

REVIEWED

By SLGFD at 11:34 am, Dec 17, 2021

TOWN OF CALYPSO
Calypso, North Carolina

FINANCIAL STATEMENTS
Year Ended June 30, 2021

TOWN OF CALYPSO
Calypso, North Carolina

BOARD OF COMMISSIONERS

Rubylene Lambert – Mayor
Debra Jones – Mayor Pro-Tem

Steve Herring

Joanne Wilson

Ryan Cox

Jeff Cooke

ADMINISTRATIVE OFFICERS

Alice Dixon
Clerk

Rubylene Lambert
Finance Officer

Town of Calypso, North Carolina
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June 30, 2021

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FINANCIAL SECTION



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Independent Auditor's Report

To the Honorable Mayor
and Members of the Town Council
Calypso, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Calypso, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

major fund, and the aggregate remaining fund information of the Town of Calypso, North Carolina, as of June 30, 2021, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions be presented to supplement the basic financial statements. Such information, although not a required 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 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 the Town of Calypso, North Carolina. The combining and individual fund statements, budgetary schedules, and other schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining individual fund statements, budgetary schedules, and other schedule, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepared the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedule, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Thompson, Price, Scott, Adams & Co., PA
Wilmington, North Carolina
October 29, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the Town of Calypso (the "Town"), we offer readers of the Town of Calypso's financial statements this narrative overview and analysis of the financial activities of the Town of Calypso for the fiscal year ended June 30, 2021. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

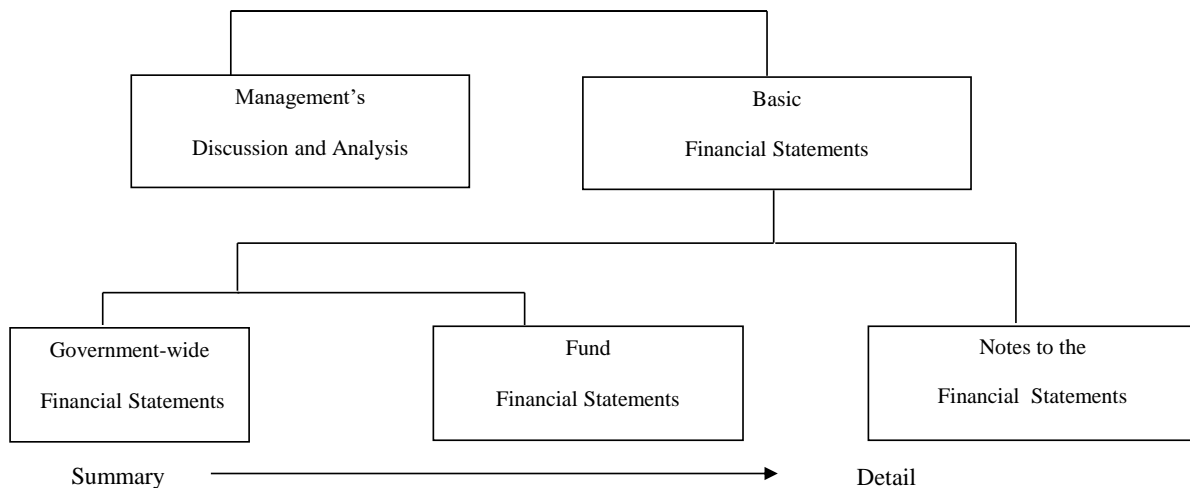
- The assets and deferred outflows of resources of the Town of Calypso exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$5,217,210 (net position).
- The government's total net position decreased from the prior year by \$178,256
- As of the close of the current fiscal year, the Town of Calypso's governmental fund reported an ending fund balance of \$785,203 with a net change of \$137,196 in fund balance. Approximately 9.27% of this total amount, or \$72,814, is non spendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$712,389 or 127% of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Town of Calypso's basic financial statements. The Town'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 Town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of Calypso.

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 Town's financial status.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show additional details about the Town's individual funds. Budgetary information required by the North Carolina General Statutes can also be found in this part of the statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town'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 Town's financial status as a whole.

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

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Town'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 Town charges customers to provide. These include the water and sewer services offered by the Town of Calypso.

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

Fund Financial Statements

The fund financial statements (see Figure 1) provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Calypso, 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 North Carolina General Statutes or the Town's budget ordinance. All of the funds of the Town of Calypso can be divided into two categories: governmental funds and proprietary fund.

Governmental Funds

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. All of the Town'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* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town'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.

The Town of Calypso 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 Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Fund

Town of Calypso has one kind of proprietary fund. *The Enterprise Fund* is used to report the same functions presented as business-type activities in the government-wide financial statements. Town of Calypso uses an enterprise fund to account for its water fund activity. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

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 follow Exhibit 8 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Calypso's progress in funding its obligation to provide pension benefits to its employees.

