328	537,835	485,188
Economic development:				
Salaries and employee benefits	-	-	99,866	97,516
Other operating expenditures	-	-	153,800	147,174
Total	282,810	283,060	253,666	244,690

County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual
	Original	Final			
Planning and inspections:					
Salaries and employee benefits	-	-	643,121	-	588,145
Other operating expenditures	-	-	117,400	-	126,793
Capital outlay	-	-	-	-	29,752
Total	761,490	803,592	760,521	43,071	744,690
 Total economic and physical development	 1,633,102	 1,679,980	 1,552,022	 127,958	 1,474,568
Human services:					
Health:					
Contracted services	-	-	133,429	-	130,175
Total	133,429	133,429	133,429	-	130,175
 Mental health:					
Contracted services	-	-	49,012	-	49,012
Total	65,332	65,332	49,012	16,320	49,012
 Social services:					
Administration:					
Salaries and employee benefits	-	-	2,681,822	-	2,536,592
Other operating expenditures	-	-	670,515	-	715,697
Capital outlay	-	-	75,105	-	18,103
Total	3,692,533	3,747,367	3,427,442	319,925	3,270,392
 Public Assistance:					
Electronic issuance	-	-	2,294	-	2,352
Medical Transportation	-	-	21,632	-	21,021
TANF	-	-	-	-	5
Special assistance for adults	-	-	106,794	-	139,725
Special adoption assistance	-	-	-	-	4,938
State foster care and boarding home payments	-	-	36,687	-	96,418
Title IV-E foster care	-	-	44,855	-	49,986
Special assistance for the blind	-	-	838	-	830
Title IV-E adoption assistance	-	-	8,631	-	7,223
Title IV-B adoption assistance	-	-	40,984	-	43,892
Home care block grant	-	-	57,576	-	45,098
LINKS special assistance	-	-	4,314	-	3,628
Other assistance	-	-	88,965	-	78,195
Total	779,593	821,383	413,570	407,813	493,311
 Total social services	 4,670,887	 4,767,511	 3,841,012	 926,499	 3,763,703
 Juvenile crime prevention control					
JCPC council	-	-	6,955	-	2,135
Partnership of adolescents and support services	-	-	98,268	-	88,985
Restitution	-	-	12,619	-	12,495
Total	105,179	121,049	117,842	3,207	103,615
 Total human services	 4,776,066	 4,888,560	 4,141,295	 747,265	 4,046,505

County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual
	Original	Final			
Cultural and recreational:					
Senior citizens centers:					
Salaries and employee benefits	-	-	233,465	-	197,056
Other operating expenditures	-	-	120,670	-	139,920
Capital outlay	-	-	-	-	8,485
Total	374,180	374,180	354,135	20,045	345,461
Libraries:					
Salaries and employee benefits	-	-	469,715	-	446,080
Other operating expenditures	-	-	105,252	-	103,521
Total	612,292	612,292	574,967	37,325	549,601
Parks and Recreation:					
Salaries and employee benefits	-	-	473,947	-	465,984
Other operating expenditures	-	-	309,026	-	289,124
Capital outlay	-	-	294,176	-	52,253
Total	1,163,657	1,163,657	1,077,149	86,508	807,361
Rural Center					
Salaries and employee benefits	-	-	156,407	-	151,856
Other operating expenditures	-	-	49,931	-	47,201
Capital outlay	-	-	14,365	-	55,787
Total	232,505	235,267	220,703	14,564	254,844
Total cultural and recreational	2,382,634	2,385,396	2,226,954	158,442	1,957,267
Education:					
Public schools - current	-	-	10,968,118	-	10,505,108
Public schools - capital outlay	-	-	1,590,681	-	1,400,000
Community college	-	-	172,171	-	180,841
Total education	12,558,118	12,758,118	12,730,970	27,148	12,085,949
Debt service:					
Principal retirement	-	-	1,565,825	-	1,580,018
Interest and other charges	-	-	298,360	-	51,919
Total debt service	1,747,682	1,892,906	1,864,185	28,721	1,631,937
Total expenditures	51,290,038	54,669,506	51,520,370	3,124,049	48,188,786
Revenues over (under) expenditures	(6,899,389)	(8,371,063)	(3,192,174)	5,178,889	(1,812,180)
Other financing sources (uses):					
Transfers to other funds:					
Special Revenue Funds	-	-	(2,744,483)	-	(1,848,785)
Capital Projects Funds	-	-	(267,000)	-	(467,000)
Proprietary Funds	-	-	(1,200,000)	-	(1,288,698)
Total transfers to other funds	(3,926,483)	(4,211,483)	(4,211,483)	-	(3,604,483)

County of Currituck, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget Positive (Negative)	Actual
Transfers from other funds:					
Tourism Development Authority	-	-	3,477,533	-	3,500,714
Special Revenue Funds	-	-	586,881	-	648,713
Capital Projects Funds	-	-	3,923,859	-	3,533,225
Total transfers from other funds	<u>7,589,212</u>	<u>8,064,533</u>	<u>7,988,273</u>	<u>(76,260)</u>	<u>7,682,652</u>
 Total other financing sources (uses)	<u>3,662,729</u>	<u>3,853,050</u>	<u>3,776,790</u>	<u>(76,260)</u>	<u>4,078,169</u>
 Revenues and other financing sources (uses) over (under) expenditures	<u>(3,236,660)</u>	<u>(4,518,013)</u>	<u>584,616</u>	<u>5,102,629</u>	<u>2,265,989</u>
 Appropriated fund balance	<u>3,236,660</u>	<u>4,518,013</u>	<u>-</u>	<u>(4,518,013)</u>	<u>-</u>
 Revenues, other sources, and appropriated fund balance over (under) expenditures and other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>584,616</u>	<u>\$ 584,616</u>	<u>2,265,989</u>
 Fund balances:					
Beginning of year, July 1			19,064,708		16,798,719
Cumulative effect of change in accounting principle			<u>1,715,346</u>		<u>-</u>
Beginning of year, July 1 restated			<u>20,780,054</u>		<u>16,798,719</u>
 End of year, June 30			<u>\$ 21,364,670</u>		<u>\$ 19,064,708</u>

County of Currituck, North Carolina
Revaluation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Investment earnings	\$ -	\$ -	\$ 13,954	\$ 13,954	\$ 16,553
Expenditures:					
General government:	-	-	199,672	199,672	-
Total expenditures	467,050	509,497	199,672	309,825	-
Revenues over (under) expenditures	(467,050)	(509,497)	(185,718)	323,779	16,553
Other financing sources:					
Transfer from General Fund	121,000	121,000	121,000	-	121,000
Revenues and other financing sources over (under) expenditures	(346,050)	(388,497)	(64,718)	323,779	137,553
Appropriated fund balance	346,050	388,497	-	(388,497)	-
Revenues, other financing sources, and appropriated fund balance over (under) expenditures	\$ -	\$ -	(64,718)	\$ (64,718)	137,553
Fund balances:					
Beginning of year, July 1			872,326		734,773
End of year, June 30			\$ 807,608		\$ 872,326

County of Currituck, North Carolina
Land Banking Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)	Actual
Revenues:					
Investment earnings	\$ -	\$ -	\$ 56,824	\$ 56,824	\$ 73,455
Total revenues	-	-	56,824	56,824	73,455
Expenditures:					
Capital outlay	-	-	10,000	-	-
Total expenditures	200,000	416,200	10,000	406,200	-
Revenues over (under) expenditures	(200,000)	(416,200)	46,824	463,024	73,455
Other financing sources:					
Transfers from Transfer Tax Fund	200,000	200,000	200,000	-	200,000
Revenues and other financing sources over (under) expenditures	-	(216,200)	246,824	463,024	273,455
Appropriated fund balance	-	216,200	-	(216,200)	-
Revenues, other financing sources and appropriated fund balance over (under) expenditures	\$ -	\$ -	246,824	\$ 246,824	273,455
Fund balances:					
Beginning of year, July 1			3,643,345		3,369,890
End of year, June 30			<u>\$ 3,890,169</u>		<u>\$ 3,643,345</u>

County of Currituck, North Carolina
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2020

	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
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	184,534	302,177	1,458,287	217,396	4,285	55,386	35,321	626,993
Accounts receivable, net	-	11,366	10,569	-	-	-	-	1,886
Taxes receivable, net	-	-	25,196	2,632	57	310	50	8,849
Due from other governments	11,250	17,686	1,217	412	15	203	40	-
Total assets	\$ 195,784	\$ 331,229	\$ 1,495,269	\$ 220,440	\$ 4,357	\$ 55,899	\$ 35,411	\$ 637,728
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 61,421	\$ 9,733	\$ 277,451	\$ -	\$ -	\$ 8	\$ -	\$ 325
Deferred revenue	-	-	-	-	-	-	-	-
Total liabilities	61,421	9,733	277,451	-	-	8	-	325
DEFERRED INFLOWS OF RESOURCES								
Taxes receivable	-	-	25,196	2,632	57	310	50	8,849
Total deferred inflows of resources	-	-	25,196	2,632	57	310	50	8,849
Fund balances:								
Restricted:								
Stabilization by State Statute	11,250	29,052	11,786	412	15	203	40	1,886
Emergency Telephone System	-	292,444	-	-	-	-	-	-
Fire Protection	123,113	-	1,180,836	-	-	-	-	-
Watershed Improvements	-	-	-	217,396	4,285	55,378	35,321	626,668
Whalehead Beach Solid Waste	-	-	-	-	-	-	-	-
Capital Assets	-	-	-	-	-	-	-	-
Committed:								
Fire Equipment	-	-	-	-	-	-	-	-
Assigned:								
Subsequent year's expenditures	-	-	-	-	-	-	-	-
Total fund balances	134,363	321,496	1,192,622	217,808	4,300	55,581	35,361	628,554
Total liabilities, deferred inflows of resources and fund balances	\$ 195,784	\$ 331,229	\$ 1,495,269	\$ 220,440	\$ 4,357	\$ 55,899	\$ 35,411	\$ 637,728

Whalehead Watershed Improvement Fund	Whalehead Beach Solid Waste Service District	Knotts Island Fire District Fund	CARES ACT COVID-19	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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
881,849	282,901	150,970	701,713	4,901,812	285,205	4,410,832	4,027,133	8,723,170	13,624,982
2,203	-	2,286	-	28,310	-	-	-	-	28,310
7,472	1,071	885	-	46,522	-	-	-	-	46,522
581	75	688	-	32,167	-	743,725	724,981	1,468,706	1,500,873
\$ 892,105	\$ 284,047	\$ 154,829	\$ 701,713	\$ 5,008,811	\$ 285,205	\$ 5,154,557	\$ 4,752,114	\$ 10,191,876	\$ 15,200,687
\$ 3,731	\$ 8,982	\$ 89,057	\$ -	\$ 450,708	\$ -	\$ -	\$ -	\$ -	\$ 450,708
-	-	-	701,713	701,713	-	-	-	-	701,713
3,731	8,982	89,057	701,713	1,152,421	-	-	-	-	1,152,421
7,472	1,071	885	-	46,522	-	-	-	-	46,522
7,472	1,071	885	-	46,522	-	-	-	-	46,522
2,784	75	2,974	-	60,477	-	743,725	724,981	1,468,706	1,529,183
-	-	-	-	292,444	-	-	-	-	292,444
-	-	61,913	-	1,365,862	-	-	-	-	1,365,862
878,118	-	-	-	1,817,166	-	-	-	-	1,817,166
-	273,919	-	-	273,919	-	-	-	-	273,919
-	-	-	-	-	-	4,410,832	4,027,133	8,437,965	8,437,965
-	-	-	-	-	285,205	-	-	285,205	285,205
-	-	-	-	-	-	-	-	-	-
880,902	273,994	64,887	-	3,809,868	285,205	5,154,557	4,752,114	10,191,876	14,001,744
\$ 892,105	\$ 284,047	\$ 154,829	\$ 701,713	\$ 5,008,811	\$ 285,205	\$ 5,154,557	\$ 4,752,114	\$ 10,191,876	\$ 15,200,687

County of Currituck, North Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2020

	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
REVENUES								
Ad valorem taxes	\$ -	\$ -	\$ 1,429,680	\$ 44,805	\$ 2,010	\$ 21,486	\$ 3,241	\$ 241,628
Other taxes and licenses	-	212,238	-	-	-	-	-	-
Restricted intergovernmental	1,027,706	-	490,482	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Investment earnings	2,495	4,670	24,182	3,090	115	1,257	525	8,769
Total revenues	1,030,201	216,908	1,944,344	47,895	2,125	22,743	3,766	250,397
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	222,045	3,094,931	-	-	-	-	-
Economic and physical development	1,334,861	-	-	-	4,241	-	17	-
Environmental protection	-	-	-	66	-	36,285	-	37,346
Total expenditures	1,334,861	222,045	3,094,931	66	4,241	36,285	17	37,346
Other financing sources (uses):								
Transfers (to) from other funds	250,000	-	1,550,370	(2,253)	(101)	(1,013)	(161)	(12,981)
Net change in fund balances	(54,660)	(5,137)	399,783	45,576	(2,217)	(14,555)	3,588	200,070
Fund balances - beginning	189,023	326,633	792,839	172,232	6,517	70,136	31,773	428,484
Fund balances - ending	\$ 134,363	\$ 321,496	\$ 1,192,622	\$ 217,808	\$ 4,300	\$ 55,581	\$ 35,361	\$ 628,554

Whalehead Watershed Improvement Fund	Whalehead Beach Solid Waste Service District	Knotts Island Fire District Fund	CARES ACT COVID-19	Total Non-Major Special Revenue Funds
\$ 917,271	\$ 118,357	\$ 72,161	\$ -	\$ 2,850,639
-	-	-	-	212,238
-	-	-	-	1,518,188
-	-	-	-	-
13,625	4,670	5,079	-	68,477
930,896	123,027	77,240	-	4,649,542

-	-	-	-	-
-	-	1,020,466	-	4,337,442
151,649	114,888	-	-	1,605,656
-	-	-	-	73,697
151,649	114,888	1,020,466	-	6,016,795

(568,888)	-	1,008,113	-	2,223,086
210,359	8,139	64,887	-	855,833
670,543	265,855	-	-	2,954,035
\$ 880,902	\$ 273,994	\$ 64,887	\$ -	\$ 3,809,868

Fire Equipment Replacement Fund	Capital Improvements Fund	School Capital Fund	Total Non-major Capital Projects Funds	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 2,850,639
-	2,696,209	2,522,142	5,218,351	5,430,589
-	-	-	-	1,518,188
116,000	-	-	116,000	116,000
4,957	60,944	74,890	140,791	209,268
120,957	2,757,153	2,597,032	5,475,142	10,124,684

-	-	-	-	-
508,250	-	-	508,250	4,845,692
-	-	-	-	1,605,656
-	-	-	-	73,697
508,250	-	-	508,250	6,525,045

267,000	(950,000)	(2,150,000)	(2,833,000)	(609,914)
(120,293)	1,807,153	447,032	2,133,892	2,989,725
405,498	3,347,404	4,305,082	8,057,984	11,012,019
\$ 285,205	\$ 5,154,557	\$ 4,752,114	\$ 10,191,876	\$ 14,001,744

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 Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental:					
NC Dept of Agriculture - Hurricane Matthew	\$ 142,300	\$ 135,588	\$ 21,472	\$ 157,060	\$ 14,760
NC Div of Water Resources - Watershed Study	48,250	53,819	11,250	65,069	16,819
Self-contained breathing apparatus Grant 2019	995,000	-	994,984	994,984	(16)
Investment earnings	-	83,934	2,495	86,429	86,429
Total revenues	<u>1,185,550</u>	<u>273,341</u>	<u>1,030,201</u>	<u>1,303,542</u>	<u>117,992</u>
Expenditures					
Environmental protection:					
Hurricane Matthew Snag/Clear Grant	142,300	135,568	21,472	157,040	(14,740)
US Army Corp/Watershed Study	96,500	96,500	218,907	315,407	(218,907)
Total environmental protection	<u>238,800</u>	<u>232,068</u>	<u>240,379</u>	<u>472,447</u>	<u>(233,647)</u>
Public safety:					
Self-contained breathing apparatus	1,094,500	-	1,094,482	1,094,482	18
Total expenditures	<u>1,333,300</u>	<u>232,068</u>	<u>1,334,861</u>	<u>1,566,929</u>	<u>(233,629)</u>
Revenues under expenditures	<u>(147,750)</u>	<u>41,273</u>	<u>(304,660)</u>	<u>(263,387)</u>	<u>(115,637)</u>
Other financing sources:					
Transfers from Occupancy Tax Fund	-	-	250,000	250,000	250,000
Transfers from General Fund	142,925	142,925	-	142,925	-
Transfers from Guinea Mill Watershed	4,825	4,825	-	4,825	-
	<u>147,750</u>	<u>147,750</u>	<u>250,000</u>	<u>397,750</u>	<u>250,000</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 189,023</u>	<u>(54,660)</u>	<u>\$ 134,363</u>	<u>\$ 134,363</u>
Fund balance:					
Beginning of year, July 1			189,023		
End of Year, June 30			<u>\$ 134,363</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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues					
Other taxes and licenses:					
911 system subscriber fees	\$ 212,237	\$ 212,237	\$ 212,238	\$ 1	213,917
Investment earnings	4,000	4,000	4,670	670	5,638
Total revenues	216,237	216,237	216,908	671	219,555
Expenditures					
Public safety	200,371	200,371	171,125	29,246	157,977
Capital Outlay	47,937	47,937	50,920	(2,983)	4,010
Total expenditures	248,308	248,308	222,045	26,263	161,987
Revenues over (under) expenditures	(32,071)	(32,071)	(5,137)	26,934	57,568
Appropriated fund balance	32,071	32,071	-	(32,071)	-
Revenues and appropriated fund balance over (under) expenditures	\$ -	\$ -	(5,137)	\$ (5,137)	57,568
Fund balances:					
Beginning of year, July 1			326,633		269,065
End of year, June 30			\$ 321,496		\$ 326,633