Interdependence with other Entities - The Town depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Government-Wide Financial Analysis

**Town of Calypso's Net Position
Figure 2**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 805,147	\$ 940,212	\$ 1,099,114	\$ 1,015,121	\$ 1,904,261	\$ 1,955,333
Capital assets	143,774	155,380	3,226,548	3,329,377	3,370,322	3,484,757
Total assets	948,920	1,095,592	4,325,662	4,344,498	5,274,583	5,440,090
Deferred outflows of resources	18,437	11,450	10,015	5,388	28,452	16,838
Long-term liabilities outstanding	22,112	10,748	38,076	29,590	60,188	40,338
Other liabilities	13,609	9,313	570	11,071	14,179	20,384
Total liabilities	35,721	20,061	38,646	40,661	74,367	60,722
Deferred inflows of resources	335	503	158	237	493	740
Net position:						
Net investment in capital assets	143,774	155,380	3,226,548	3,329,377	3,370,322	3,484,757
Restricted	72,814	157,660	-	-	72,814	157,660
Unrestricted	714,713	773,438	1,059,361	979,611	1,774,074	1,753,049
Total net position	\$ 931,301	\$ 1,086,478	\$ 4,285,909	\$ 4,308,988	\$ 5,217,210	\$ 5,395,466

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Calypso exceeded liabilities and deferred inflows by \$5,217,210 as of June 30, 2021. The Town's net position decrease by \$178,256 for the fiscal year ended June 30, 2021. However the largest portion, \$3,370,322 (65%) reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town of Calypso uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Calypso's net investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the Town of Calypso's net position, \$72,814, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,774,074 is unrestricted.

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

- Continued diligence in the collection of property taxes by maintaining a tax collection percentage of 96%.

Town of Calypso
Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues						
Charges for services	\$ 71,600	\$ 66,507	\$ 282,736	\$ 362,000	\$ 354,336	\$ 428,507
Operating grants and contributions	7,730	19,925	-	-	7,730	19,925
Capital grants and contributions	29,012	-	-	-	29,012	-
General revenues:						
Property taxes	82,413	92,756	-	-	82,413	92,756
Other taxes	223,686	201,983	-	-	223,686	201,983
Other	6,982	27,254	2,493	1,113	9,475	28,367
Total revenues	421,423	408,425	285,229	363,113	706,652	771,538
Expenses:						
General government	133,910	116,065	-	-	133,910	116,065
Public safety	41,600	42,264	-	-	41,600	42,264
Cultural and recreation	96,561	7,512	-	-	96,561	7,512
Transportation	243,029	69,945	-	-	243,029	69,945
Environmental protections	61,500	64,762	-	-	61,500	64,762
Water and sewer	-	-	308,308	352,973	308,308	352,973
Total expenses	576,600	300,548	308,308	352,973	884,908	653,521
Increase (decrease) in net position	(155,177)	107,877	(23,079)	10,140	(178,256)	118,017
Net position, July 1	1,086,478	978,601	4,308,988	4,298,848	5,395,466	5,277,449
Net position, June 30	\$ 931,301	\$ 1,086,478	\$ 4,285,909	\$ 4,308,988	\$ 5,217,210	\$ 5,395,466

Governmental activities. Governmental activities decreased the Town's net position by \$155,177 accounting for 87% of the total decrease in the net position of the town of Calypso. Key elements of this decrease are as follows:

- Increase in Expenditures.

Business-type activities. Business-type activities decreased the Town's net position by \$23,079, accounting for 13% of the total decrease in the net position of the town of Calypso. Key elements of this decrease are as follows:

- Decrease in Revenues.

Financial Analysis of the Town's Funds

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

Governmental Funds. The focus of the Town of Calypso's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Calypso's financing requirements.

The general fund is the chief operating fund of the Town of Calypso. At the end of the current fiscal year, Town of Calypso's fund balance available in the General Fund was \$712,389, while total fund balance reached \$785,203. The Town currently has an available fund balance of 127% of general fund expenditures, while total fund balance represents 140% of the same amount.

At June 30, 2021, the governmental fund of the Town of Calypso reported a fund balance of \$785,203 with a net decrease in fund balance of \$137,196.

General Fund Budgetary Highlights. During the fiscal year, the Town 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.

Proprietary Fund. The Town's proprietary fund provides the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to \$1,059,361. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town's business-type activities.

Capital Assets and Debt Administration

Capital assets. The Town of Calypso's investment in capital assets for its governmental and business type activities as of June 30, 2021, totals \$3,370,322 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles.

Town of Calypso's Capital Assets
(net of depreciation)
Figure 4

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 539	\$ 539	\$ 6,500	\$ 6,500	\$ 7,039	\$ 7,039
Buildings and other systems	79,223	82,053	3,217,365	3,311,675	3,296,588	3,393,728
Infrastructure	59,953	66,701	-	-	59,953	66,701
Vehicles and motorized equipment	4,059	6,087	2,683	11,202	6,742	17,289
Total	<u>\$ 143,774</u>	<u>\$ 155,380</u>	<u>\$ 3,226,548</u>	<u>\$ 3,329,377</u>	<u>\$ 3,370,322</u>	<u>\$ 3,484,757</u>

Additional information on the Town's capital assets can be found in the notes to the Basic Financial Statements.