County of Currituck, North Carolina
Corolla Fire District Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues					
Ad valorem taxes:					
Current year	\$ 1,441,147	\$ 1,441,147	\$ 1,425,155	\$ (15,992)	\$ 1,431,288
Prior years	-	-	2,841	2,841	-
Interest	-	-	1,684	1,684	1,310
Total ad valorem taxes	1,441,147	1,441,147	1,429,680	(11,467)	1,432,598
Restricted intergovernmental:					
Grants	431,528	431,528	490,482	58,954	580,108
Investment earnings	-	-	24,182	24,182	6,462
Total revenues	1,872,675	1,872,675	1,944,344	71,669	2,019,168
Expenditures					
Beach Fire District:					
Salaries	-	-	2,723,242	-	2,563,681
Operating expenses	-	-	91,614	-	100,734
Repairs maintenance and supplies	-	-	22,483	-	17,623
Insurance	-	-	47,380	-	45,016
Capital Outlay	-	-	22,354	-	-
Total	3,234,195	3,234,195	2,907,073	327,122	2,727,054
Volunteer Fire Department:					
Operating expenses	-	-	61,402	-	62,872
Repairs, maintenance and supplies	-	-	104,102	-	129,292
Capital Outlay	-	-	22,354	-	-
Total	188,850	188,850	187,858	992	192,164
Total expenditures	3,423,045	3,423,045	3,094,931	328,114	2,919,218
Revenues over (under) expenditures	(1,550,370)	(1,550,370)	(1,150,587)	399,783	(900,050)
Other financing sources:					
Transfers from General Fund	1,550,370	1,550,370	1,550,370	-	-
Transfers from Tourism Development Authority Fund	-	-	-	-	1,550,370
	1,550,370	1,550,370	1,550,370	-	1,550,370
Revenues and other financing sources over expenditures	\$ -	\$ -	399,783	\$ 399,783	650,320
Fund balances:					
Beginning of year, July 1			792,839		142,519
End of year, June 30			\$ 1,192,622		\$ 792,839

Note: Fund established March 19, 2018

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Ad valorem taxes:					
Current year	\$ 43,100	\$ 43,100	\$ 44,567	\$ 1,467	\$ 17,606
Prior years	-	-	156	156	166
Interest	-	-	82	82	75
Total ad valorem taxes	43,100	43,100	44,805	1,705	17,847
Investment earnings	-	-	3,090	3,090	3,455
Total revenues	43,100	43,100	47,895	4,795	21,302
Expenditures:					
Current:					
Environmental protection:	43,100	60,847	66	60,781	-
Total expenditures	43,100	60,847	66	60,781	-
Revenues over (under) expenditures	-	(17,747)	47,829	65,576	21,302
Other financing uses:					
Transfers to General Fund	-	(2,253)	(2,253)	-	-
Revenues over (under) expenditures and other financing uses	-	(20,000)	45,576	65,576	21,302
Appropriated fund balance	-	20,000	-	(20,000)	-
Revenues and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ -	45,576	\$ 45,576	21,302
Fund balances:					
Beginning of year, July 1			172,232		150,930
End of year, June 30			\$ 217,808		\$ 172,232

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Positive (Negative)	Actual
	Original	Final			
Revenues:					
Ad valorem taxes:					
Current year	\$ 1,935	\$ 1,935	\$ 1,992	\$ 57	\$ 1,863
Prior years taxes	-	-	15	15	21
Interest	-	-	3	3	5
Total ad valorem taxes	1,935	1,935	2,010	75	1,889
Investment earnings	-	-	115	115	120
Total revenues	1,935	1,935	2,125	190	2,009
Expenditures:					
Current:					
Environmental protection:	1,935	4,241	4,241	-	-
Total expenditures	1,935	4,241	4,241	-	-
Revenues under expenditures	-	(2,306)	(2,116)	190	2,009
Other financing uses:					
Transfers to General Fund	-	(101)	(101)	-	-
Revenues and other financing sources over (under) expenditures	-	(2,407)	(2,217)	190	2,009
Appropriated fund balance	-	2,407	-	(2,407)	-
Revenues and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ -	(2,217)	\$ (2,217)	2,009
Fund balances:					
Beginning of year, July 1			6,517		4,508
End of year, June 30			\$ 4,300		\$ 6,517

County of Currituck, North Carolina
Moyock Watershed Improvement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Ad valorem taxes:					
Current year	\$ 19,381	\$ 19,381	\$ 21,358	\$ 1,977	\$ 19,645
Prior years taxes	-	-	97	97	63
Interest	-	-	31	31	21
Total ad valorem taxes	19,381	19,381	21,486	2,105	19,729
Investment earnings	-	-	1,257	1,257	1,316
Total revenues	19,381	19,381	22,743	3,362	21,045
Expenditures:					
Environmental protection:	50,260	49,247	36,285	12,962	-
Total expenditures	50,260	49,247	36,285	12,962	-
Revenues over (under) expenditures	(30,879)	(29,866)	(13,542)	16,324	21,045
Other financing uses:					
Transfers to General Fund	-	(1,013)	(1,013)	-	-
Revenues over (under) expenditures and other financing uses	(30,879)	(30,879)	(14,555)	(16,324)	21,045
Appropriated fund balance	30,879	30,879	-	(30,879)	-
Revenues and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ -	(14,555)	\$ (14,555)	21,045
Fund balances:					
Beginning of year, July 1			70,136		49,091
End of year, June 30			\$ 55,581		\$ 70,136

County of Currituck, North Carolina
Northwest Watershed Improvement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Ad valorem taxes:					
Current year	\$ 3,093	\$ 3,093	\$ 3,172	\$ 79	\$ 3,077
Prior years taxes	-	-	59	59	104
Interest	-	-	10	10	10
Total ad valorem taxes	3,093	3,093	3,241	148	3,191
Investment earnings	-	-	525	525	640
Total revenues	3,093	3,093	3,766	673	3,831
Expenditures:					
Environmental protection:	-	-	17	-	-
Total expenditures	3,093	2,932	17	2,915	-
Revenues over expenditures	-	161	3,749	3,588	3,831
Other financing uses:					
Transfers to General Fund	-	(161)	(161)	-	-
Revenues over (under) expenditures and other financing uses	\$ -	\$ -	3,588	\$ 3,588	3,831
Fund balances:					
Beginning of year, July 1			31,773		27,942
End of year, June 30			\$ 35,361		\$ 31,773

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Positive (Negative)	Actual
	Original	Final			
Revenues:					
Ad valorem taxes:					
Current year	\$ 248,337	\$ 248,337	\$ 241,421	\$ (6,916)	\$ 296,766
Prior years taxes	-	-	-	-	300
Interest	-	-	207	207	183
Total ad valorem taxes	248,337	248,337	241,628	(6,709)	297,249
Investment earnings	-	-	8,769	8,769	7,839
Total revenues	248,337	248,337	250,397	2,060	305,088
Expenditures:					
Environmental protection:	248,337	239,756	37,346	202,410	108,850
Total expenditures	248,337	239,756	37,346	202,410	108,850
Revenues over expenditures	-	8,581	213,051	204,470	196,238
Other financing uses:					
Transfers to General Fund	-	(12,981)	(12,981)	-	-
Revenues and other financing uses over expenditures	-	(4,400)	200,070	(204,470)	196,238
Appropriated fund balance	-	4,400	-	(4,400)	-
Revenues and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ -	200,070	\$ (200,070)	196,238
Fund balances:					
Beginning of year, July 1			428,484		232,246
End of year, June 30			\$ 628,554		\$ 428,484

County of Currituck, North Carolina
Whalehead Watershed Improvement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Ad valorem taxes:					
Current year	\$ 848,323	\$ 848,323	\$ 914,531	\$ 66,208	\$ 903,371
Prior year taxes	-	-	1,512	1,512	1,681
Interest	-	-	1,228	1,228	979
Total ad valorem taxes	848,323	848,323	917,271	68,948	906,031
Investment earnings	-	-	13,625	13,625	19,213
Total revenues	848,323	848,323	930,896	82,573	925,244
Expenditures:					
Current:					
Operations	-	-	142,799	(142,799)	229,787
Capital outlay	-	-	8,850	(8,850)	15,206
Total expenditures	323,777	334,246	151,649	182,597	244,993
Revenues over expenditures	524,546	514,077	779,247	265,170	680,251
Other financing uses:					
Transfers to General Fund over expenditures	(524,546)	(568,888)	(568,888)	-	(648,713)
Revenues over (under) expenditures and other financing uses	-	(54,811)	210,359	265,170	31,538
Appropriated fund balance	-	54,811	-	(54,811)	-
Revenues and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ -	210,359	\$ 210,359	31,538
Fund balances:					
Beginning of year, July 1			670,543		639,005
End of year, June 30			\$ 880,902		\$ 670,543

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Ad valorem taxes:					
Current year	\$ 117,010	\$ 117,010	\$ 118,004	\$ 994	\$ 116,566
Prior year taxes	-	-	195	195	283
Interest	-	-	158	158	132
Total ad valorem taxes	117,010	117,010	118,357	1,347	116,981
Investment earnings	2,000	2,000	4,670	2,670	5,824
Total revenues	119,010	119,010	123,027	4,017	122,805
Expenditures:					
General government	119,010	119,010	114,888	4,122	104,640
Total expenditures	119,010	119,010	114,888	4,122	104,640
Revenues over expenditures	\$ -	\$ -	8,139	\$ 8,139	18,165
Revenues and other financing sources over					
Fund balances:					
Beginning of year, July 1			265,855		247,690
End of year, June 30			\$ 273,994		\$ 265,855

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues					
Ad valorem taxes					
Ad valorem taxes	\$ -	\$ -	\$ 122	\$ 122	\$ -
Special district taxes	66,040	66,040	66,001	(39)	-
Vehicle tax collection	-	-	6,038	6,038	-
Total ad valorem taxes	66,040	66,040	72,161	6,121	-
Investment earnings	-	-	5,079	5,079	-
Total revenues	66,040	66,040	77,240	11,200	-
Expenditures					
Salaries	-	-	407,018	-	-
Salaries - Overtime	-	-	249,043	-	-
FICA expense	-	-	46,433	-	-
Health insurance expense	-	-	121,719	-	-
Revenues and other financing sources over	-	-	92,129	-	-
Data transmission	-	-	418	-	-
Telephone and postage	-	-	3,688	-	-
Utilities	-	-	7,001	-	-
Travel	-	-	2,572	-	-
Repairs and maintenance	-	-	8,825	-	-
Buildings and grounds	-	-	10,952	-	-
Gas and oil	-	-	7,855	-	-
Supplies	-	-	10,228	-	-
Fire Supplies	-	-	6,791	-	-
Uniforms	-	-	1,485	-	-
Personal protective equipment	-	-	2,701	-	-
Workers compensation	-	-	15,946	-	-
Contracted services	-	-	4,598	-	-
Dues and subscriptions	-	-	2,541	-	-
Insurance	-	-	836	-	-
Professional services	-	-	1,687	-	-
Other expenditures	-	-	16,000	-	-
Total expenditures	1,074,153	1,074,153	1,020,466	53,687	-
Revenues over (under) expenditures	(1,008,113)	(1,008,113)	(943,226)	64,887	-
Other financing sources:					
Transfer from General Fund	1,008,113	1,008,113	1,008,113	-	-
Revenues and other financing sources over expenditures	\$ -	\$ -	64,887	\$ 64,887	-
Fund balances:					
Beginning of year, July 1			\$ -		\$ -
End of year, June 30			\$ 64,887		\$ -

Note: Fund established July 1, 2019

County of Currituck, North Carolina
Fire Equipment Replacement Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 30, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Investment earnings	\$ 2,500	\$ 2,500	\$ 4,957	\$ 2,457	\$ 1,295
Miscellaneous	-	116,000	116,000	-	-
	<u>2,500</u>	<u>118,500</u>	<u>120,957</u>	<u>2,457</u>	<u>1,295</u>
Expenditures:					
Current:					
Debt payment on behalf of Moyock VFD	-	-	31,000	-	31,000
Capital outlay	-	-	477,250	-	-
Total expenditures	<u>269,500</u>	<u>508,250</u>	<u>508,250</u>	<u>-</u>	<u>31,000</u>
Revenues over (under) expenditures	<u>(267,000)</u>	<u>(389,750)</u>	<u>(387,293)</u>	<u>2,457</u>	<u>(29,705)</u>
Other financing sources:					
Transfers from General Fund	<u>267,000</u>	<u>267,000</u>	<u>267,000</u>	<u>-</u>	<u>267,000</u>
Revenues and other financing sources (under) expenditures	<u>-</u>	<u>(122,750)</u>	<u>(120,293)</u>	<u>2,457</u>	<u>237,295</u>
Appropriated fund balance	<u>-</u>	<u>122,750</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues, other financing sources and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(120,293)</u>	<u>\$ 2,457</u>	<u>237,295</u>
Fund balances:					
Beginning of year, July 1			405,498		168,203
End of year, June 30			<u>\$ 285,205</u>		<u>\$ 405,498</u>

County of Currituck, North Carolina
Capital Improvements Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Other taxes and licenses:					
Article 40 supplemental sales tax	\$ 1,327,000	\$ 1,327,000	\$ 1,420,694	\$ 93,694	\$ 1,354,733
Article 42 supplemental sales tax	1,158,000	1,158,000	1,275,515	117,515	1,185,879
Investment earnings	-	-	60,944	60,944	64,458
Total revenues	<u>2,485,000</u>	<u>2,485,000</u>	<u>2,757,153</u>	<u>272,153</u>	<u>2,605,070</u>
Other financing uses:					
Transfers to other funds:					
General Fund	(950,000)	(950,000)	(950,000)	-	(1,933,225)
County Government Facilities Fund	<u>(1,535,000)</u>	<u>(1,535,000)</u>	<u>-</u>	<u>1,535,000</u>	<u>-</u>
Total other financing uses	<u>(2,485,000)</u>	<u>(2,485,000)</u>	<u>(950,000)</u>	<u>1,535,000</u>	<u>(1,933,225)</u>
Revenues over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	1,807,153	<u>\$ 1,807,153</u>	671,845
Fund balances:					
Beginning of year, July 1			3,347,404		2,675,559
End of year, June 30			<u>\$ 5,154,557</u>		<u>\$ 3,347,404</u>