Long-term Debt. As of June 30, 2021, the following changes occurred in liabilities in the Long-Term Debt:

	Balance 06/30/20	Additions	Retirements	Balance 06/30/21	Current Portion
Governmental Activities:					
Net pension liability	\$ 9,842	\$ 12,270	\$ -	\$ 22,112	\$ -
Compensated absences	906	-	885	21	21
Governmental activity long-term liabilities	<u>\$ 10,748</u>	<u>\$ 12,270</u>	<u>\$ 885</u>	<u>\$ 22,133</u>	<u>\$ 21</u>
Business-type Activities:					
Net pension liability	\$ 4,632	\$ 5,774	\$ -	\$ 10,406	\$ -
Compensated absences	88	470	-	558	558
Business-type activity long-term liabilities	<u>\$ 4,720</u>	<u>\$ 6,244</u>	<u>\$ -</u>	<u>\$ 10,964</u>	<u>\$ 558</u>

Additional information regarding the Town of Calypso's long-term debt can be found in the notes to the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

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

- Unemployment rates remained low.
- The Town will benefit greatly from the water project through an increase in services provided.

Requests for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Rubylene Lambert, Post Office Box 327, Calypso, NC 28325. You can also call 919-658-9221 or send an email to calypsocityof@bellsouth.net for more information.

BASIC FINANCIAL STATEMENTS

Town of Calypso, North Carolina
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 725,977	\$ 1,063,446	\$ 1,789,423
Restricted cash	22,192	27,670	49,862
Taxes receivable	6,356	-	6,356
Receivables (net)	50,622	7,998	58,620
Capital assets:			
Land, improvements, and construction in progress	539	6,500	7,039
Other capital assets, net of depreciation	143,235	3,220,048	3,363,283
Total capital assets	143,774	3,226,548	3,370,322
Total assets	948,920	4,325,662	5,274,583
DEFERRED OUTFLOWS OF RESOURCES	18,437	10,015	28,452
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued expenses	13,588	12	13,600
Compensated Absences	21	558	579
Long-term liabilities:			
Liabilities payable from restricted assets:			
Deposits	-	27,670	27,670
Net pension liability	22,112	10,406	32,518
Total liabilities	35,721	38,646	74,367
DEFERRED INFLOWS OF RESOURCES	335	158	493
NET POSITION			
Net investment in capital assets	143,774	3,226,548	3,370,322
Restricted for:			
Stabilization by State Statue	50,622	-	50,622
Streets	22,192	-	22,192
Unrestricted (deficit)	714,713	1,059,361	1,774,074
Total net position	\$ 931,301	\$ 4,285,909	\$ 5,217,210

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

Town of Calypso, North Carolina
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental Activities:							
General government	\$ 133,910	\$ 1,696	\$ -	\$ 29,012	\$ (103,202)	\$ -	\$ (103,202)
Public safety	41,600	-	-	-	(41,600)	-	(41,600)
Cultural and recreation	96,561	-	-	-	(96,561)	-	(96,561)
Transportation	243,029	-	7,730	-	(235,299)	-	(235,299)
Environmental protection	61,500	69,904	-	-	8,404	-	8,404
Total governmental activities	<u>576,600</u>	<u>71,600</u>	<u>7,730</u>	<u>29,012</u>	<u>(468,258)</u>	<u>-</u>	<u>(468,258)</u>
Business-type activities:							
Water and Sewer	308,308	282,736	-	-	-	(25,572)	(25,572)
Total Government	<u>\$ 884,908</u>	<u>\$ 354,336</u>	<u>\$ 7,730</u>	<u>\$ -</u>			
General revenues:							
Taxes:							
Property taxes, levied for general purpose					82,413	-	82,413
Local option sales tax					175,407	-	175,407
Other taxes and licenses					48,279	-	48,279
Investment earnings, unrestricted					2,174	2,493	4,667
Miscellaneous, unrestricted					4,808	-	4,808
Total general revenues, special items, and transfers					<u>313,081</u>	<u>2,493</u>	<u>315,574</u>
Change in net position					(155,177)	(23,079)	(178,256)
Net position-beginning					1,086,478	4,308,988	5,395,466
Net position-ending					<u>\$ 931,301</u>	<u>\$ 4,285,909</u>	<u>\$ 5,217,210</u>

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

Town of Calypso, North Carolina
Balance Sheet
Governmental Fund
June 30, 2021

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 725,977
Restricted cash	22,192
Taxes receivables, net	6,356
Account receivables, net	50,622
Total assets	<u>805,147</u>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable and accrued liabilities	<u>13,588</u>
Total liabilities	<u>13,588</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred Taxes	<u>6,356</u>
Total deferred inflows of resources	<u>6,356</u>
 Fund balances:	
Reserved for:	
Streets - Powell Bill	22,192
Stabilization by State Statute	50,622
Unassigned	<u>712,389</u>
Total fund balances	<u>785,203</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 805,147</u>
 Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	143,774
Liabilities for earned revenues considered deferred inflows of resources in fund statements.	6,356
Deferred outflows of resources related to pensions are not reported in the funds.	18,437
Deferred inflows of resources related to pensions are not reported in the funds	(335)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4).	
Compensated absences	(21)
Net pension liability	<u>(22,112)</u>
Net position of governmental activities	<u>\$ 931,301</u>