County of Currituck, North Carolina
School Capital Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Other taxes and licenses:					
Article 40 supplemental sales tax	\$ 500,000	\$ 500,000	\$ 608,869	\$ 108,869	\$ 580,600
Article 42 supplemental sales tax	1,650,000	1,650,000	1,913,273	263,273	1,778,818
Investment earnings	-	-	74,890	74,890	89,118
Total revenues	<u>2,150,000</u>	<u>2,150,000</u>	<u>2,597,032</u>	<u>447,032</u>	<u>2,448,536</u>
Other financing uses:					
Transfers to General Fund	(1,400,000)	(1,400,000)	(1,400,000)	-	(1,600,000)
Transfers to School Capital Projects Fund	(750,000)	(750,000)	(750,000)	-	(574,770)
Reve Total other financing uses	<u>(2,150,000)</u>	<u>(2,150,000)</u>	<u>(2,150,000)</u>	<u>-</u>	<u>(2,174,770)</u>
Revenue over other financing uses	<u>\$ -</u>	<u>\$ -</u>	447,032	<u>\$ 447,032</u>	273,766
Beginning of year, July 1			4,305,082		4,031,316
End of year, June 30			<u>\$ 4,752,114</u>		<u>\$ 4,305,082</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 Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Intergovernmental revenues:					
State aid to airports	\$ 4,812,382	\$ 2,718,757	\$ 359,130	\$ 3,077,887	\$ (1,734,495)
Public safety building	1,000,000	-	-	-	(1,000,000)
Crawford VFD Construction Grant	-	53,285	-	53,285	53,285
PARTF - Maple soccer field project	265,000	258,520	-	258,520	(6,480)
YMCA - Alpine Tower Grant	-	75,000	-	75,000	75,000
Incinerator Grant	-	2,000	-	2,000	2,000.00
Total	6,077,382	3,107,562	359,130	3,466,692	(2,610,690)
Investment earnings	292,438	617,228	300,861	918,089	625,651
Total revenues	6,369,820	3,724,790	659,991	4,384,781	(1,985,039)
Expenditures					
General government					
ABC Store - Corolla	2,300,000	15,601	628,850	644,451	1,655,549
	2,300,000	15,601	628,850	644,451	1,655,549
Public safety:					
Animal Shelter	2,458,547	2,458,546	-	2,458,546	1
Incinerator	156,546	156,546	7,695	164,241	(7,695)
Jail - Sewer connection to MCP Sewer	375,000	41,280	191,401	232,681	142,319
Public Safety Facility	23,399,300	889,894	4,981,392	5,871,286	17,528,014
Shooting Range	236,195	236,194	-	236,194	1
Total public safety	26,625,588	3,782,460	5,180,488	8,962,948	17,662,640
Transportation:					
S Parallel Taxiway (FY 2016)	2,154,069	1,885,226	-	1,885,226	268,843
Corporate Area Apron	107,336	107,336	-	107,336	-
Corporate Apron Phase II	885,905	844,833	-	844,833	41,072
ALP Update	359,000	-	-	-	359,000
N Apron Rehabilitation	474,000	21,972	43,265	65,237	408,763
PAPI and Light Vault	455,598	46,828	345,360	392,188	63,410
Total transportation	4,435,908	2,906,195	388,625	3,294,820	1,141,088
Cultural and recreational:					
Carova Park Improvements 2018	18,552	18,551	-	18,551	1
Connect Corolla Parking	15,115	15,115	-	15,115	-
Connect Corolla Bike Path	2,035,031	2,035,030	-	2,035,030	1
Connect Corolla East Side Walkway	14,232	14,232	-	14,232	-
Connect Corolla Albacore Sidewalk	158,538	158,268	-	158,268	270
Connect Corolla Corolla Village Rd Sidewalk	505,189	404,613	3,750	408,363	96,826
Connect Corolla - NC 12 Beautification	266,075	218,075	23,250	241,325	24,750
Connect Corolla - Phase IV	700,345	605,789	33,247	639,036	61,309
Connect Corolla - Contingencies	436,041	-	-	-	436,041
Corolla 10 acres masterplan	100,000	42,145	19,335	61,480	38,520
County-wide Broadband project	1,000,000	36,600	30,620	67,220	932,780
2020 Perch, Barracuda and Sailfish walkovers	60,000	-	22,468	22,468	37,532
Historic Corolla Park - Boat Facility	4,286,337	97,812	1,822,645	1,920,457	2,365,880
Historic Corolla Park - Restrooms	250,000	47,287	-	47,287	202,713
Recreation baseball/softball fields - Maple	5,736,663	5,712,689	5,723	5,718,412	18,251
Recreation soccer fields - Maple	3,264,629	3,219,297	-	3,219,297	45,332
Recreation - Shingle Landing Park	2,905,000	68,000	630,499	698,499	2,206,501
Veteran's Park Dock Improvements	687,614	687,614	-	687,614	-
Total cultural and recreational	22,439,361	13,381,117	2,591,537	15,972,654	6,466,707
Total expenditures	55,800,857	20,085,373	8,789,500	28,874,873	26,925,984
Revenues under expenditures	(49,431,037)	(16,360,583)	(8,129,509)	(24,490,092)	24,940,945

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 Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Other financing sources (uses):					
Installment purchase obligation	21,400,000	-	21,400,000	21,400,000	-
Transfers (to) from other funds:					
General Fund	468,619	468,619	-	468,619	-
Tourism Development Authority	16,730,456	14,165,267	3,604,989	17,770,256	1,039,800
Capital Improvements Fund	3,479,020	7,175,464	-	7,175,464	3,696,444
Transfer Tax Capital Fund	7,730,942	10,780,276	-	10,780,276	3,049,334
Mainland Sewer Construction Fund	(378,000)	(378,000)	-	(378,000)	-
Total other financing sources (uses)	<u>49,431,037</u>	<u>32,211,626</u>	<u>25,004,989</u>	<u>57,216,615</u>	<u>7,785,578</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ 15,851,043</u>	<u>16,875,480</u>	<u>\$ 32,726,523</u>	<u>\$ 32,726,523</u>
Fund balances:					
Beginning of year, July 1			<u>15,851,043</u>		
End of year, June 30			<u>\$ 32,726,523</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 Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
State Lottery proceeds	\$ 653,961	\$ 1,104,336	\$ 147,042	\$ 1,251,378	\$ 597,417
Investment earnings	84,854	2,552,839	114,715	2,667,554	2,582,700
Total revenues	<u>738,815</u>	<u>3,657,175</u>	<u>261,757</u>	<u>3,918,932</u>	<u>3,180,117</u>
Expenditures					
Intergovernmental - education:					
Griggs - HVAC replacement June 2018	59,020	59,020	3,626	62,646	(3,626)
Griggs - HVAC A Wing South	115,000	-	84,187	84,187	30,813
Griggs - Roof Replacement Center Wing	113,250	-	56,335	56,335	56,915
Griggs - Roof Replacement A Wing South	80,000	-	29,976	29,976	50,024
Griggs - Roof Replacement A Wing North	80,000	-	27,663	27,663	52,337
Jarvisburg Elementary HVAC April 2019	32,250	-	29,341	29,341	2,909
Moyock Elementary School Replace Main Roof 2019	103,000	-	102,889	102,889	111
Moyock Middle - Energy Mgmt Upgrade June 2018	40,000	38,119	-	38,119	1,881
Knotts Island Elementary HVAC June 2016	27,570	24,794	-	24,794	2,776
Shawboro Elementary HVAC April 2019	18,225	-	16,551	16,551	1,674
Currituck High School HVAC Dec 2017	30,500	29,999	-	29,999	501
Currituck High School Energy Mgmt Upgrade June 2018	40,000	36,872	-	36,872	3,128
Total expenditures	<u>738,815</u>	<u>188,804</u>	<u>350,568</u>	<u>539,372</u>	<u>199,443</u>
Revenues over (under) expenditures	<u>-</u>	<u>3,468,371</u>	<u>(88,811)</u>	<u>3,379,560</u>	<u>3,379,560</u>
Other financing sources:					
Transfers from					
School Capital Improvements Fund	-	2,209,540	750,000	2,959,540	2,959,540
Transfer Tax Capital Fund	-	1,743,064	-	1,743,064	1,743,064
Total other financing sources	<u>-</u>	<u>3,952,604</u>	<u>750,000</u>	<u>4,702,604</u>	<u>4,702,604</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 7,420,975</u>	<u>661,189</u>	<u>\$ 8,082,164</u>	<u>\$ 8,082,164</u>
Fund balances:					
Beginning of year, July 1			7,420,975		
End of year, June 30			<u>\$ 8,082,164</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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Other taxes and licenses					
Land transfer tax	\$ 3,820,938	\$ 4,146,162	\$ 5,167,824	\$ 1,021,662	\$ 4,492,630
Investment earnings	50,000	300,500	215,001	(85,499)	275,879
Total revenues	<u>3,870,938</u>	<u>4,446,662</u>	<u>5,382,825</u>	<u>936,163</u>	<u>4,768,509</u>
Expenditures:					
Fees Paid to Officials	700	700	-	700	-
Total expenditures	<u>700</u>	<u>700</u>	<u>-</u>	<u>700</u>	<u>-</u>
Revenues over expenditures	<u>3,870,238</u>	<u>4,445,962</u>	<u>5,382,825</u>	<u>936,863</u>	<u>4,768,509</u>
Other financing uses:					
Transfers to General Fund	(1,428,635)	(1,573,859)	(1,573,859)	-	-
Transfers to County Government Facilities	-	-	-	-	(2,916,650)
Transfers to Land Banking Fund	(200,000)	(200,000)	(200,000)	-	(200,000)
Transfers to Mainland Sewer Construction Fund	(2,241,603)	(2,508,603)	(2,508,603)	-	(450,000)
Transfers to Mainland Water Fund	-	-	-	-	(26,000)
Transfers to Moyock Central Sewer Fund	-	(163,500)	(163,500)	-	(1,572,500)
Total other financing uses	<u>(3,870,238)</u>	<u>(4,445,962)</u>	<u>(4,445,962)</u>	<u>-</u>	<u>(5,165,150)</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	936,863	<u>\$ 936,863</u>	(396,641)
Fund balances:					
Beginning of year, July 1			11,460,153		11,856,794
End of year, June 30			<u>\$ 12,397,016</u>		<u>\$ 11,460,153</u>

County of Currituck, North Carolina
Tourism Development Authority
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Revenues:					
Occupancy Tax	\$ -	\$ -	\$ 12,328,736	\$ -	\$ 12,475,908
Grants	-	-	-	-	498,873
Retail sales - Tourism Promotion	-	-	8,704	-	11,785
Retail sales - Whalehead in Historic Corolla	-	-	10,719	-	11,371
Penalties and interest	-	-	2,921	-	3,205
Tour operator permits	-	-	-	-	10,532
Promotion events	-	-	24,555	-	31,733
Whalehead donations	-	-	27,003	-	3,253
Whalehead events	-	-	33,020	-	62,267
Whalehead rents	-	-	14,597	-	36,721
Whalehead tours	-	-	56,715	-	92,422
Miscellaneous revenue	-	-	384	-	-
Investment earnings	-	-	290,687	-	407,056
Total revenues	12,245,661	12,736,207	12,798,041	61,834	13,645,126
Expenditures:					
Tourism Promotion:					
Salaries	-	-	761,219	-	732,549
Operating Expenses	-	-	227,259	-	245,019
Retail merchandise	-	-	9,652	-	6,551
Promotions	-	-	2,527,308	-	2,322,818
Capital Outlay	-	-	65,241	-	39,578
Total Tourism Promotions	3,734,343	3,852,082	3,590,679	261,403	3,346,515
Tourism Related Expenditures:					
Operations:					
Salaries	-	-	247,180	-	140,316
Operating expenses	-	-	54,969	-	43,389
Contracted services	-	-	204,680	-	262,955
Beach nourishment	-	-	8,560	-	8,510
Carova Beach Park	-	-	1,346	-	974
Corolla Wild Horse support	-	-	95,185	-	69,200
Historic Jarvisburg Colored School operations	-	-	8,755	-	8,844
Historic preservation	-	-	23,782	-	56,618
Lifeguard services	-	-	862,136	-	766,532
Outer Banks access ramps	-	-	23,747	-	23,569
Professional services	-	-	5,000	-	5,022
Signs	-	-	10,188	-	2,351
Capital outlay	-	-	80,061	-	14,412
Total Operations	1,852,122	2,103,867	1,625,589	478,278	1,402,692
Whalehead in Historic Corolla Park:					
Salaries	-	-	343,032	-	467,727
Operating expenses	-	-	225,560	-	209,946
Capital outlay	-	-	21,240	-	98,110
Total Whalehead in Historic Corolla Park	709,124	742,208	589,832	152,376	775,783
Total tourism related expenditures	2,561,246	2,846,075	2,215,421	630,654	2,178,475
Total expenditures	6,295,589	6,698,157	5,806,100	892,057	5,524,990
Revenues over expenditures	5,950,072	6,038,050	6,991,941	953,891	8,120,136

County of Currituck, North Carolina
Tourism Development Authority
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts			Variance with Final Positive (Negative)	
	Original	Final	Actual		Actual
Other financing sources (uses):					
Transfers (to) from other funds:					
General Fund	(3,551,031)	(3,553,793)	(3,477,533)	76,260	(3,500,714)
General Fund	45,000	65,000	65,000	-	77,915
Carova Beach Service District Fund	(130,000)	(130,000)	(130,000)	-	(20,000)
Multi-year Fund	-	(250,000)	(250,000)	-	-
County Governmental Facilities Fund	(3,002,291)	(3,604,989)	(3,604,989)	-	(2,540,480)
Total other financing uses	<u>(6,638,322)</u>	<u>(7,473,782)</u>	<u>(7,397,522)</u>	<u>76,260</u>	<u>(5,983,279)</u>
Revenues over (under) expenditures and other financing uses	(688,250)	(1,435,732)	(405,581)	1,030,151	2,136,857
Appropriated fund balance	<u>688,250</u>	<u>1,435,732</u>	<u>-</u>	<u>(1,435,732)</u>	<u>-</u>
Revenues, other financing sources, and appropriated fund balance over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	(405,581)	<u>\$ (405,581)</u>	2,136,857
Fund balances:					
Beginning of year, July 1			<u>16,437,651</u>		<u>14,300,794</u>
Fund balance: Tourism promotion			9,550,155		9,086,578
Fund balance: Tourism related expenditures			<u>6,481,915</u>		<u>7,351,073</u>
End of year, June 30			<u>\$ 16,032,070</u>		<u>\$ 16,437,651</u>
A legally budgeted Carova Beach Service District Fund is consolidated in the Tourism Development Authority Fund for reporting purposes:					
Revenues			\$ 30,971		\$ 16,065
Transfer-in Tourism Development Authority Fund			130,000		20,000
Transfer-out General Fund			(1,484)		-
Expenditures			<u>(33,797)</u>		<u>(40,000)</u>
			125,690		(3,935)
Beginning Fund Balance, Carova Beach Service District Fund			<u>45,313</u>		<u>49,248</u>
			171,003		45,313
Ending Fund Balance Exhibit 4			<u>\$ 16,203,073</u>		<u>\$ 16,482,964</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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Budgeted Amounts		Actual	Variance with Final Positive (Negative)	Actual
	Original	Final			
Revenues:					
Ad valorem taxes:					
Current year	\$ 28,386	\$ 28,386	\$ 28,866	\$ 480	\$ -
Prior years	-	-	-	-	-
Interest	-	-	39	39	-
Total ad valorem taxes	28,386	28,386	28,905	519	-
Tour operator fees	34,000	34,000	-	(34,000)	15,219
Investment earnings	-	-	2,066	2,066	846
Total revenues	62,386	62,386	30,971	(31,415)	16,065
Expenditures:					
Current:					
Environmental protection	-	-	33,797	(33,797)	40,000
Total expenditures	192,386	190,902	33,797	157,105	40,000
Revenues over (under) expenditures	(130,000)	(128,516)	(2,826)	125,690	(23,935)
Other financing sources (uses):					
Transfer to General Fund	-	(1,484)	(1,484)	-	-
Transfers from Tourism Development Authority	130,000	130,000	130,000	-	20,000
Total other financing sources (uses)	130,000	128,516	128,516	-	20,000
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	125,690	\$ 125,690	\$ (3,935)
Fund balances:					
Beginning of year, July 1			45,313		49,248
End of year, June 30			\$ 171,003		\$ 45,313

County of Currituck, North Carolina
Combining Statement of Net Position
Non-Major Proprietary Funds
June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

					Totals	
	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	June 30, 2020	June 30, 2019
ASSETS						
Current assets:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash	119,796	1,219,576	384,059	448,851	2,172,282	357,178
Receivables, net	-	50,776	15,243	-	66,019	38,379
Total current assets	<u>119,796</u>	<u>1,270,352</u>	<u>399,302</u>	<u>448,851</u>	<u>2,238,301</u>	<u>395,557</u>
Total assets	<u>\$ 119,796</u>	<u>\$ 1,270,352</u>	<u>\$ 399,302</u>	<u>\$ 448,851</u>	<u>\$ 2,238,301</u>	<u>\$ 395,557</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 5,405	\$ 5,405	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,405</u>	<u>\$ 5,405</u>	<u>\$ -</u>
NET POSITION						
Unrestricted	\$ 119,796	\$ 1,270,352	\$ 399,302	\$ 443,446	\$ 2,232,896	\$ 395,557
Total net position	<u>\$ 119,796</u>	<u>\$ 1,270,352</u>	<u>\$ 399,302</u>	<u>\$ 443,446</u>	<u>\$ 2,238,301</u>	<u>\$ 395,557</u>