Town of Calypso, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2021

	<u>General Fund</u>
REVENUES	
Ad valorem taxes	\$ 83,091
Unrestricted intergovernmental	225,382
Restricted intergovernmental	36,742
Sales and services	69,904
Investment earnings	2,174
Miscellaneous	4,808
Total revenues	<u>422,101</u>
EXPENDITURES	
Current:	
General government	126,185
Public safety	41,600
Transportation	240,199
Cultural and recreational	89,813
Environmental protection	61,500
Total expenditures	<u>559,297</u>
Excess (deficiency) of revenues over expenditures	<u>(137,196)</u>
OTHER FINANCING SOURCES (USES)	
Installment purchase Obligations issued	<u>-</u>
Total other financing sources and uses	<u>-</u>
Net change in fund balance	(137,196)
Fund balances-beginning	922,399
Fund balances-ending	<u><u>\$ 785,203</u></u>

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

Town of Calypso, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021

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

Net changes in fund balances - total governmental funds	\$ (137,196)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital Outlay	-
Depreciation Expenses	<u>(11,606)</u> (11,606)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	5,549
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Change in unavailable revenue for tax revenues	733
Tax receivables accrued interest	(1,411)
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:	
Pension expense	(12,132)
Compensated absences	<u>885</u>
Total changes in net position of governmental activities	<u><u>\$ (155,177)</u></u>

Town of Calypso, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Year Ended June 30, 2021

	Original	Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 71,800	\$ 71,800	\$ 83,091	\$ 11,291
Unrestricted intergovernmental	183,490	333,490	225,382	(108,108)
Restricted intergovernmental	20,500	20,500	36,742	16,242
Sales and services	66,685	66,685	69,904	3,219
Investment earnings	1,015	1,015	2,174	1,159
Miscellaneous	4,550	4,550	4,808	258
Total revenues	<u>348,040</u>	<u>498,040</u>	<u>422,101</u>	<u>(75,939)</u>
Expenditures				
Current:				
General government	109,088	109,088	126,185	(17,097)
Public safety	43,500	43,500	41,600	1,900
Transportation	177,697	177,697	240,199	(62,502)
Environmental protection	15,432	56,350	61,500	(5,150)
Cultural and recreational	56,350	65,432	89,813	(24,381)
Total expenditures	<u>402,067</u>	<u>452,067</u>	<u>559,297</u>	<u>(107,230)</u>
Revenues over (under) expenditures	(54,027)	45,973	(137,196)	183,169
Other financing sources (uses):				
Fund Balance Appropriated	54,027	(45,973)	-	(45,973)
Total other financing sources (uses)	<u>54,027</u>	<u>(45,973)</u>	<u>-</u>	<u>(45,973)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(137,196)	<u>\$ 137,196</u>
Fund Balance, beginning			922,399	
Fund Balance, ending			<u>\$ 785,203</u>	

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

Town of Calypso, North Carolina
Statement of Fund Net Position
Proprietary Fund
June 30, 2021

	Major Enterprise Fund
	Water and Sewer
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,063,446
Restricted cash and cash equivalents	27,670
Receivables, net	7,998
Total current assets	<u>1,099,114</u>
Capital assets:	
Capital assets, net of depreciation	<u>3,226,548</u>
Total capital assets	<u>3,226,548</u>
Total assets	<u>4,325,662</u>
DEFERRED OUTFLOWS OF RESOURCES:	<u>10,015</u>
Total deferred outflows of resources	<u>10,015</u>
LIABILITIES	
Current liabilities:	
Accounts payable	10,976
Compensated Absences	558
Noncurrent liabilities:	
Liabilities payable from restricted assets:	
Deposits	27,670
Net pension liability	<u>10,406</u>
Total liabilities	<u>49,610</u>
DEFERRED INFLOWS OF RESOURCES:	
Pension deferrals	<u>158</u>
Total deferred inflows of resources	<u>158</u>
NET POSITION	
Net investment in capital assets	3,226,548
Unrestricted	<u>1,059,361</u>
Total net position	<u><u>\$ 4,285,909</u></u>

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

Town of Calypso, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2021

	Major Enterprise Fund
	<u>Water and Sewer</u>
OPERATING REVENUES	
Charges for services	\$ 278,386
Water and sewer taps	1,809
Other Operating Revenues	<u>2,541</u>
Total operating revenues	<u>282,736</u>
OPERATING EXPENSES	
Water & sewer operations	205,479
Depreciation	<u>102,829</u>
Total operating expenses	<u>308,308</u>
Operating income (loss)	<u>(25,572)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest and investment revenue	<u>2,493</u>
Total nonoperating revenue (expenses)	<u>2,493</u>
Income (loss) before contributions and transfers	(23,079)
Transfers from other funds	-
Capital contributions	<u>-</u>
Change in net position	(23,079)
Net Position - beginning of year	<u>4,308,988</u>
Total net position - ending	<u>\$ 4,285,909</u>

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

Town of Calypso, North Carolina
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2021