County of Currituck, North Carolina
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Non-Major Proprietary Funds
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

					Totals	
	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	June 30, 2020	June 30, 2019
OPERATING REVENUES						
Charges for services	\$ 111,376	\$ 1,372,222	\$ 327,284	\$ 428,524	\$ 2,239,406	\$ 393,933
Total operating revenues	111,376	1,372,222	327,284	428,524	2,239,406	393,933
NONOPERATING REVENUES						
Interest and investment revenue	1,037	14,888	3,336	3,672	22,933	1,624
Total nonoperating revenue	1,037	14,888	3,336	3,672	22,933	1,624
Income before transfers	112,413	1,387,110	330,620	432,196	2,262,339	395,557
Transfers to other funds	-	(425,000)	-	-	(425,000)	(4,951,737)
Change in net position	112,413	962,110	330,620	432,196	1,837,339	(4,556,180)
Total net position - beginning	7,383	308,242	68,682	11,250	395,557	4,951,737
Total net position - ending	<u>\$ 119,796</u>	<u>\$ 1,270,352</u>	<u>\$ 399,302</u>	<u>\$ 443,446</u>	<u>\$ 2,232,896</u>	<u>\$ 395,557</u>

County of Currituck, North Carolina
Combining Statement of Cash Flows
Non-Major Proprietary Fund
For the Year Ended June 30, 2020
(With Comparative Total Amounts for the Fiscal Year Ended June 30, 2019)

	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, 2020	June 30, 2019
Cash flows from operating activities:						
Cash received from customers	\$ 111,376	\$ 1,359,825	\$ 312,041	\$ 433,929	\$ 2,217,171	\$ 355,716
Cash paid for goods and services	-	-	-	-	-	(64)
Customer deposits returned	-	-	-	-	-	(500)
Net cash provided by operating activities	<u>111,376</u>	<u>1,359,825</u>	<u>312,041</u>	<u>433,929</u>	<u>2,217,171</u>	<u>355,152</u>
Cash flows from noncapital financing activities:						
Transfer to other funds	-	(425,000)	-	-	(425,000)	(90,432)
Transfer from General Fund	-	-	-	-	-	3,467
	<u>-</u>	<u>(425,000)</u>	<u>-</u>	<u>-</u>	<u>(425,000)</u>	<u>(86,965)</u>
Cash flows from investing activities:						
Interest on investments	<u>1,037</u>	<u>14,888</u>	<u>3,336</u>	<u>3,672</u>	<u>22,933</u>	<u>1,624</u>
Net increase in cash and cash equivalents	112,413	949,713	315,377	437,601	1,815,104	269,811
Cash and cash equivalents, July 1	<u>7,383</u>	<u>269,863</u>	<u>68,682</u>	<u>11,250</u>	<u>357,178</u>	<u>87,367</u>
Cash and cash equivalents, June 30	<u>\$ 119,796</u>	<u>\$ 1,219,576</u>	<u>\$ 384,059</u>	<u>\$ 448,851</u>	<u>\$ 2,172,282</u>	<u>\$ 357,178</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income	\$ 111,376	\$ 1,372,222	\$ 327,284	\$ 428,524	\$ 2,239,406	\$ 393,933
Adjustments to reconcile operating income to net cash provided by operating activities:						
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	-	(12,397)	(15,243)	-	(27,640)	(38,217)
Increase (decrease) in customer deposits	-	-	-	-	-	(500)
Increase (decrease) in accounts payable and accrued liabilities	-	-	-	5,405	5,405	(64)
Total adjustments	<u>-</u>	<u>(12,397)</u>	<u>(15,243)</u>	<u>5,405</u>	<u>(22,235)</u>	<u>(38,781)</u>
Net cash provided by operating activities	<u>\$ 111,376</u>	<u>\$ 1,359,825</u>	<u>\$ 312,041</u>	<u>\$ 433,929</u>	<u>\$ 2,217,171</u>	<u>\$ 355,152</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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Water system developmental fees	\$ -	\$ -	\$ 63,984	\$ -	\$ 6,000
Sewer system developmental fees	-	-	47,392	-	1,350
Total, water and sewer operating revenues	-	-	111,376	111,376	7,350
Nonoperating revenues:					
Interest earnings	-	-	1,037	-	33
Total nonoperating revenues	-	-	1,037	1,037	33
Total revenues	<u>\$ -</u>	<u>\$ -</u>	112,413	<u>\$ 112,413</u>	7,383
Change in net position			<u>\$ 112,413</u>		<u>\$ 7,383</u>

Fund inception April 1, 2019.

County of Currituck, North Carolina
Mainland Water System Developmental Fees Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Water system developmental fees	\$ -	\$ -	\$ 1,372,222	\$ -	\$ 306,980
Total water operating revenues	<u>425,000</u>	<u>425,000</u>	<u>1,372,222</u>	<u>947,222</u>	<u>306,980</u>
Nonoperating revenues:					
Interest earnings	-	-	14,888	-	1,262
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>14,888</u>	<u>14,888</u>	<u>1,262</u>
Total revenues	<u>425,000</u>	<u>425,000</u>	<u>1,387,110</u>	<u>962,110</u>	<u>308,242</u>
Other financing uses:					
Transfer to Mainland Water Fund	<u>(425,000)</u>	<u>(425,000)</u>	<u>(425,000)</u>	<u>-</u>	<u>-</u>
Total revenue and other financing uses	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 962,110</u>	
Change in net position			<u>\$ 962,110</u>		<u>\$ 308,242</u>

Fund inception April 1, 2019.

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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Water system developmental fees	\$ -	\$ -	\$ 327,284	\$ -	\$ 68,403
Total water operating revenues	-	-	327,284	327,284	68,403
Nonoperating revenues:					
Interest earnings	-	-	3,336	\$ -	279
Total nonoperating revenues	-	-	3,336	3,336	279
Total revenues	\$ -	\$ -	330,620	\$ 330,620	68,682
Change in net position			\$ 330,620		\$ 68,682
Fund inception April 1, 2019.					

County of Currituck, North Carolina
Mainland Sewer System Developmental Fees Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Sewer system developmental fees	\$ -	\$ -	\$ 428,524	\$ -	\$ 11,200
Total, sewer operating revenues	475,000	475,000	428,524	(46,476)	11,200
Nonoperating revenues:					
Interest earnings	-	-	3,672	-	50
Total nonoperating revenues	-	-	3,672	3,672	50
Total revenues	475,000	475,000	432,196	(42,804)	11,250
Other financing uses:					
Transfer to Mainland Central Sewer Construction Fund	(475,000)	(475,000)	-	475,000	-
Total revenue and other financing uses	\$ -	\$ -		\$ 432,196	
Change in net position			\$ 432,196		\$ 11,250
Fund inception April 1, 2019.					

County of Currituck, North Carolina
Solid Waste Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Operating revenues:					
Charges for services:					
Solid waste disposal charges	\$ -	\$ -	\$ 2,900,844	\$ -	\$ 2,835,825
Recycling	-	-	25,842	-	5,046
Tipping fees	-	-	623,107	-	569,540
Total	<u>3,404,500</u>	<u>3,599,000</u>	<u>3,549,793</u>	<u>(49,207)</u>	<u>3,410,411</u>
Nonoperating revenues:					
Ad valorem taxes	-	-	9,757	-	12,072
White goods tax	-	-	12,276	-	10,950
White goods disposal tax	-	-	69,986	-	72,391
Tire tax	-	-	36,851	-	37,100
Other solid waste grants	-	-	760	-	1,600
Investment earnings	-	-	38,037	-	67,188
Total	<u>155,500</u>	<u>161,000</u>	<u>167,667</u>	<u>6,667</u>	<u>201,301</u>
Appropriated net position	<u>469,730</u>	<u>510,531</u>	<u>-</u>	<u>(510,531)</u>	<u>-</u>
Total revenues and appropriated net position	<u>4,029,730</u>	<u>4,270,531</u>	<u>3,717,460</u>	<u>(553,071)</u>	<u>3,611,712</u>
Expenditures:					
Solid waste administration:					
Telephone and postage	-	-	267	-	273
Other administrative expenditures	-	-	103,024	-	67,523
Total	<u>102,961</u>	<u>170,487</u>	<u>103,291</u>	<u>67,196</u>	<u>67,796</u>
Solid waste operations:					
Utilities	-	-	5,799	-	5,846
Repair and maintenance	-	-	2,485	-	3,849
Rent	-	-	38,400	-	38,400
Supplies	-	-	1,342	-	446
Professional services	-	-	10,645	-	11,798
Contract services, other	-	-	12,436	-	16,000
Contract services, collection	-	-	2,333,472	-	2,201,890
Contract services, disposal	-	-	2,129,631	-	1,944,830
Site work and landscaping	-	-	27,727	-	26,334
White goods disposal	-	-	61,223	-	53,838
White goods disposal tax	-	-	50,404	-	47,624
Tire disposal	-	-	49,117	-	51,683
Monitoring wells	-	-	6,320	-	5,020
Recycling	-	-	487,415	-	446,455
Total	<u>5,005,897</u>	<u>5,189,172</u>	<u>5,216,416</u>	<u>(27,244)</u>	<u>4,854,013</u>

County of Currituck, North Carolina
Solid Waste Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Capital outlays	120,872	110,872	105,847	5,025	18,784
Total expenditures	5,229,730	5,470,531	5,425,554	44,977	4,940,593
Revenues and appropriated net position over expenditures	(1,200,000)	(1,200,000)	(1,708,094)	(508,094)	(1,328,881)
Other financing sources:					
Transfers from General Fund	1,200,000	1,200,000	1,200,000	-	1,200,000
Revenues, appropriated net position, and other financing sources over (under) expenditures	\$ -	\$ -	(508,094)	\$ (508,094)	(128,881)
Reconciliation from budgetary basis					
(modified accrual) to full accrual:					
Reconciling items:					
Capital outlays			105,847		18,784
Depreciation			(64,159)		(49,056)
Total reconciling items			41,688		(30,272)
Change in net position			\$ (466,406)		\$ (159,153)

County of Currituck, North Carolina
Ocean Sands Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			Variance Positive (Negative)	2019
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Charges for services:					
Water sales	\$ -	\$ -	\$ 693,597	\$ -	\$ 638,264
Penalties and interest, water	-	-	6,151	-	6,018
Other operating revenues, water	-	-	1,950	-	3,265
Total, water operating revenues	631,800	631,800	701,698	69,898	647,547
Sewer charges	-	-	596,589	-	635,489
Sewer tap fees	-	-	2,000	-	-
Penalties and interest, sewer	-	-	6,593	-	8,745
Other operating revenues, sewer	-	-	1,950	-	3,265
Total, sewer operating revenues	660,675	664,615	607,132	(57,483)	647,499
Total operating revenues	1,292,475	1,296,415	1,308,830	12,415	1,295,046
Nonoperating revenues:					
Tax revenue	-	-	537,341	-	531,459
Miscellaneous	-	-	7,520	-	-
Interest earnings	-	-	19,377	-	19,579
Total nonoperating revenues	539,132	556,072	564,238	8,166	551,038
Total revenues	1,831,607	1,852,487	1,873,068	20,581	1,846,083
Appropriated net position	116,357	161,467	-	(161,467)	-
Total revenues and appropriated net position	1,947,964	2,013,954	1,873,068	(140,886)	1,846,083
Expenditures:					
Administration:					
Processing fees	-	-	4,983	-	4,346
Telephone and postage	-	-	3,977	-	5,798
Data transmission	-	-	436	-	912
Travel and training	-	-	219	-	2,396
Advertising	-	-	-	-	187
Supplies	-	-	25,798	-	31,241
Uniforms	-	-	948	-	771
Dues and subscriptions	-	-	6,290	-	10,283
Software license fees	-	-	979	-	1,205
Contract services	-	-	108,519	-	89,784
	155,692	168,182	152,149	16,033	146,923
Water treatment operations:					
Utilities	-	-	4,480	-	5,593
Repairs and maintenance	-	-	2,741	-	3,226
Lab tests	-	-	3,464	-	3,421
System supplies	-	-	14,008	-	10,303
Contracted services	-	-	522,711	-	540,725
Total	504,200	504,200	547,404	(43,204)	563,268

County of Currituck, North Carolina
Ocean Sands Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Sewer treatment operations:					
Salaries & benefits	-	-	153,410	-	135,206
Utilities	-	-	67,571	-	77,797
Repairs and maintenance	-	-	11,380	-	12,382
Gas	-	-	6,879	-	8,848
Lab tests	-	-	35,241	-	26,345
System supplies	-	-	13,373	-	75,840
Chemicals	-	-	75,203	-	47,303
Contracted services	-	-	155,597	-	193,198
Professional services	-	-	223	-	5
Total	<u>425,425</u>	<u>592,080</u>	<u>518,877</u>	<u>73,203</u>	<u>576,924</u>
Debt service:					
Interest and other charges	-	-	162,313	-	174,563
Debt principal	-	-	500,000	-	500,000
Total	<u>662,313</u>	<u>662,313</u>	<u>662,313</u>	<u>-</u>	<u>674,563</u>
Capital outlay	<u>200,334</u>	<u>87,179</u>	<u>29,932</u>	<u>57,247</u>	<u>-</u>
Total expenditures	<u>1,947,964</u>	<u>2,013,954</u>	<u>1,910,675</u>	<u>103,279</u>	<u>1,961,678</u>
Revenues and appropriated net position over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(37,607)</u>	<u>\$ (37,607)</u>	<u>(115,595)</u>

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

Reconciling items:		
Capital outlays	29,932	-
Debt principal	500,000	500,000
Increase in accrued salaries	(6,377)	(34)
Increase in accrued vacation	(128)	(1,520)
Increase in total OPEB liability	(24,434)	(15,015)
Depreciation	(590,254)	(585,671)
Interest income from capital project funds	5,594	2,699
Expenses from capital projects fund	327	(12,886)
(Increase) decrease in deferred inflows of resources - pension	-	(35)
(Increase) decrease in net pension liability	(10,705)	(9,367)
Increase in deferred outflows of resources - pension	6,391	7,986
Increase in deferred outflow of resources - OPEB	11,341	1,126
(Increase) decrease in deferred inflow of resources - OPEB	2,431	(7,232)
Total reconciling items	<u>(75,882)</u>	<u>(119,949)</u>
	<u>\$ (113,489)</u>	<u>\$ (235,544)</u>
Change in net position		

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 Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive Negative
Revenues					
Investment earnings	\$ -	\$ 89,680	\$ 5,594	\$ 95,274	\$ 95,274
Total revenues	-	89,680	5,594	95,274	95,274
Expenditures					
Contract services	-	11,073,920	899,149	11,973,069	(11,973,069)
Professional services	-	865,712	5,000	870,712	(870,712)
Total expenditures	13,198,943	11,939,632	904,149	12,843,781	355,162
Revenues under expenditures	(13,198,943)	(11,849,952)	(898,555)	(12,748,507)	450,436
Other financing sources:					
Transfers from other funds:					
Proceeds from debt	7,500,000	7,500,000	-	7,500,000	-
Ocean Sands Water & Sewer Fund	209,116	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	\$ -	\$ 1,139,875	\$ (898,555)	\$ 241,320	\$ 241,320

County of Currituck, North Carolina
Mainland Water Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Water sales	\$ -	\$ -	\$ 3,332,850	\$ -	\$ 3,139,717
Water tap fees	-	-	35,017	-	1,303,036
Reconnection fees	-	-	69,712	-	90,697
Penalties and interest	-	-	60,799	-	75,156
Sale of materials	-	-	21,411	-	-
Total	3,200,648	3,247,991	3,519,789	271,798	4,608,606
Nonoperating revenues:					
Interest earnings	-	-	116,422	-	146,353
Other nonoperating revenues	-	-	5,867	-	-
Total nonoperating revenues	35,040	114,450	122,289	7,839	146,353
Total revenues	3,235,688	3,362,441	3,642,078	279,637	4,754,959
Appropriated net position	-	12,936	-	(12,936)	-
Total revenue and appropriated net position	3,235,688	3,375,377	3,642,078	266,701	4,754,959
Expenditures:					
Administration:					
Salaries and benefits	-	-	58,797	-	48,213
Administrative support	-	-	252,076	-	158,361
Credit card fees	-	-	20,085	-	20,312
Telephone and postage	-	-	35,114	-	37,127
Travel	-	-	2,037	-	2,710
Training and education	-	-	902	-	1,688
Advertising	-	-	-	-	94
Supplies	-	-	156,909	-	99,114
Dues and subscriptions	-	-	11,561	-	10,434
Software license fees	-	-	3,779	-	3,671
Other administration	-	-	37	-	20
Total	503,266	581,652	541,297	40,355	381,744
Water treatment operations:					
Salaries and benefits	-	-	692,799	-	716,520
Utilities	-	-	196,282	-	209,264
Repairs and maintenance	-	-	28,789	-	6,289
Fuel	-	-	21,030	-	25,641
Lab tests	-	-	17,114	-	14,282
Chemicals	-	-	66,322	-	59,143
Uniforms	-	-	2,835	-	2,157
Contracted services	-	-	47,707	-	54,666
Professional services	-	-	115	-	27,014
Total	1,144,226	1,187,562	1,072,993	114,569	1,114,976
Debt service:					
Interest and other charges	-	-	345,546	-	376,841
Debt principal	-	-	1,135,000	-	1,090,000
Total	1,480,546	1,480,546	1,480,546	-	1,466,841
Capital outlay and depreciation	532,650	550,617	532,374	18,243	478,057
Total expenditures	3,660,688	3,800,377	3,627,210	173,167	3,441,618
Revenues and appropriated net position over expenditures	(425,000)	(425,000)	14,868	439,868	1,313,341

County of Currituck, North Carolina
Mainland Water Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Other financing sources:					
Transfer from Mainland Water Development Fees Fund	425,000	425,000	425,000	-	-
Transfer from Transfer Tax Capital Fund	-	-	-	-	26,000
Sales of capital assets	-	-	-	-	21,962
	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>-</u>	<u>47,962</u>
	<u>\$ -</u>	<u>\$ -</u>	439,868	<u>\$ 439,868</u>	1,361,303
Reconciliation from budgetary basis (modified accrual) to full accrual:					
Reconciling items:					
Capital outlays			532,374		478,057
Debt principal			1,135,000		1,090,000
Depreciation			(1,222,687)		(1,250,679)
Increase in total OPEB liability			(127,354)		(43,416)
Decrease in accrued vacation			421		7,103
Increase in accrued salaries			(69,399)		(507)
Increase in deferred outflows of resources - pension			21,642		42,723
Increase in net pension liability			(40,816)		(47,112)
(Increase) decrease in deferred inflow of resources - pension			2,016		(47)
(Increase) decrease in deferred inflow of resources - OPEB			12,670		(34,304)
Increase in deferred outflow of resources - OPEB			56,282		4,738
Total reconciling items			<u>300,149</u>		<u>246,556</u>
Change in net position			<u>\$ 740,017</u>		<u>\$ 1,607,859</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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Water sales	\$ -	\$ -	\$ 2,892,117	\$ -	\$ 2,607,801
Water tap fees	-	-	2,050	-	130,750
Administration	-	-	514,306	-	525,468
Billing services	-	-	3,780	-	3,920
Penalties and interest	-	-	26,080	-	21,510
Other operating revenues	-	-	67,099	-	19,719
Total, water operating revenues	<u>2,699,800</u>	<u>2,713,545</u>	<u>3,505,432</u>	<u>791,887</u>	<u>3,309,168</u>
Nonoperating revenues:					
Rent	-	-	224,355	-	228,159
Capital contributions	-	-	7,000	-	-
Interest earnings	-	-	84,887	-	69,568
Total nonoperating revenues	<u>203,720</u>	<u>203,720</u>	<u>316,242</u>	<u>112,522</u>	<u>297,727</u>
Total revenues	<u>2,903,520</u>	<u>2,917,265</u>	<u>3,821,674</u>	<u>904,409</u>	<u>3,606,895</u>
Appropriated net position	<u>254,050</u>	<u>286,204</u>	<u>-</u>	<u>(286,204)</u>	<u>-</u>
Total revenues and appropriated net position	<u>3,157,570</u>	<u>3,203,469</u>	<u>3,821,674</u>	<u>618,205</u>	<u>3,606,895</u>
Expenditures:					
Administration:					
Salaries and benefits	-	-	147,747	-	141,862
Telephone and postage	-	-	15,893	-	17,292
Travel	-	-	361	-	1,377
Training and education	-	-	590	-	1,382
Data transmission	-	-	4,245	-	4,398
Advertising	-	-	239	-	-
Supplies	-	-	49,954	-	198,988
Credit card fees	-	-	6,589	-	6,797
Dues and subscriptions	-	-	7,267	-	7,260
Other administrative expenditures	-	-	62,414	-	143,579
Total administration expenditures	<u>433,119</u>	<u>449,364</u>	<u>295,299</u>	<u>154,065</u>	<u>522,935</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 Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative) Actual
Water treatment operations:				
Salaries and benefits	-	-	486,802	-
Utilities	-	-	225,848	-
Gas, oil, etc	-	-	18,194	-
Repairs and maintenance	-	-	14,133	-
Lab tests	-	-	15,969	-
Chemicals	-	-	119,742	-
Uniforms	-	-	459	-
Contracted services	-	-	67,292	-
Total water treatment operations	<u>1,048,327</u>	<u>1,048,327</u>	<u>948,439</u>	<u>99,888</u>
Debt service:				
Interest and other charges	-	-	45,518	-
Debt principal	-	-	850,000	-
Total	<u>895,518</u>	<u>895,518</u>	<u>895,518</u>	<u>-</u>
Capital outlays	<u>780,606</u>	<u>810,260</u>	<u>635,443</u>	<u>174,817</u>
Total expenditures	<u>3,157,570</u>	<u>3,203,469</u>	<u>2,774,699</u>	<u>428,770</u>
Revenues and appropriated net position over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	1,046,975	<u>\$ 1,046,975</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Reconciling items:				
Capital outlays			635,443	390,304
Debt principal			850,000	850,000
(Increase) decrease in accrued vacation			(6,279)	51
Depreciation			(1,201,731)	(1,138,244)
Pension expense			-	-
Increase in deferred outflow of resources - OPEB			59,034	4,916
Increase in total OPEB liability			(106,621)	(66,891)
Increase in deferred outflow of resources - pensions			15,334	36,419
Increase in net pension liability			(32,320)	(41,077)
(Increase) decrease in deferred inflows of resources - pensions			1,640	(152)
Increase (decrease) in deferred inflow of resources - OPEB			10,608	(31,693)
Total reconciling items			<u>201,118</u>	<u>2,389</u>
			<u>\$ 1,248,093</u>	<u>\$ 826,210</u>
Change in net position				

County of Currituck, North Carolina
Mainland Central Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020				2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Sewer charges	\$ -	\$ -	\$ 704,401	\$ -	\$ 344,831
Tap fees	-	-	-	-	622,389
Penalties and interest	-	-	10,178	-	18,527
Total, sewer operating revenues	561,919	580,114	714,579	134,465	985,747
Nonoperating revenues:					
Rents	-	-	3,600	-	3,600
Insurance recovery	-	-	1,888	-	-
Interest earnings	-	-	14,450	-	18,679
Total nonoperating revenues	18,600	22,368	19,938	(2,430)	22,279
Total revenues	580,519	602,482	734,517	132,035	1,008,026
Appropriated net assets	82,081	82,081	-	(82,081)	-
Total revenues and appropriated net position	662,600	684,563	734,517	49,954	1,008,026
Expenditures:					
Administration:					
Salaries and benefits	-	-	83,905	-	90,047
Telephone and postage	-	-	1,643	-	1,679
Travel	-	-	300	-	2,573
Training and education	-	-	1,250	-	2,057
Administration	-	-	109,580	-	32,634
Supplies	-	-	44,380	-	27,534
Credit card fees	-	-	4,208	-	1,594
Dues and subscriptions	-	-	67,589	-	33,124
Software license fees	-	-	429	-	412
Total	336,433	332,505	313,284	19,221	191,654
Sewer treatment operations:					
Salaries and benefits	-	-	62,036	-	90,047
Utilities	-	-	61,492	-	60,516
Gas	-	-	9,460	-	7,782
Data Transmission	-	-	1,824	-	1,178
Repairs and maintenance	-	-	27,961	-	10,243
Lab tests	-	-	31,716	-	28,517
Chemicals	-	-	75,432	-	65,274
Contracted services	-	-	261,156	-	203,731
Professional services	-	-	5,807	-	14,400
Tap fee refunds	-	-	24,724	-	-
Total	562,167	598,058	561,608	36,450	481,688
Debt service:					
Interest and other charges	-	-	-	-	48,668
Debt principal	-	-	-	-	1,620,000
Total	-	-	-	-	1,668,668
Capital outlay	239,000	392,500	159,834	232,666	-
Total expenditures	1,137,600	1,323,063	1,034,725	288,338	2,342,010
Revenues and appropriated net position over (under) expenditures	(475,000)	(638,500)	(300,208)	338,292	(1,333,984)
Other financing sources:					
Transfer from General Fund	-	-	-	-	88,698
Transfer from Walnut Island Sewer Fund	475,000	475,000	-	(475,000)	-
Transfer from Transfer Tax Capital Fund	-	163,500	163,500	-	1,572,500
Total	475,000	638,500	163,500	(475,000)	1,661,198

County of Currituck, North Carolina
Mainland Central Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020
(With Comparative Actual Amounts from the Fiscal Year Ended June 20, 2019)

	2020			2019
	Original Budget	Final Budget	Actual	Variance Positive (Negative) Actual
Total revenues, appropriated net position and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	(136,708)	<u>\$ (136,708)</u> 327,214
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Capital outlay			159,834	-
Debt principal			-	1,620,000
Depreciation			(440,797)	(643,292)
Loss on disposal of capital assets			-	(70,642)
(Increase) decrease in accrued salaries			(2,673)	(172)
(Increase) decrease in accrued vacation			1,889	(1,706)
Increase in total OPEB liability			(27,396)	(98,642)
Increase in deferred inflows of resources - pension			505	(536)
Increase in net pension liability			(9,956)	(25,713)
Increase in deferred outflows of resources - pension			317	21,081
Increase in deferred outflows of resources - OPEB			12,716	1,263
Increase in deferred inflow of resources - OPEB			2,727	(16,074)
Interest income from Capital Projects Fund			3,952	4,593
Expense from Mainland Central Sewer Construction Fund			-	(98,832)
Transfer of assets from nonmajor funds due to combinations			-	4,951,737
Transfer from Transfer Tax Capital Fund			2,508,603	450,000
Total reconciling items			<u>2,209,721</u>	<u>6,093,065</u>
Change in net position			<u>\$ 2,073,013</u>	<u>\$ 6,420,279</u>

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 Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment earnings	\$ 10,000	\$ 4,593	\$ 3,952	\$ 8,545	\$ (1,455)
Total revenues	10,000	4,593	3,952	8,545	(1,455)
Expenditures					
Contract services	100,000	-	90,000	90,000	10,000
Professional services	350,000	121,400	221,031	342,431	7,569
Contingency	2,241,603	-	-	-	2,241,603
Capital outlay	655,000	306,164	151,242	457,406	197,594
Total expenditures	3,346,603	427,564	462,273	889,837	2,456,766
Revenues over (under) expenditures	(3,336,603)	(422,971)	(458,321)	(881,292)	2,455,311
Other finance sources:					
Transfers from other funds:					
County Governmental Construction Fund	378,000	378,000	-	378,000	-
Transfer Tax Capital Fund	2,958,603	450,000	2,508,603	2,958,603	-
Total transfers from other funds	3,336,603	828,000	2,508,603	3,336,603	-
Revenues and other financing sources over expenditures	\$ -	\$ 405,029	\$ 2,050,282	\$ 2,455,311	\$ 2,455,311

County of Currituck, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2020

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2019</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2020</u>
2019-2020	\$ -	\$ 31,674,678 (a)	\$ 31,176,057 (b)	\$ 498,621 (c)
2018-2019	281,416	-	213,108	68,319
2017-2018	78,984	-	40,975	38,009
2016-2017	33,074	-	17,959	15,115
2015-2016	15,760	-	7,352	8,408
2014-2015	7,551	-	1,949	5,602
2013-2014	8,413	-	902	7,511
2012-2013	7,926	-	357	7,569
2011-2012	8,557	-	226	8,331
2010-2011	7,311	-	217	7,094
2009-2010	4,885	-	4,885	-
	<u>\$ 453,877</u>	<u>\$ 31,674,678</u>	<u>\$ 31,463,987 (d)</u>	<u>\$ 664,579</u>
Less: allowance for uncollectible accounts: General Fund				<u>(17,134)</u>
Ad valorem taxes receivable - net:				<u>\$ 647,445</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				\$ 31,547,155
Reconciling items:				(90,058)
Interest collected				6,890
Taxes written off				<u>(83,168)</u>
Total reconciling items				<u>\$ 31,463,987 (d)</u>
Total collections and credits				

County of Currituck, North Carolina
Analysis of Current Tax Levy
County - wide Levy
For the Fiscal Year Ended June 30, 2020

	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	\$ 6,600,832,708	0.480	\$ 31,683,997	\$ 29,930,923	\$ 1,753,074
Penalties	-		31,929	31,929	-
Total	<u>6,600,832,708</u>		<u>31,715,926</u>	<u>29,962,852</u>	<u>1,753,074</u>
Discoveries:					
Current year taxes	717,500	0.480	3,444	3,444	-
Prior year taxes	279,583		1,342	1,342	-
Penalties	-		360	360	-
Total	<u>997,083</u>		<u>5,146</u>	<u>5,146</u>	<u>-</u>
Abatements	<u>(9,665,417)</u>		<u>(46,394)</u>	<u>(31,692)</u>	<u>(14,702)</u>
Total property valuation	<u><u>\$ 6,592,164,374</u></u>				
Net levy			31,674,678 (a)	29,936,306	1,738,372
Uncollected taxes at June 30, 2020			<u>498,621 (c)</u>	<u>498,621</u>	<u>-</u>
Current year's taxes collected			<u><u>\$ 31,176,057 (b)</u></u>	<u><u>\$ 29,437,685</u></u>	<u><u>\$ 1,738,372</u></u>
Current levy collection percentage			<u><u>98.43%</u></u>	<u><u>98.33%</u></u>	<u><u>100.00%</u></u>

County of Currituck, North Carolina
Secondary Market Disclosures
For the Fiscal Year Ended June 30, 2020

Assessed Valuation:

Assessment Ratio ¹	100 %
Real Property	\$ 6,250,560,397
Personal Property	233,487,418
Public Service Companies ²	108,116,559
Total Assessed Valuation	\$ 6,592,164,374
Tax Rate per \$100	0.48
Levy (includes discoveries, releases and abatements) ³	\$ 31,674,678

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:

Knotts Island fire protection service district	66,910
Corolla fire protection service district	1,440,074
Guinea Mill watershed improvement district	42,582
Hog Ditch watershed improvement district	1,751
Moyock watershed improvement district	17,854
Northwest watershed improvement district	2,813
Whalehead solid waste district	118,052
Whalehead watershed improvement district	914,898
Ocean Sands/Crown Pointe North watershed improvement district	250,064
Ocean Sands water and sewer district	529,363
Total	<u>\$ 35,059,039</u>

¹ Percentage of appraised value has been established by statute.

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

³ The levy includes interest and penalties.