Exhibit 8

	Major Enterprise Fund
	<u>Water and Sewer Fund</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 298,273
Cash Paid for Goods and Services	(136,306)
Cash Paid to or on behalf of employees for services	(63,103)
Net Cash Used by Operating Activities	<u>98,864</u>
Cash Flows form Non-Capital and Related Financing Activities	
Decrease in Due to other funds	-
Net Cash Used by Non-Capital and Related Financing Activities	<u>-</u>
Cash Flows form Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	-
Net Cash Used by Capital and Related Financing Activities	<u>-</u>
Cash Flows from Investing Activities:	
Interest on Investments	<u>2,493</u>
Net Increase (Decrease) in Cash and Cash Equivalents	101,357
Cash and Cash Equivalents, July 1	<u>989,759</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 1,091,116</u></u>
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	<u>(25,572)</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	102,829
Changes in Assets and Liabilities:	
(Increase) Decrease	
in Receivables and other assets	17,364
in Deferred outflows of resources for pensions	(4,627)
Increase (Decrease)	
in Accounts Payable and Accrued Liabilities	(95)
in Customer Deposits	2,800
in Compensated Absences	470
in Deferred inflows of resources for pensions	(79)
in net pension liability	5,774
Total Adjustments	<u>124,436</u>
Net cash provided by operating activities	<u><u>\$ 98,864</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

Town of Calypso, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2021

I. Summary of Significant Accounting Policies

The accounting policies of the Town of Calypso conform to generally accepted accounting principles as applicable to governments. The Town does not have any discretely presented component units. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Town of Calypso (the "Town") is a municipal corporation that is governed by an elected mayor and a five-member council. As required by generally accepted accounting principles, these financial statements present the Town.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the Town. 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 Town and for each function of the Town'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 Town's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The Town has no fiduciary funds to report. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

The Town reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance, and construction, and sanitation services.

Notes to the Financial Statements

The Town reports the following major enterprise funds:

Water and Sewer Fund. This fund is used to account for the Town's water and sewer operations.

C. Measurement Focus and Basis of Accounting

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

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, 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 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 when applicable. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable 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. Also, 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 Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Calypso because the tax is levied by Duplin County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purpose are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town 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 Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Notes to the Financial Statements

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Fund. All annual appropriations lapse at the fiscal-year end. Project ordinances are adopted for the Enterprise Fund Capital Projects Fund. The Enterprise Fund projects are consolidated with their respective operating fund for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multi-year funds. The Finance Officer is authorized by the budget ordinance to transfer appropriations between functional areas within a fund up to \$2,500; however, any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$2,500 must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. 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.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity

1. Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the Town 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 Town's investments are generally reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT-Term Portfolio is bond fund, has no rating and is measured at fair value. As of June 30, 2021, 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.

In accordance with State law, the Town has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

2. Cash and Cash Equivalents

The Town 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.

3. Restricted Assets

Powell Bill funds are classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, or widening of local streets per G.S. 136-41.1 through 136-41.4.

Town of Calypso Restricted Cash

Governmental Activities

General Fund

Streets	\$	22,192
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Total governmental activities		22,192
-------------------------------	--	--------

Business-type Activities

Water and Sewer Fund

Customer Deposits		27,670
-------------------	--	--------

Total Business-type activities		27,670
--------------------------------	--	--------

Total Restricted Cash	\$	49,862
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4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2020. As allowed by State law, the Town has established a schedule of discounts that apply to taxes which are paid prior to the due date. In the Town'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.

6. Inventory and Prepaid Items

The Town has no inventory or prepaid items.

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization cost for the Town's assets are \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost.

Capital assets of the Town are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Improvements	25
Vehicles	6
Furniture and Equipment	10
Computer Equipment	3

8. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows 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 Town has one item that meets this criterion, contributions made to the pension plan in the 2021 fiscal year. In addition to liabilities, the statement of financial position will sometimes 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 Town has several items that meet the criterion for this category- prepaid taxes, property taxes receivable, and pension deferrals.

9. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds or not, are reported as debt service expenditures.

10. Compensated Absences

For the Town, the current portion of the accumulated vacation pay is not considered to be material; therefore, no expenditure or liability has been reported in the governmental funds. The Town's sick leave policies 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 the Town does not have any obligation for the 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 represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 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.

Notes to the Financial Statements

Restricted Fund Balance - This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by 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 Streets - Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of total unexpended Powell Bill funds.

Committed Fund Balance - portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Calypso's governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance - portion of fund balance that the Town of Calypso intends to use for specific purposes.

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

The Town of Calypso has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to or greater than 10% of budgeted expenditures. Any portion of the general fund balance in excess of 10% of budgeted expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the Town in a future budget.

12. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LERS) and additions to/deductions from LERS' fiduciary net position have been determined on the same basis as they are reported by LERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town's employer contributions are recognized when due and the Town has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LERS. Investments are reported at fair value.

II Stewardship, Compliance, and Accountability

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

1. Noncompliance with North Carolina General Statutes

No material instances of noncompliance with North Carolina Statutes were noted during the audit.

Notes to the Financial Statements

2. Contractual Violations

None.

B. Deficit in Fund Balance or Net Position of Individual Funds

None.

C. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2021, the expenditures made in the Town's General Fund exceeded the authorized appropriations made by the governing board for general government activities by \$109,130 as shown below. This over-expenditure occurred because of unplanned payroll expenditures for temporary help needed due to staff illnesses in the administration department. Management and the Board will more closely review the budget reports to ensure compliance in future years.