County of Currituck, North Carolina
Ten Largest Taxpayers
For the Fiscal Year Ended June 30, 2020

Taxpayer	Type of Business	Assessed Valuation January 1, 2018	Percentage of Total Assessed Valuation
Summit Farms Solar LLC	Solar Energy	\$ 110,275,169	1.67 %
Dominion NC Power	Utilities	78,846,290	1.19
Ranchland Solar LLC	Solar Energy	46,383,394	0.70
H20BX LLC	Waterpark	36,171,887	0.55
Coastland Properties I LLC	Land Development	22,087,200	0.33
Harrison Inn Corolla LLC	Hotel	19,918,775	0.30
Coastland Corporation	Land Development	15,187,300	0.23
Pine Island Properties LLC	Land Development	13,687,600	0.21
Golasa Holdings LLC	Land Development	10,210,086	0.15
SunEnergy1 LLC	Solar Energy	9,756,636	0.15
Total		\$ 362,524,337	5.48 %

County of Currituck, North Carolina
Emergency Telephone System Unspent Balance
PSAP Reconciliation
June 30, 2020

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	\$ (5,137)
Beginning Balance, PSAP Revenue-Expenditure Report	<u>327,824</u>
Ending Balance, PSAP Revenue-Expenditure Report	<u><u>\$ 322,687</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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 81,090,434	\$ 96,265,950	\$ 101,478,868	\$ 104,063,563	\$ 103,521,339	\$ 95,026,547	\$ 98,607,671	\$ 98,629,299	\$ 93,267,704	\$ 79,801,707
Restricted	15,397,965	12,362,081	18,056,879	21,530,373	21,700,488	22,905,623	36,645,981	35,385,491	39,590,510	48,998,040
Unrestricted	29,175,234	21,792,937	16,509,722	13,767,217	19,081,705	20,283,060	8,333,046	9,057,138	15,328,578	26,294,395
Total governmental activities net position	<u>\$ 125,663,633</u>	<u>\$ 130,420,968</u>	<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>
Business-type activities										
Net investment in capital assets	\$ 23,516,216	\$ 28,802,477	\$ 29,352,060	\$ 28,462,332	\$ 31,801,937	\$ 32,769,142	\$ 34,461,551	\$ 28,527,935	\$ 34,616,594	\$ 36,411,815
Unrestricted	13,436,806	13,635,970	13,550,093	14,330,486	11,857,259	12,082,511	10,841,508	18,238,009	16,052,814	19,576,160
Total business-type activities net position	<u>\$ 36,953,022</u>	<u>\$ 42,438,447</u>	<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>
Primary government										
Net investment in capital assets	\$ 104,606,650	\$ 125,068,427	\$ 130,830,928	\$ 132,525,895	\$ 135,323,276	\$ 127,795,689	\$ 133,069,222	\$ 127,157,234	\$ 127,884,298	\$ 116,213,522
Restricted	15,397,965	12,362,081	18,056,879	21,530,373	21,700,488	22,905,623	36,645,981	35,385,491	39,590,510	48,998,040
Unrestricted	42,612,040	35,428,907	30,059,815	28,097,703	30,938,964	32,365,571	19,174,554	27,295,147	31,381,392	45,870,555
Total governmental activities net position	<u>\$ 162,616,655</u>	<u>\$ 172,859,415</u>	<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>

Schedule 2

Currituck County, North Carolina

Changes in Net Position

(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 8,369,991	\$ 6,351,749	\$ 7,999,138	\$ 6,607,468	\$ 6,716,864	\$ 7,316,823	\$ 7,605,726	\$ 7,720,712	\$ 8,837,696	\$ 8,897,014
Public safety	17,159,996	18,160,689	19,305,733	20,161,974	19,371,231	20,237,291	22,184,580	23,107,388	24,646,123	26,423,861
Transportation	1,726,573	1,222,468	1,079,075	1,000,818	884,955	1,864,818	878,356	879,908	1,908,078	1,281,488
Economic and physical development	6,469,555	9,094,719	3,531,181	761,700	1,401,180	7,059,866	6,919,571	7,125,880	6,614,928	9,585,996
Environmental protection	424,447	385,902	3,174,699	8,490,835	6,735,282	1,112,071	1,304,616	1,352,279	1,102,947	666,258
Human services	4,156,265	4,351,492	4,492,638	4,688,478	4,551,724	4,821,314	5,135,697	4,183,766	4,270,307	4,482,172
Cultural and recreation	2,094,488	1,939,442	1,982,118	3,131,488	2,945,656	2,337,746	3,649,685	3,521,851	5,516,269	4,174,691
Education	10,098,107	9,810,904	10,100,754	10,782,180	11,099,664	11,078,398	11,223,471	11,377,025	12,193,477	12,730,970
Interest on long-term debt	456,783	359,601	364,671	290,717	196,630	133,147	106,219	79,098	51,626	298,360
Total governmental activities expenses	<u>50,956,205</u>	<u>51,676,966</u>	<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>
Business-type activities:										
Solid Waste	4,193,309	4,252,922	4,274,049	4,135,657	4,256,648	4,285,157	4,814,409	4,716,685	4,970,865	5,383,866
Water and Sewer	6,519,262	7,466,805	8,295,709	8,437,098	8,528,166	8,669,910	8,900,685	9,534,844	9,693,392	9,230,352
Total business-type activities expenses	<u>10,712,571</u>	<u>11,719,727</u>	<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>
Total primary government expenses	<u>\$ 61,668,776</u>	<u>\$ 63,396,693</u>	<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>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 960,242	\$ 1,406,215	\$ 2,007,829	\$ 1,500,025	\$ 1,377,621	\$ 1,333,039	\$ 1,082,865	\$ 1,110,766	\$ 1,394,939	\$ 1,903,676
Public safety	1,392,245	1,417,775	1,906,102	1,495,000	1,788,900	1,779,070	1,751,361	1,961,604	2,068,414	2,001,633
Transportation	400,314	444,744	487,746	461,021	357,148	375,589	326,746	325,167	408,216	364,876
Economic and physical development	16,878	37,641	99,060	85,482	-	68,765	271,933	317,343	272,050	-
Environmental protection	-	9,400	80,039	-	86,965	-	-	-	-	239,293
Human services	-	-	-	14,063	4,408	224	249	279	119	-
Cultural and recreation	188,356	66,700	95,097	72,376	70,492	63,688	87,270	91,992	112,120	74,107
Operating grants and contributions:										
General government	40,909	316,482	-	154,237	187,442	174,287	174,988	158,589	70,572	85,384
Public safety	238,506	810,366	187,756	458,824	564,997	851,728	640,816	615,721	859,670	1,297,795
Transportation	-	-	-	-	-	-	3,383	3,519	3,781	-
Economic and physical development	-	16,020	33,904	13,547	26,760	-	575,805	69,250	182,589	174,626
Environmental protection	-	32,282	-	273,267	-	26,629	110,808	26,550	89,439	38,485
Human services	2,786,951	2,314,370	2,277,836	2,354,571	2,464,702	2,483,300	2,605,116	1,942,628	1,938,563	1,971,262
Cultural and recreation	-	22,978	-	27,206	4,170	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	27,636	2,520	41,714	207,170	216,999	235,000	10,657	-	994,984
Transportation	1,016,192	682,120	476,612	73,511	98,700	1,052,019	867,286	753,297	45,855	359,130
Economic and physical development	-	5,000	500,696	77,500	10,000	-	-	-	498,873	-
Environmental protection	10,650	-	-	-	199,869	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	288,824	158,156	53,020	50,000	750,000	459,090	-	75,000	-	-
Education	219,962	-	398,560	270,000	240,000	289,999	185,856	244,357	488,745	147,042
Total governmental activities program revenues	<u>\$ 7,560,029</u>	<u>\$ 7,767,885</u>	<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>

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:										
Solid Waste	\$ 2,458,693	\$ 2,956,155	\$ 2,690,617	\$ 2,715,259	\$ 2,756,440	\$ 2,789,931	\$ 2,862,539	\$ 3,012,092	\$ 3,410,411	\$ 3,549,793
Water and Sewer	6,620,476	7,732,900	8,846,411	8,553,691	9,183,083	9,339,100	8,604,409	10,311,649	10,592,500	11,288,036
Operating grants and contributions:										
Solid Waste	67,716	75,477	55,392	26,860	39,024	41,780	51,846	62,468	49,650	49,887
Water and Sewer	940	-	113,475	48,984	12,544	13,621	27,242	49,121	-	7,000
Capital grants and contributions:										
Solid Waste	-	-	-	-	-	-	-	-	-	-
Water and Sewer	540,000	-	206,491	72,527	-	-	500,000	-	-	-
Total business-type program revenues	<u>9,687,825</u>	<u>10,764,532</u>	<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>
Total primary government program revenues	<u>\$ 17,247,854</u>	<u>\$ 18,532,417</u>	<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>
Net (Expense)/Revenue										
Governmental activities	\$ (43,396,176)	\$ (43,909,081)	\$ (43,423,230)	\$ (48,493,314)	\$ (45,463,842)	\$ (46,787,048)	\$ (50,088,439)	\$ (51,641,188)	\$ (56,707,506)	\$ (58,888,517)
Business-type activities	<u>(1,024,746)</u>	<u>(955,195)</u>	<u>(657,372)</u>	<u>(1,155,434)</u>	<u>(793,723)</u>	<u>(770,635)</u>	<u>(1,669,058)</u>	<u>(816,199)</u>	<u>(611,696)</u>	<u>280,498</u>
Total primary government net expense	<u>\$ (44,420,922)</u>	<u>\$ (44,864,276)</u>	<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>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 27,107,432	\$ 27,761,231	\$ 27,912,650	\$ 29,305,427	\$ 28,264,857	\$ 29,969,020	\$ 30,779,188	\$ 31,577,071	\$ 33,811,863	\$ 34,671,787
Intergovernmental	20,290,383	21,046,019	21,808,029	22,746,261	24,835,248	24,796,096	26,438,326	28,020,220	29,763,490	31,094,314
Investment earnings	806,637	537,109	327,131	357,310	386,405	450,673	526,677	609,114	1,760,571	1,538,858
Miscellaneous	-	-	-	-	337,425	679,606	867,331	888,609	784,783	1,003,001
Loss on disposal/sale of capital assets	-	-	(99,618)	-	(12,662)	(110,726)	-	(5,569)	(961,139)	(355,336)
Special item	-	-	-	-	-	(13,655,028)	-	-	-	-
Transfers	<u>(1,436,268)</u>	<u>(677,943)</u>	<u>(900,461)</u>	<u>(600,000)</u>	<u>(1,180,187)</u>	<u>(1,430,895)</u>	<u>(1,457,168)</u>	<u>(1,818,270)</u>	<u>(3,337,198)</u>	<u>(3,872,103)</u>
Total governmental activities	<u>46,768,184</u>	<u>48,666,416</u>	<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>
Business-type activities:										
Property taxes	135,889	131,174	116,393	363,067	315,580	320,358	319,865	609,886	615,922	617,084
Investment earnings	176,875	133,045	115,260	83,032	73,409	97,040	98,154	134,193	330,282	305,652
Miscellaneous	-	-	-	-	196,289	267,231	212,099	181,218	231,758	243,230
Loss on disposal/sale of capital assets	-	-	(11,036)	-	3,710	(152,432)	33,178	(21,234)	-	-
Special item	-	5,498,458	-	-	-	-	-	-	-	-
Transfers	<u>1,436,268</u>	<u>677,943</u>	<u>900,461</u>	<u>600,000</u>	<u>1,180,187</u>	<u>1,430,895</u>	<u>1,457,168</u>	<u>1,818,270</u>	<u>3,337,198</u>	<u>3,872,103</u>
Total business-type activities	<u>1,749,032</u>	<u>6,440,620</u>	<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>
Total primary government	<u>\$ 48,517,216</u>	<u>\$ 55,107,036</u>	<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>
Change in Net Position										
Governmental activities	\$ 3,372,008	\$ 4,757,335	\$ 5,624,501	\$ 3,315,684	\$ 7,167,244	\$ (6,088,302)	\$ 7,065,915	\$ 7,629,987	\$ 5,114,864	\$ 5,192,004
Business-type activities	<u>724,286</u>	<u>5,485,425</u>	<u>463,706</u>	<u>(109,335)</u>	<u>975,452</u>	<u>1,192,457</u>	<u>451,406</u>	<u>1,906,134</u>	<u>3,903,464</u>	<u>5,318,567</u>
Total primary government	<u>\$ 4,096,294</u>	<u>\$ 10,242,760</u>	<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>

Schedule 3

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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	982	832	1,257	809	2,067	925	936	855	1,834	1,474
Restricted	4,398,634	2,897,830	3,893,453	5,627,104	5,468,650	5,432,591	6,001,888	6,499,969	6,558,698	6,933,475
Committed	23,214,936	1,132,486	558,516	720,664	497,191	514,738	642,169	768,592	1,043,346	2,566,959
Assigned	3,794,562	3,526,932	3,457,216	3,078,429	2,802,212	3,031,018	2,762,123	2,762,123	3,776,870	5,495,652
Unassigned	1,859,873	2,470,171	2,184,656	1,657,309	4,601,431	6,900,115	8,783,320	10,871,843	12,199,631	11,064,887
Total General Fund	<u>\$ 33,268,987</u>	<u>\$ 10,028,251</u>	<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>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Designated										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	11,685	11,685	36,947	36,947	72,352	78,746
Restricted	10,999,331	12,749,770	20,971,606	23,082,400	25,046,486	27,366,986	31,853,574	28,885,522	33,031,812	42,064,565
Committed	1,704,999	28,090,589	14,086,564	13,186,791	15,735,865	14,759,977	14,036,382	18,057,551	23,147,882	40,850,337
Assigned	1,894,695	279,105	1,137,613	1,069,114	1,827,078	1,266,377	401,602	5,975,108	5,975,108	416,872
Unassigned	5,445,286	33,140	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 20,044,311</u>	<u>\$ 41,152,604</u>	<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>

Note: Classification of fund balance terminology changed with GASB 54.
GASB 54 was implemented with the reporting period ended June 30, 2011.

Schedule 4

Currituck County, North Carolina

Changes in Fund Balances, Governmental Funds

(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Ad valorem taxes	\$ 27,107,432	\$ 27,766,186	\$ 27,989,041	\$ 29,361,207	\$ 29,470,592	\$ 29,977,477	\$ 30,838,508	\$ 31,581,467	\$ 33,840,876	\$ 34,426,699
Other taxes and licenses	20,290,383	21,327,091	22,027,710	22,918,114	23,945,444	24,970,332	26,438,323	28,020,220	29,597,784	31,094,314
Unrestricted										
intergovernmental	237,129	148,006	138,398	154,237	162,807	160,144	169,703	158,588	165,706	163,691
Restricted										
intergovernmental	4,496,639	4,052,379	4,398,369	3,512,640	4,778,513	5,031,852	5,229,354	3,740,980	4,181,687	4,794,717
Permits and fees	2,005,998	1,996,886	2,428,470	2,190,793	2,452,641	3,034,476	2,673,065	2,759,125	3,218,915	3,686,895
Sales and services	617,213	803,419	781,993	841,435	621,183	838,834	880,906	1,065,032	1,090,390	949,068
Investment earnings	806,637	537,109	327,131	357,310	386,404	450,673	526,677	609,114	1,760,571	1,538,858
Miscellaneous	346,796	558,250	639,866	560,334	576,849	609,635	814,106	848,095	745,992	1,003,001
Total revenues	<u>55,908,227</u>	<u>57,189,326</u>	<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>
Expenditures										
General government	5,806,881	5,633,808	5,962,439	5,716,927	5,742,412	6,002,913	6,225,463	6,856,320	6,631,498	8,277,275
Public safety	16,316,596	17,674,735	20,942,919	18,209,467	19,047,590	20,913,322	20,428,915	22,241,240	23,899,637	30,889,409
Transportation	2,236,988	958,277	1,040,638	522,626	570,173	1,468,532	1,274,958	1,188,260	503,711	857,772
Environmental protection	598,363	1,408,739	3,150,732	2,021,474	823,289	366,153	469,344	525,278	537,800	297,512
Economic and physical development	6,271,605	10,086,060	8,207,098	7,808,460	6,604,716	7,211,632	8,247,024	7,224,954	7,065,298	9,007,575
Human services	4,100,337	4,312,266	4,236,116	4,416,362	4,513,935	4,690,256	5,003,830	3,995,831	4,046,505	4,141,295
Cultural and recreation	8,552,159	10,573,236	3,393,603	3,744,138	2,749,701	6,916,868	6,326,634	2,560,105	2,805,837	4,818,491
Education	10,098,107	11,461,403	15,859,070	10,782,180	11,099,664	11,078,398	11,223,471	11,377,025	12,193,477	13,081,538
Debt service										
Principal	2,931,769	2,975,701	3,363,205	3,651,980	2,296,344	1,569,561	1,573,088	1,576,671	1,580,018	1,565,825
Interest	456,783	359,601	364,671	290,717	196,377	133,147	106,219	79,098	51,919	298,360
Total expenditures	<u>57,369,588</u>	<u>65,443,826</u>	<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>
Excess of revenues over (under) expenditures	(1,461,361)	(8,254,500)	(7,789,513)	2,731,739	8,750,232	4,722,641	6,691,696	11,157,839	15,286,221	4,422,191
Other Financing Sources (Uses)										
Transfers in	10,949,771	13,216,026	11,303,731	9,360,360	11,469,373	13,097,461	10,688,217	13,816,062	14,945,330	12,608,262
Transfers out	(12,386,039)	(13,893,969)	(12,204,192)	(9,960,360)	(12,649,560)	(14,528,356)	(12,145,384)	(15,634,332)	(18,282,528)	(16,480,365)
Installment purchase proceeds	-	6,800,000	3,800,000	-	-	-	-	-	-	21,400,000
Total other financing sources (uses)	<u>\$ (1,436,268)</u>	<u>\$ 6,122,057</u>	<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>
Net change in fund balances	\$ (2,897,629)	\$ (2,132,443)	\$ (4,889,974)	\$ 2,131,739	\$ 7,570,045	\$ 3,291,746	\$ 5,234,529	\$ 9,339,569	\$ 11,949,023	\$ 21,950,088
Debt service as a percent of noncapital expenditures	7.11%	5.98%	6.56%	7.75%	4.93%	3.36%	3.22%	3.13%	2.99%	2.80%

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 ¹ as a Percentage of Actual Value
	Residential Property	Other	Motor Vehicles	Other					
2011	5,972,323,154	1,765,141,892	196,550,493	175,340,287	19,135,253	\$ 8,090,220,573	0.320	7,919,292,799	102.40%
2012	6,105,171,914	1,676,677,997	203,493,600	172,347,136	19,235,248	\$ 8,138,455,399	0.320	6,794,112,307	120.07%
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%

Source: Currituck County Tax Department

Note: Property in the county is reassessed every 8 years. Tax rates are per \$100 of assessed value. The last revaluation was effective July 1, 2013.

¹ Includes tax-exempt property.

Schedule 6

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
County Direct Rates										
General	0.320	0.320	0.320	0.485	0.480	0.480	0.480	0.480	0.480	0.480
<u>Overlapping Rates</u>¹										
Corolla Fire Protection District	-	-	-	-	-	-	-	-	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	0.010	0.010
Knotts Island Fire Protection Service District	-	-	-	-	-	-	-	-	-	0.050
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
Moyock Watershed Improvement District	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
Ocean Sands North and Crown Point Watershed Improvement District	-	-	-	-	-	-	0.050	0.060	0.060	0.060
Whalehead Watershed Improvement District	0.040	0.090	0.090	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
Ocean Sands Water and Sewer District	-	-	-	0.050	0.050	0.050	0.050	0.110	0.110	0.110
Moyock Commons Sewer District	0.245	0.245	0.200	0.100	-	-	-	-	-	-

Source: County of Currituck Budget Ordinance

¹ 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.

Schedule 7

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

Taxpayer	Type of Business	Fiscal Year 2020			Fiscal Year 2011		
		Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Summit Farms Solar LLC	Solar Energy	\$ 110,275,169	1	1.67%			
Dominion Power	Utility	78,846,290	2	1.19%	\$ 55,769,440	2	0.68%
Ranchland Solar LLC	Solar Energy	46,383,394	3	0.70%			
H20BX LLC	Waterpark	36,171,887	4	0.55%			
Coastland Properties 1, LLC	Land Development	22,087,200	5	0.33%	56,361,000	1	0.68%
Harrison Inn Corolla LLC	Hotel	19,918,775	6	0.30%			
Coastland Corporation	Land Development	15,187,300	7	0.23%	39,151,900	3	0.47%
Pine Island Properties LLC	Land Development	13,687,600	8	0.21%	22,132,000	4	0.27%
Golasa Holdings LLC	Land Development	10,210,086	9	0.15%			
SunEnergy1 LLC	Solar Energy	9,756,636	10	0.15%			
Pine Island Holdings	Land Development				21,900,282	5	0.27%
Corolla Bay LLC	Land Development				16,924,554	6	0.21%
Richardson, Ernest	Real Estate Investor				15,134,020	7	0.18%
Carolina Telephone	Utility				11,990,107	8	0.15%
Bank of Currituck	Financial Institution				10,812,457	9	0.13%
Briand K Newman	Real Estate Investor				9,588,333	10	0.12%
Total		<u>\$ 362,524,337</u>		<u>5.48%</u>	<u>\$ 259,764,093</u>		<u>3.16%</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 (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2011	26,474,753	(53,707)	26,421,046	25,941,806	97.99%	475,609	26,417,415	99.99%
2012	26,651,481	(46,444)	26,605,037	26,145,212	98.10%	454,513	26,599,725	99.98%
2013	26,855,308	(80,570)	26,774,738	26,371,383	98.19%	395,564	26,766,947	99.97%
2014	28,242,743	(81,569)	28,161,174	27,778,323	98.31%	373,122	28,151,445	99.96%
2015	28,211,974	(39,616)	28,172,358	27,838,533	98.67%	329,256	28,167,789	99.98%
2016	28,824,998	(14,367)	28,810,631	28,468,794	98.76%	318,878	28,787,672	99.92%
2017	29,422,162	(66,488)	29,355,674	29,068,844	98.80%	271,715	29,340,559	99.95%
2018	30,051,742	(38,185)	30,013,557	29,737,939	98.96%	236,735	29,974,674	99.87%
2019	30,786,172	(21,136)	30,765,036	30,486,856	99.03%	209,861	30,696,717	99.77%
2020	31,715,926	(41,248)	31,674,678	31,176,057	98.29%	-	31,176,057	98.43%

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 ^a	Percentage of Actual Value ^b of Taxable Property	Bonded Debt Per Capita ^a	Total Debt Per Capita ^a
	General Obligation Bonds	Installment Purchase Contracts	General Obligation Bonds	Revenue Bonds	Installment Purchase Contracts					
2011	3,280,000	6,342,471	2,110,000	17,525,000	2,776,422	32,033,893	3.42%	0.40%	959	1,340
2012	2,425,000	11,021,610	1,805,000	17,015,000	10,775,000	43,041,610	4.60%	0.53%	884	1,791
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

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

^aSee Schedule 12 for personal income and population data.

^bSee Schedule 5 for property values.

Schedule 10

Currituck County, North Carolina
 Legal Debt Margin Information,
 Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Assessed Value of Property	\$ 8,252,612,186	\$ 8,311,802,189	\$ 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
Debt Limit, 8% of Assessed Value (Statutory Limitation)	660,208,975	664,944,175	655,083,331	445,249,992	469,125,132	479,679,717	8,328,164	501,874,600	512,311,583	527,373,150
Amount of Debt Applicable to Limit										
General Obligation Bonds	5,390,000	4,230,000	3,065,000	1,890,000	6,367,912	4,794,824	3,218,155	1,637,844	-	-
Revenue Bonds	17,525,000	17,015,000	16,475,000	15,915,000	540,000	270,000	-	-	12,035,000	10,900,000
Installment Purchase Agreements	9,118,893	21,796,610	22,053,528	18,216,548	14,635,000	13,900,000	13,125,000	12,034,999	10,510,825	28,925,000
Less: General Obligation Bonds paid from Enterprise Funds	(2,110,000)	(1,805,000)	(1,490,000)	(1,160,000)	(6,365,896)	(4,792,807)	(3,216,137)	(1,635,825)	-	-
Revenue Bonds from Enterprise Funds	(17,525,000)	(17,015,000)	(16,475,000)	(15,915,000)	(540,000)	(270,000)	-	-	(12,035,000)	(10,900,000)
Total net debt applicable to limit	12,398,893	24,221,610	23,628,528	18,946,548	14,637,016	13,902,017	13,127,018	12,037,018	10,510,825	28,925,000
Legal Debt Margin	<u>\$ 647,810,082</u>	<u>\$ 640,722,565</u>	<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>
Total net debt applicable to the limit as a percentage of debt limit	0.15%	0.29%	0.29%	0.34%	0.25%	0.23%	12.61%	0.19%	0.16%	0.44%

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Water Sales	\$ 2,624,282	\$ 2,583,481	\$ 2,783,856	\$ 2,740,701	\$ 2,911,883	\$ 2,934,164	\$ 2,874,696	\$ 3,094,533	\$ 3,139,717	\$ 3,332,850
Water Impact Fees	361,916	199,000	291,013	405,200	595,091	624,723	601,276	1,268,600	1,303,036	35,017
System Developmental Fees Used for New Capital	-	-	-	-	-	-	-	-	-	425,000
	<u>\$ 2,986,198</u>	<u>\$ 2,782,481</u>	<u>\$ 3,074,869</u>	<u>\$ 3,145,901</u>	<u>\$ 3,506,974</u>	<u>\$ 3,558,887</u>	<u>\$ 3,475,972</u>	<u>\$ 4,363,133</u>	<u>\$ 4,442,753</u>	<u>\$ 3,792,867</u>
Reconnection Fees	\$ 50,050	\$ 57,685	\$ 55,350	\$ 52,375	\$ 50,355	\$ 56,047	\$ 58,700	\$ 77,375	\$ 90,697	\$ 69,712
Penalties	79,052	86,945	75,114	85,169	81,887	79,102	73,802	72,928	75,156	60,799
Sale of materials	16,246	14,245	60,099	15,860	30,038	13,960	18,971	15,718	-	21,411
Other	-	-	-	-	100	84,835	1,000	35,500	-	5,867
Investment Earnings	12,253	8,366	7,690	9,756	11,738	18,550	33,051	48,397	146,353	116,422
	<u>\$ 157,601</u>	<u>\$ 167,241</u>	<u>\$ 198,253</u>	<u>\$ 163,160</u>	<u>\$ 174,118</u>	<u>\$ 252,494</u>	<u>\$ 185,524</u>	<u>\$ 249,918</u>	<u>\$ 312,206</u>	<u>\$ 274,211</u>
TOTAL REVENUES	\$ 3,143,799	\$ 2,949,722	\$ 3,273,122	\$ 3,309,061	\$ 3,681,092	\$ 3,811,381	\$ 3,661,496	\$ 4,613,051	\$ 4,754,959	\$ 4,067,078
EXPENSES										
Personnel	\$ 665,592	\$ 657,654	\$ 647,997	\$ 630,832	\$ 718,799	\$ 694,687	\$ 499,112	\$ 751,759	\$ 764,733	\$ 751,596
Operations	639,345	616,171	786,119	636,330	693,061	712,469	984,253	650,208	731,994	862,694
Capital Outlay	-	35,130	168,605	80,010	228,944	272,506	189,552	189,402	478,057	532,372
TOTAL EXPENSES, EXCLUDING DEBT	\$ 1,304,937	\$ 1,308,955	\$ 1,602,721	\$ 1,347,172	\$ 1,640,804	\$ 1,679,662	\$ 1,672,917	\$ 1,591,369	\$ 1,974,784	\$ 2,146,662
REVENUES AVAILABLE FOR DEBT	\$ 1,838,863	\$ 1,640,767	\$ 1,670,401	\$ 1,961,889	\$ 2,040,288	\$ 2,131,719	\$ 1,988,579	\$ 3,021,682	\$ 2,780,175	\$ 1,920,416
2008 Water Revenue Bonds	500,000	510,000	540,000	560,000	585,000	695,000	735,000	775,000	1,090,000	1,135,000
Interest: 2008 Revenue Bonds	737,223	716,773	695,914	673,828	599,609	440,150	419,996	399,093	376,841	345,546
TOTAL SENIOR DEBT	\$ 1,237,223	\$ 1,226,773	\$ 1,235,914	\$ 1,233,828	\$ 1,184,609	\$ 1,135,150	\$ 1,154,996	\$ 1,174,093	\$ 1,466,841	\$ 1,480,546
2004 General Obligation Bond Refunding	\$ 285,000	\$ 305,000	\$ 315,000	\$ 330,000	\$ 345,000	\$ 275,000	\$ 270,000	\$ 270,000	\$ -	\$ -
Interest: 2004 General Obligation Bond Refunding	105,035	90,785	75,535	59,785	46,585	29,335	19,710	9,990	-	-
TOTAL SUBORDINATE DEBT	\$ 390,035	\$ 395,785	\$ 390,535	\$ 389,785	\$ 391,585	\$ 304,335	\$ 289,710	\$ 279,990	\$ -	\$ -
MINIMUM 1.15 SENIOR DEBT COVERAGE	\$ 1,422,806	\$ 1,410,789	\$ 1,421,301	\$ 1,418,902	\$ 1,362,300	\$ 1,305,423	\$ 1,328,245	\$ 1,350,207	\$ 1,686,867	\$ 1,702,628
MINIMUM 1.00 SUBORDINATE DEBT COVERAGE	\$ 390,035	\$ 395,785	\$ 390,535	\$ 389,785	\$ 391,585	\$ 304,335	\$ 289,710	\$ 279,990	\$ -	\$ -
SENIOR DEBT SERVICE COVERAGE	1.49	1.34	1.35	1.59	1.72	1.88	1.72	2.57	1.90	1.30
SUBORDINATE DEBT SERVICE COVERAGE	1.54	1.05	1.11	1.87	2.19	3.27	2.88	6.60	N/A	N/A
TOTAL DEBT SERVICE COVERAGE	1.13	1.01	1.03	1.21	1.29	1.48	1.38	2.08	1.90	1.30

Schedule 12

Currituck County, North Carolina
Demographic and Economic Statistics,
Last Ten Fiscal Years

Year	Population ^a	Personal Income (thousands of dollars) ^a	Per Capita Personal Income ^a	Public School Enrollment ^b	Unemployment Rate ^c
2011	23,904	886,144	37,071	4,175	5.60%
2012	24,034	936,653	38,972	3,923	4.70%
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	27,763	*	*	*	6.00%

* Information not yet available

Sources:

^a Bureau of Economic Analysis

^b Currituck County Board of Education

^c Bureau of Labor Statistics

Schedule 13

Currituck County, North Carolina
Full-time Equivalent County Government Employees by Function,
Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	59.00	59.00	62.00	62.00	72.00	71.00	72.00	72.00	73.00	74.00
Public safety	189.92	189.92	188.92	192.92	192.67	199.57	202.62	225.62	231.62	239.62
Transportation	2.00	2.00	2.00	2.00	1.40	1.40	1.40	1.40	2.40	2.40
Environmental protection	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Community development	24.00	24.00	22.00	22.00	23.00	22.00	22.00	23.00	24.00	24.00
Cultural & recreation	19.10	19.10	19.60	19.60	19.48	20.71	20.71	20.71	20.71	20.71
Human services	42.75	42.75	41.75	41.75	41.75	43.75	44.75	44.75	44.75	44.75
Proprietary operations	23.00	26.00	28.00	28.00	25.00	25.00	25.00	27.00	27.00	31.00
	361.77	364.77	366.27	370.27	377.30	385.43	390.48	416.48	425.48	438.48

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>2020</u>		<u>2011</u>	
<u>Employer</u>	<u>Employees^a</u>	<u>Rank</u>	<u>Employees^a</u>	<u>Rank</u>
Currituck County Board of Education	500-999	1	500-999	1
County of Currituck	250-499	2	250-499	2
Twiddy & Co. of Duck Inc.	100-249	3	100-249	7
Food Lion LLC	100-249	4	100-249	5
Academi Training Center LLC	100-249	5	250-499	3
Brindley Beach Vacations & Sales	100-249	6	---	
Constellis Group LLC	100-249	7	----	
Resort Realty of the Outerbanks	100-249	8	---	
Sun Realty	100-249	9	----	
Harris Teeter	50-99	10	---	
Coastal Staffing	---		100-249	4
Constellis Group LLC	---		100-249	6
Sentara Internal Medicine Physician	---		50-99	8
Southland Trade Corp	---		50-99	9
Wyndham Vacation	---		50-99	10
Total	<u><u>1,850-3,990</u></u>		<u><u>1,550-3,290</u></u>	

^a Due to proprietary confidentiality, employment data is available in ranges from the Employment Security Commission of North Carolina.