<u>Expenditures</u>	<u>Variance</u>
General government	\$ 17,097
Transportation	62,502
Environmental protection	5,150
Cultural and recreational	24,381
Total	\$ 109,130

III. Detail Notes on All Funds

A. Assets

1. Deposits

All the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town'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 Town, these deposits are considered to be held by the Town's agents in their 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 Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for under-collateralization. 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 Town has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2021, the Town's deposits had a carrying amount of \$1,839,285 and a bank balance of \$1,896,536. Of the bank balance \$372,936 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

2. Receivables - Allowances for Doubtful Accounts

All receivables are deemed to be collectible at this time.

	Accounts	Taxes and Related Accrued Interest	Total
Governmental Activities:			
General	\$ 49,211	\$ 1,411	\$ 50,622
Total Governmental Activities	<u>\$ 49,211</u>	<u>\$ 1,411</u>	<u>\$ 50,622</u>
Business-Type Activities:			
Water	\$ 7,998	\$ -	\$ 7,998
Total Business-Type Activities	<u>\$ 7,998</u>	<u>\$ -</u>	<u>\$ 7,998</u>

3. Capital Assets**Primary Government**

Capital asset activity for the Primary Government for the year ended June 30, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 539	\$ -	\$ -	\$ 539
Total capital assets not being depreciated	<u>539</u>	<u>-</u>	<u>-</u>	<u>539</u>
Capital assets being depreciated:				
Buildings	243,184	-	-	243,184
Infrastructure	134,963	-	-	134,963
Equipment and Vehicles	159,815	-	-	159,815
Total capital assets being depreciated	<u>537,962</u>	<u>-</u>	<u>-</u>	<u>537,962</u>
Less accumulated depreciation for:				
Buildings	161,131	2,830	-	163,961
Infrastructure	68,262	6,748	-	75,010
Equipment and Vehicles	153,728	2,028	-	155,756
Total accumulated depreciation	<u>383,121</u>	<u>11,606</u>	<u>-</u>	<u>394,727</u>
Total capital assets being depreciated, net	<u>154,841</u>			<u>143,235</u>
Governmental activity capital assets, net	<u>\$ 155,380</u>			<u>\$ 143,774</u>

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

General Government	\$ 2,695
Public Safety	837
Cultural and Recreation	1,944
Transportation	4,892
Environmental Protection	1,238
Total Depreciation Expense	<u>\$ 11,606</u>

Water & Sewer Fund

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 6,500	\$ -	\$ -	\$ 6,500
Total capital assets not being depreciated	6,500	-	-	6,500
Capital assets being depreciated:				
Plant & Distribution Systems	4,715,492	-	-	4,715,492
Equipment and Vehicles	42,596	-	-	42,596
Total capital assets being depreciated	4,758,088	-	-	4,758,088
Less accumulated depreciation for:				
Plant & Distribution Systems	1,403,817	94,310	-	1,498,127
Equipment and Vehicles	31,394	8,519	-	39,913
Total accumulated depreciation	1,435,211	102,829	-	1,538,040
Total capital assets being depreciated, net	3,322,877			3,220,048
Governmental activity capital assets, net	<u>\$ 3,329,377</u>			<u>\$ 3,226,548</u>

B. Liabilities1. Pension Plan Obligationsa. Local Governmental Employees' Retirement System

Plan Description. The Town is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the 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. 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 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. The Town employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town's contractually required contribution rate for the year ended June 30, 2021, was 10.15% of compensation for general employees, 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 Town were \$8,161 for the year ended June 30, 2021.

Refunds of Contributions – Town 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

At June 30, 2021, the Town reported a liability of \$32,518 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town'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, 2020 (measurement date), the Town's proportion was 0.0009%, which was an increase in of 0.0004% from proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Town recognized pension expense of \$14,345. At June 30, 2021, the Town 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	\$ 4,106	\$ -
Changes of assumptions	2,420	-
Net difference between projected and actual earnings on pension plan investments	4,576	-
Changes in proportion and differences between Town's contributions and proportionate share of contributions	9,188	493
Town's contributions subsequent to the measurement date	8,161	-
	<hr/>	<hr/>
Total	\$ 28,451	\$ 493
	<hr/>	<hr/>

\$8,161 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2022	6,080
2023	6,918
2024	5,445
2025	1,354
2026	-
Thereafter	-
	<u><u>\$ 19,797</u></u>

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of position 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, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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><u>100%</u></u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 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 Town's proportionate share of the net pension asset to changes in the discount rate. The following presents the Town's proportionate share of the net pension asset calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1 % Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of the net pension liability (asset)	\$65,976	\$32,518	\$4,713

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

b. Law Enforcement Officers Special Separation Allowance

The Town had no paid law enforcement officers.

c. Supplemental Retirement Income Plan for Law Enforcement Officers

The Town had no retired law enforcement officers.

2. Other Employment Benefits

The Town 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 may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the Town, the Town does not determine the number of eligible participants. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The Town considers these contributions to be immaterial.