Schedule 15
Currituck County, North Carolina
Operating Indicators by Function

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities:										
Public Safety										
Law Enforcement ¹										
Deputies	63	63	63	63	63	63	63	65	67	69
Emergency Medical Services ²										
Emergency Medical Technicians	72	72	73	76	76	76	76	51	52	56
Fire Services										
Fire Fighters	-	-	-	-	-	-	-	51	51	51
Human Services ³										
Number of Physicians	9	10	8	*	*	*	10	*	*	*
Population/physician ratio	2,622	2,650	252	*	*	*	202	*	*	*
Education ⁴										
Schools	10	10	10	10	10	10	10	10	10	10
Teachers	264	260	238	248	245	245	252	258	286	286
Student Enrollment	4,175	4,175	4,014	3,871	3,923	3,966	3,980	4,012	4,049	4,068
SAT Scores ⁷	1,471	1,440	1,434	1,445	1,504	1,469	1,072	1,097	1,087	n/a
Enterprise Activities:										
Newtown Road Sewer ⁵										
Treatment capacity (MGD)	0.025	0.115	0.115	-	-	-	-	-	-	-
Annual engineering maximum										
plant capacity (millions of gallons)	0.025	0.115	0.115	-	-	-	-	-	-	-
Amount treated annually										
(millions of gallons)	3.898	3.898	3.843	-	-	-	-	-	-	-
Unused capacity (millions of gallons)	0.014	0.104	0.104	-	-	-	-	-	-	-
Percentage of capacity utilized	42.72%	9.57%	9.10%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Residential sewer customers	27	27	27	27	N/A	N/A	N/A	N/A	N/A	N/A
Commercial sewer customers	1	1	1	1	N/A	N/A	N/A	N/A	N/A	N/A
Maple Commerce Park Sewer ⁵										
Treatment capacity (MGD)	*	*	0.040	0.040	0.040	0.040	0.040	0.040	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
Amount treated annually										
(millions of gallons)	*	*	1.880	1.880	1.540	2.220	2.220	2.181	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
Percentage of capacity utilized	*	*	6.00%	6.00%	5.20%	8.00%	8.00%	14.94%	N/A	N/A
Number of residential customers	*	*	-	-	-	-	-	-	N/A	N/A
Number of commercial customers	*	*	7	8	8	8	8	8	N/A	N/A
Moyock Commons Sewer ⁵										
Treatment capacity (MGD)	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	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	0.040	N/A	N/A
Amount treated annually										
(millions of gallons)	4.560	3.450	3.450	-	-	-	-	-	N/A	N/A

continued

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Unused capacity (millions of gallons)	0.025	0.031	0.031	-	-	-	-	-	N/A	N/A
Percentage of capacity utilized	37.50%	23.75%	23.75%	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
Number of commercial customers	25	25	25	23	N/A	N/A	N/A	N/A	N/A	N/A
Mainland Central Sewer ⁵										
Treatment capacity (MGD)	*	*	0	0.099	0.099	0.099	0.099	0.099	0.099	0.099
Annual engineering maximum plant capacity (millions of gallons)	*	*	0	0.099	0.099	0.099	0.099	0.099	0.099	0.099
Amount treated annually (millions of gallons)	*	*	*	4.790	4.267	8.460	8.460	12.939	12.939	12.939
Unused capacity (millions of gallons)	*	*	*	0.086	0.087	0.076	0.076	0.064	0.064	0.064
Percentage of capacity utilized	*	*	*	13.00%	12.00%	23.00%	23.00%	36.81%	36.81%	36.81%
Number of residential customers	*	*	*	-	25	27	27	27	585	585
Number of commercial customers	*	*	*	8	32	24	24	24	45	45
Walnut Island Sewer ⁵										
Treatment capacity (MGD)	*	0	0.120	0.120	0.120	0.120	0.120	0.120	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
Amount treated annually (millions of gallons)	*	6.49	4.94	4.84	2.73	4.56	4.56	5.82	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
Percentage of capacity utilized	*	0	18.00%	11.00%	6.00%	11.00%	11.00%	13.29%	N/A	N/A
Number of residential customers	*	257	253	264	258	253	253	253	N/A	N/A
Number of commercial customers	*	-	-	-	-	-	-	-	N/A	N/A
Southern Outer Banks Water ⁵										
Average daily usage (in 1,000 gallons)	555	668	623	595	672	936	936	1,113	944	1,074
Water storage capacity (MGD)	1.500	4.200	4.200	4.200	4.200	4.200	4.200	3.696	3,696	3,696
Number of water pumping stations	1	5	5	5	5	5	5	2	2	2
Number of residential customers	1,217	3,764	2,905	2,758	2,805	2,825	2,825	3,084	2,934	2,977
Number of commercial customers	23	200	197	202	179	200	200	261	214	215
Ocean Sands Water and Sewer ⁵										
Average daily water usage (in 1,000 gallons)	189	166	166	161	153	162	162	148	163	180
Water storage capacity (MGD)	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	0.600	0.500	0.500	0.500
Annual engineering maximum sewer plant capacity (millions of gallons)	0.600	0.600	0.600	0.600	0.600	0.600	0.600	0.500	0.600	0.600
Amount sewer treated annually (millions of gallons)	59	61	61	59	63	68	68	53	51	51
Unused sewer capacity (millions of gallons)	0.100	0.433	0.433	0.438	0.428	0.413	0.413	0.355	0.355	0.355
Percentage of sewer capacity utilized	83.33%	27.85%	27.85%	27.00%	28.60%	31.00%	31.00%	70.96%	70.96%	70.96%
Number of residential water customers	957	959	975	978	994	993	993	1,014	1,010	1,017
Number of commercial water customers	8	8	8	8	8	8	8	8	8	8
Number of residential sewer customers	957	959	975	978	994	993	993	1,014	1,014	1,014
Number of commercial sewer customers	8	8	8	8	8	8	8	8	8	8
									continued	continued
Mainland Water ⁵										
Water storage capacity (MGD)	3.600	3.600	3.600	3.600	3.600	3.600	3.600	3.600	3,200	3,200
Residential water customers	4,686	4,856	4,856	5,165	5,253	5,423	5,423	7,482	6,197	6,197
Commercial water customers	385	394	394	417	394	417	417	501	418	418
Solid Waste ⁶										

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total number of households served	14,362	14,469	14,516	14,624	14,814	15,221	15,455	15,640	16,202	16,530
Total tonnage disposed	22,536	22,531	24,576	20,013	22,231	21,478	22,752	25,494	23,945	25,439
Recycling Program:										
Households served by program	14,362	14,469	14,516	14,624	14,814	15,221	15,455	15,640	16,202	16,530
Tonnage recovered	2,186	2,869	2,540	3,368	2,778	2,914	3,014	2,782	2,137	3,232
Mulching/composting program										
Households served by program	14,362	14,469	14,516	14,624	14,814	15,221	15,455	15,640	16,202	16,530
Tonnage recovered	1,405	2,869	1,206	870	1,076	1,011	1,888	1,154	2,180	1,651
Total cost of solid waste program	\$ 3,742,527	\$ 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
Cost per household	\$ 261	\$ 270	\$ 274	\$ 259	\$ 256	\$ 245	\$ 271	\$ 299	\$ 304	\$ 314
Cost per ton - includes recycling & mulch/compost	\$ 143	\$ 138	\$ 140	\$ 156	\$ 149	\$ 174	\$ 164	\$ 147	\$ 175	\$ 184

Sources:

¹Currituck County Sheriff's Department

²Currituck County Emergency Medical Services Department

³NC Department of Commerce

⁴Currituck County Schools

⁵Currituck County Utilities Department

⁶Currituck County Public Works Department

⁷The 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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities:										
General Government										
Buildings ³	61	61	61	65	65	65	66	66	66	66
Public Safety										
Law Enforcement ¹										
Stations	1	1	1	1	1	1	1	1	1	1
Satellite Stations	3	3	3	3	3	3	3	3	3	3
Emergency Medical Services ²										
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	3	3
Community Recreation Facility	-	1	1	1	1	1	1	1	1	1
Enterprise Activities:										
Newtown Road Sewer ⁴										
Miles of sewer lines	1	1	1	1	1	-	-	-	N/A	N/A
Number of treatment plants	1	1	1	1	1	-	-	-	N/A	N/A
Maple Commerce Park Sewer ⁴										
Miles of sewer lines	*	1	1.4	1.4	1.4	1.4	1.4	1.4	N/A	N/A
Number of treatment plants	*	1	1	1	1	1	1	1	N/A	N/A
Moyock Commons Sewer ⁴										
Miles of sewer lines	4	8	6.9	6.9	6.9	-	-	-	N/A	N/A
Number of treatment plants	1	1	1	1	1	1	-	-	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
Number of treatment plants	*	*	1	1	1	1	1	1	1	1
										<i>continued</i>
Walnut Island Sewer ⁴										
Miles of sewer lines	2	4	3.6	3.6	3.6	5.2	5.2	5.2	N/A	N/A
Number of treatment plants	2	1	1	1	1	1	1	1	N/A	N/A
Southern Outer Banks Water ⁴										
Miles of water lines	41.75	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
Number of water wells	28	113	113	113	113	113	113	113	113	113
Ocean Sands Water and Sewer ⁴										
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	12.40	12.40
Number of sewer treatment plants	1	1	1	1	1	1	1	1	1	1
Mainland Water ⁴										
Miles of water lines	261	261	262	262	262	263	263	263	263	263
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:

- ¹Currituck County Sheriff's Department
²Currituck County Emergency Medical Services Department
³Currituck County Public Works Department
⁴Currituck 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 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 the County of Currituck, North Carolina, as of and for the year ended June 30, 2020, 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 January 29, 2021. 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*.

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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 the internal control over financial reporting 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs [2020-001] that we consider to be a material weakness.

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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Currituck County's Response to Findings

Currituck County's response to the findings listed in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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, L.L.C.

New Bern, NC
January 29, 2021



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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

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, 2020. 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.

Management's Responsibility

Management is responsible for compliance with the Federal and State statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Currituck's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Currituck's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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, 2020.

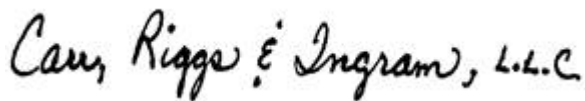
Report on Internal Control Over Compliance

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

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

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



New Bern, NC
January 29, 2021

CURRITUCK COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

Section I Summary of Auditors' Results

Financial Statements

Type of Auditors' report issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☒ yes ☐ no
- Significant deficiencies identified ☐ yes ☒ none reported

Noncompliance material to financial statements noted

☐ yes ☒ no

Federal Awards

Internal control over major federal programs

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiencies identified ☐ yes ☒ 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 ☒ no

Identification of major federal programs:

CFDA Numbers	Names of Federal Program or Cluster
97.044	Assistance to Firefighters Grant

Dollar threshold used to distinguish between Type A and Type B Programs

\$750,000

Auditee qualified as low-risk auditee?

☒ yes ☐ no

State Awards

None noted

Section II**Financial Statement Findings**

Finding :	2020-001 Proper Reporting of Fiduciary Funds
Criteria:	All funds meeting certain criteria as established in GASB No. 84, Fiduciary Activities, should be properly presented in the financial statements.
Condition:	Currituck County implemented GASB No. 84, Fiduciary Activities this fiscal year and identified two funds related to Post-Employment Benefits that should have been presented in the General Fund. All assets, liabilities, fund balance, net position, revenues and expenses will be reported in the General Fund. Beginning fund balance and net position has been restated to include an increase of \$1,715,346 to reflect the beginning balances.
Cause:	Currituck County implemented GASB Statements No. 84, Fiduciary Activities this fiscal year and evaluated all funds being held by the County for proper classification under the new criteria.
Recommendation:	Currituck County should review funds routinely to ensure they are properly recorded.
Management response:	Currituck County agrees with this finding and has recorded a restatement adjustment to properly report the funds.

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

None Reported

Section IV**State Award Findings and Questioned Costs**

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

Benjamin C. Stikeleather
County Manager
Donald Ike McRee
County Attorney
Leeann Walton
Clerk to the Board

CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding: 2020-001 Proper Reporting of Fiduciary Funds

Name of contact person: Sandra Hill, Finance Officer

Corrective Action: Currituck County has implemented GASB Statement No. 84, Fiduciary Activities, evaluated all funds for proper classification and reporting in accordance with the criteria specified in the new standard, and recorded a restatement in the amount of \$1,715,346.

Proposed Completion Date: Currituck County has implemented the above procedures.

Section III

Federal Award Findings and Questioned Costs

None Reported

Section IV

State Award Findings and Questioned Costs

None Reported

CURRITUCK COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Fiscal Year Ended June 30, 2020

Finding: 2019-001

Status: Corrected

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

None Reported

Section IV**State Award Findings and Questioned Costs**

None Reported

COUNTY OF CURRITUCK
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ending June 30, 2020

GRANTOR, PASS THROUGH GRANTOR PROGRAM TITLE	CFDA	AMOUNT EXPENDED		COUNTY
		FEDERAL	STATE	
FEDERAL AWARDS -				
U.S. Department of Agriculture				
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	\$ 156,524	\$ -	\$ -
Total U.S. Department of Agriculture		<u>156,524</u>	<u>-</u>	<u>-</u>
U.S. Department of Treasury				
Passed through Office of State Budget and Management				
NC Pandemic Recovery Office				
COVID-19 Coronavirus Relief Fund (Note 10)	21.019	39,436	-	-
Total U.S. Department of Housing and Urban Development		<u>39,436</u>	<u>-</u>	<u>-</u>
U.S. Department of Transportation				
Passed through NC Department of Transportation				
Airport Improvement Program	20.106	309,200	-	-
Total U.S. Department of Transportation		<u>309,200</u>	<u>-</u>	<u>-</u>
U.S. Department of Health and Human Services				
Passed through North Carolina Department of Health and Human Services				
Division of Social Services:				
Temporary Assistance for Needy Families:				
Temporary Assistance for Needy Families (TANF) (Notes 9)	93.558	278,258	-	-
Total TANF		<u>278,258</u>	<u>-</u>	<u>-</u>
Low Income Home Energy Assistance				
Administration	93.568	75,620	-	-
Crisis Intervention Program	93.568	46,526	-	-
Total Low Income Home Energy Assistance		<u>122,146</u>	<u>-</u>	<u>-</u>
MaryLee Allen Promoting Safe and Stable Families Program	93.556	8,294		-
MaryLee Allen Promoting Safe and Stable Families Program -Refugee Assistance	93.556	281		-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	24,759		-
Social Services Block Grant	93.667	87,632		-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2,545		-
LINKS - Benefit Payments	93.674	642	161	-
Child Support Enforcement	93.563	140,500		-
Foster Care and Adoption Cluster (Note 3):				
Foster Care Title IV-E (Note 9)	93.658	84,690	19,738	-
Adoption Assistance (Note 9)	93.659	2,212		-
Total Foster Care and Adoption Cluster		<u>86,902</u>	<u>19,738</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	81,800	-	-
Total Subsidized Child Care		<u>81,800</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	672,813	1,839	-
Total Medicaid Cluster		<u>672,813</u>	<u>1,839</u>	<u>-</u>
Children's Health Insurance Program - NC Health Choice (Note 9)	93.767	34,236	837	-
Total U.S. Department of Health and Human Services		<u>1,540,808</u>	<u>22,575</u>	<u>-</u>
				continued

GRANTOR, PASS THROUGH GRANTOR PROGRAM TITLE	CFDA	AMOUNT EXPENDED		COUNTY
		FEDERAL	STATE	
U.S. Department of Homeland Security				
Passed through NC Department of Public Safety				
Emergency Management Performance Grants	97.042	38,904		-
Assistance to Firefighters Grants	97.044	994,984		-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	103,269	34,423	-
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	490,482		-
Total U.S. Department of Homeland Security		<u>1,627,639</u>	<u>34,423</u>	<u>-</u>
TOTAL FEDERAL AWARDS		<u>3,673,607</u>	<u>56,998</u>	<u>-</u>
STATE AWARDS -				
North Carolina Department of Health and Human Services				
Division of Social Services:				
State Child Welfare		-	17,394	-
Total North Carolina Department of Health and Human Services		<u>-</u>	<u>17,394</u>	<u>-</u>
NC Department of Agriculture				
Stream Debris Cleanup		-	21,472	
Total North Carolina Department of Public Safety		<u>-</u>	<u>21,472</u>	<u>-</u>
North Carolina Department of Transportation				
Public Transportation Division:				
DOT-8 Parallel Taxiway		-	49,928	-
Total North Carolina Department of Transportation		<u>-</u>	<u>49,928</u>	<u>-</u>
North Carolina Department of Public Safety				
Emergency Management Performance Grant		-	2,700	
Juvenile Crime Prevention		-	97,092	
Total North Carolina Department of Administration		<u>-</u>	<u>99,792</u>	<u>-</u>
North Carolina Department of Environmental Quality				
Parks and Recreation Trust Fund		-		-
Lottery Fund		-	147,041	
		<u>-</u>	<u>147,041</u>	<u>-</u>
TOTAL STATE AWARDS		<u>-</u>	<u>335,627</u>	<u>-</u>
TOTAL FEDERAL AND STATE AWARDS		<u>\$ 3,673,607</u>	<u>\$ 392,625</u>	<u>\$ -</u>

The County did not provide federal funds to subrecipients for the fiscal year ended June 30, 2020.

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, 2020. 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 Programs

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

continued

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, 2020.

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.

Program Title	CFDA No.	Federal	State
Special Supplemental Nutrition Program for Women, Infant and Children	10.557	228,503	-
Supplemental Nutrition Assistance Program	10.561	2,666,940	-
Temporary Assistance for Needy Families	93.558	73,017	-
Adoption Assistance	93.659	38,732	8,671
Foster Care - Title IV-E	93.658	26,546	4,786
Low Income Energy Assistance	93.674	66,249	-
Medical Assistance Program	93.778	13,073,781	5,847,682
Children's Health Insurance Program	93.767	359,770	28,255
Child Welfare Services Adoption		-	120,534
State / County Special Assistance Program		-	126,147

Note 10: Coronavirus Relief Funds

Currituck County received \$701,713 of funding from the Coronavirus Relief Fund (21.019) and is scheduled to receive \$538,523 in July 2020. At least twenty-five percent (25%) of the funds are mandated to go to municipalities within Currituck County, at the discretion of the County. As the County does not have any municipalities within the County, they will retain 100% of the funds. Counties are liable to the State for funds not spent in accordance with US Dept. of Treasury, the granting agency, guidelines. CRF must be spent during the period March 1, 2020 to December 31, 2021.