Notes to the Financial Statements

3. Deferred Outflows and Inflows of Resources

Deferred outflows of resources at year-end is comprised of the following:

Source	Amount
Differences between expected and actual experience	\$ 4,106
Changes of assumptions	2,420
Net difference between projected and actual earnings on pension plan investments	4,576
Changes in proportion and differences between Town's contributions and proportionate share of contributions	9,188
Town's contributions subsequent to the measurement date	8,161
Total	<u>\$ 28,451</u>

Deferred inflows of resources at year-end is comprised of the following:

	Statement of Net Postion	General Fund Balance Sheet
Prepaid taxes (General Fund)	\$ -	\$ -
Taxes Receivable, less penalties (General Fund)	-	6,356
Changes in assumptions	-	-
Difference between expected and actual experience	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	493	-
Total	<u>\$ 493</u>	<u>\$ 6,356</u>

4. Risk Management

The Town 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 Town participates in three self-funded risk-financing pools administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability and auto liability coverage of \$1 million per occurrence, property coverage up to the total insured values of the property policy, workers' compensation coverage up to statutory limits. The pools are reinsured through commercial companies for single occurrence claims against general liability, auto liability and property in excess of \$500,000 and \$300,000 up to statutory limits for workers' compensation. The property liability pool has an aggregate limit for the total property losses in a single year, with the reinsurance limit based upon a percentage of the total insurance values.

The Town does not carry any flood insurance. The Town is not in a flood plain.

The Town carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years. In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The Town's Finance Officer is bonded for the amount of \$50,000.

Notes to the Financial Statements

5. Claims, Judgments, and Contingent Liabilities

At June 30, 2021, the Town had no claims or judgments.

6. Long Term Obligations

a. Installment Purchase

The town has no installment purchases.

b. Changes in General Long-Term Liabilities

During the year ended June 30, 2021, the following changes occurred in liabilities reported in the Long-Term Debt:

	Balance 06/30/20	Additions	Retirements	Balance 06/30/21	Current Portion
Governmental Activities:					
Net pension liability (LGERS)	\$ 9,842	\$ 12,270	\$ -	\$ 22,112	\$ -
Compensated Absences	906	-	885	21	21
Governmental activity long-term liabilities	<u>\$ 10,748</u>	<u>\$ 12,270</u>	<u>\$ 885</u>	<u>\$ 22,133</u>	<u>\$ 21</u>
Business-type activities:					
Net pension liability (LGERS)	\$ 4,632	\$ 5,774	\$ -	\$ 10,406	\$ -
Compensated absences	88	470	-	558	558
Business-type activity long-term liabilities	<u>\$ 4,720</u>	<u>\$ 6,244</u>	<u>\$ -</u>	<u>\$ 10,964</u>	<u>\$ 558</u>

At June 30, 2021, the Town of Calypso had a legal debt margin of \$1,762,689.

C. Net Investment in Capital Assets

	Governmental	Business-type
Capital assets	\$ 143,774	\$ 3,226,548
less: long term debt	-	-
Net investment in capital asset	<u>\$ 143,774</u>	<u>\$ 3,226,548</u>

Notes to the Financial Statements

D. Fund Balance

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	\$	785,203
Less:		
Stabilization by State Statute		50,622
Streets - Powell Bill		22,192
Remaining Fund Balance	\$	712,389

The Town of Calypso has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the Town in such a manner that available fund balance is at least equal to or greater than 10% of budgeted expenditures.

IV. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The Town 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.

REQUIRED
SUPPLEMENTAL FINANCIAL
DATA

This section contains additional information required by
generally accounting principals.

Schedule of the Proportionate Share of the Net Pension
Asset – Local Government Employees’ Retirement SystemSchedule of
Contributions – Local Government Employees’ Retirement System

**Town of Calypso, North Carolina
Town of Calypso's Contributions
Required Supplementary Information
Last Eight Fiscal Years**

Local Government Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 8,161	\$ 7,031	\$ 5,583	\$ 2,325	\$ 3,894	\$ 3,830	\$ 3,894	\$ 3,830
Contributions in relation to the contractually required contribution	8,161	7,031	5,583	2,325	3,894	3,830	3,894	3,830
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 80,405	\$ 78,113	\$ 72,040	\$ 31,002	\$ 53,715	\$ 57,415	\$ 55,081	\$ 54,164
Contributions as a percentage of covered-employee payroll	10.15%	9.00%	7.75%	7.50%	7.25%	6.67%	7.07%	7.07%

Town of Calypso, North Carolina
Town of Calypso's Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
Last Eight Fiscal Years*

Local Government Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014
Town's proportion of the net pension liability (asset) (%)	0.0009%	0.0005%	0.0003%	0.0005%	0.0006%	0.0006%	0.0007%	0.0007%
Town's proportion of the net pension liability (asset) ()	\$ 32,518	\$ 14,474	\$ 6,405	\$ 7,944	\$ 12,310	\$ 2,783	\$ (4,069)	\$ 8,438
Town's covered-employee payroll	\$ 78,113	\$ 72,040	\$ 31,002	\$ 53,715	\$ 57,415	\$ 55,081	\$ 54,164	\$ 53,125
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	41.63%	20.09%	20.66%	14.79%	21.44%	5.05%	(7.51%)	15.88%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

** This will be the same percentage for all participant employers in the LGERS plan.

GENERAL FUND

The General Fund accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

Town of Calypso, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Taxes		\$ 83,091	
Total	\$ 71,800	83,091	\$ 11,291
Unrestricted intergovernmental:			
Local option sales taxes		175,407	
Utility franchise tax		47,867	
Solid waste tax		412	
Tax refunds		1,696	
Total	333,490	225,382	(108,108)
Restricted intergovernmental:			
Powell Bill allocation		7,730	
Grants		29,012	
Total	20,500	36,742	16,242
Sales and Service:			
Garbage fees		53,588	
Cemetery fees		3,200	
Other fees		13,116	
Total	66,685	69,904	3,219
Miscellaneous	4,550	4,808	258
Investment earnings	1,015	2,174	1,159
Total Revenues	498,040	422,101	(75,939)
Expenditures:			
General government:			
Administration:			
Salaries & benefits		56,951	
Operating expense		64,307	
Total	101,188	121,258	(20,070)

Town of Calypso, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Governing Body:			
Salaries & benefits		4,764	
Operating expense		163	
Total	7,900	4,927	2,973
Total General Government	109,088	126,185	(17,097)
Public Safety:			
Salaries & benefits		21,600	
Operating expense		20,000	
Total	43,500	41,600	1,900
Transportation:			
Salaries & benefits		38,766	
Operating expense		201,433	
Total	177,697	240,199	(62,502)
Environmental protection:			
Operating expense		61,500	
Total	56,350	61,500	(5,150)
Cultural and Recreational:			
Operating expense		89,813	
Total	65,432	89,813	(24,381)
Total Expenditures	452,067	559,297	(107,230)
Revenues over (under) expenditures	45,973	(137,196)	(183,169)
Other financing sources (uses)			
Fund balance appropriated	(45,973)	-	45,973
Total Other financing sources (uses)	(45,973)	-	45,973
Net change in fund balance	\$ -	(137,196)	\$ 137,196
Fund Balance, beginning		922,399	
Fund Balance, ending		\$ 785,203	

PROPRIETARY FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Town of Calypso, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for services:			
Utility Sales:			
Residential &			
Commercial		\$ 280,196	
Miscellaneous		2,541	
Total Operating Revenues	<u>\$ 320,450</u>	<u>282,737</u>	<u>\$ (37,713)</u>
Nonoperating revenues:			
Interest earnings	450	2,493	2,043
Total Revenues	<u>320,900</u>	<u>285,229</u>	<u>(35,671)</u>
Expenditures:			
Water and Sewer Operations:			
Salaries and benefits		67,730	
Operating Expenses		136,211	
Total water			
administration	<u>320,900</u>	<u>203,941</u>	<u>116,959</u>
Total expenditures	<u>320,900</u>	<u>203,941</u>	<u>116,959</u>
Revenues over (under) expenditures	-	81,288	(152,630)
Other financing sources (uses):			
Fund balance appropriated	-	-	-
Total other financing sources			
(uses):	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over			
expenditures and other uses	<u>\$ -</u>	<u>\$ 81,288</u>	<u>\$ 81,288</u>
Reconciliation from budgetary basis			
(modified accrual) to full accrual:			
Revenues over expenditures		<u>\$ 81,288</u>	
Reconciling items:			
Change in accrued vacation pay		(470)	
Deferred inflows of resources for pensions		79	
Deferred outflows of resources for pensions		4,627	
Net pension liability		(5,774)	
Depreciation		<u>(102,829)</u>	
Total reconciling items		<u>(104,367)</u>	
Change in net position		<u>\$ (23,079)</u>	

OTHER SCHEDULES

This section includes additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

Town of Calypso, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2021

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2020</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2021</u>
2020-2021	\$ -	89,760	85,620	\$ 4,140
2019-2020	3,065		2,201	864
2018-2019	1,787		1,003	784
2017-2018	724		443	281
2016-2017	261		67	194
2015-2016	417		324	93
2014-2015	285		285	-
2013-2014	159		159	-
2012-2013	163		163	-
2011-2012	114		114	-
2010-2011	114		114	-
	<u>\$ 7,089</u>	<u>89,760</u>	<u>90,493</u>	<u>\$ 6,356</u>

Ad valorem taxes receivable - net \$ 6,356

Reconcilement with revenues:

Ad valorem taxes - General Fund \$ 83,091
Reconciling items:
Discounts, Releases, Refunds, Fees, Write-offs 7,402
Total collections and credits \$ 90,493

Town of Calypso, North Carolina
Analysis of Current Tax Levy
Town - Wide Levy
For the Year Ended June 30, 2021

				Total Levy	
	Town - Wide			Property excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rate	Total Levy		
Original levy:					
Property taxed at current year's rate	\$ 22,033,617	0.47	\$ 103,558	\$ 89,760	\$ 13,798
Total	<u>22,033,617</u>		<u>103,558</u>	<u>89,760</u>	<u>13,798</u>
 Total property valuation	<u><u>\$ 22,033,617</u></u>				
 Net levy			103,558	89,760	13,798
 Uncollected taxes at June 30, 2021			<u>(4,140)</u>	<u>(4,140)</u>	<u>-</u>
 Current year's taxes collected			<u>\$ 99,418</u>	<u>\$ 85,620</u>	<u>\$ 13,798</u>
 Current levy collection percentage			<u>96.00%</u>	<u>95.39%</u>	<u>100.00%</u>