

BERTIE COUNTY, NORTH CAROLINA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

Prepared by:
Department of Finance

Submitted by:
Willie Mack Carawan, Jr
Finance Director

BERTIE COUNTY, NORTH CAROLINA

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024

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INTRODUCTORY SECTION

BERTIE COUNTY, NORTH CAROLINA
BOARD OF COMMISSIONERS AND OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2024

BOARD OF COMMISSIONERS

Corey Ballance, Sr., Chair

Lewis C. Hoggard, III, Vice Chair

Ronald Roberson

Vivian Saunders

Michael White

OFFICIALS

County Manager	Juan Vaughan II
Finance Officer	Willie Mack Carawan
Clerk to the Board	Tonya Davis
Register of Deeds	Annie F. Wilson
Tax Administrator	Jodie Rhea
Sheriff	Tyrone M. Ruffin

FINANCIAL SECTION



Independent Auditor's Report

**To the Members of the Board of Commissioners
Bertie County, North Carolina
Windsor, North Carolina**

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison statements for the General Fund, Department of Public Safety Fund, and Opioid Settlement Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Bertie County ABC Board (the "ABC Board"), which represents 100% of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2024. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the ABC Board, is based solely on the report of the other auditor.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules related to the County's pensions and other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, the schedules of revenue and expenditures – budget to actual (non-GAAP), the general fund schedule of ad valorem taxes receivable, county-wide levy analysis of current tax levy, schedule of ten largest taxpayers, and the schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State of North Carolina Single Audit Implementation Act (collectively, "the supplementary information") are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

Mauldin & Jenkins, PLLC

Raleigh, North Carolina
April 15, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

As management of Bertie County (the "County"), we offer readers of Bertie County's financial statements this narrative overview and analysis of the financial activities of Bertie County for the fiscal year ended June 30, 2024.

Financial Highlights

- The NC Local Government Commission (LGC) examines audit reports for each unit of local government and then publishes the available fund balance for each county and municipality.
- In FY 2023, the NC Local Government Commission reported Bertie County's fund balance available for appropriation as \$2,365,867 using the calculation in NCGS 159-8(a).
- Bertie County's fund balance available for appropriation as reported for the fiscal year ended June 30, 2024, is \$6,682,520, which is an increase of \$4,316,653 or approximately 182 percent above the prior year, using the NC Local Government Commission calculation in NCGS 159-8(a).
- In the past, the NC Local Government Commission recommended that units of local government maintain a minimum of eight percent fund balance to cover cash flow and operating cycle, emergency reserves, and credit rating requirements. Now, a fund balance comparable to counties of a similar size is recommended.
- Based on the LGC calculation, Bertie County's available fund balance for appropriation is 24.87 percent of total general fund expenditures for the fiscal year ended June 30, 2024.
- Bertie County has adopted a minimum fund balance policy for the General Fund, which instructs management to conduct the business of the County in such a manner that the available fund balance is at least equal to or greater than ten percent of budgeted expenditures.
- The assets and deferred outflows of resources of Bertie County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$28,761,837 (*net position*), as reported in the Statement of Net Position.
- The government's total net position increased by \$10,021,817 primarily due to the governmental activities. The figure reflects the difference of the governmental activities net position increase of \$9,912,446 as indicated in Figure 2.
- As of the close of the current fiscal year, Bertie County's governmental funds reported combined ending fund balances of \$17,209,574, an increase of \$10,286,942 in comparison with the prior year. Approximately 20 percent of this total amount or \$3,364,907 is restricted or non-spendable by statute for stabilization purposes as reflected in Exhibit 3.
- The combined ending fund balances in governmental funds of \$17,209,574 noted above, and the reported increase of \$10,286,942 is primarily attributable to the Major Funds' increase in the General Fund, the Department of Public Safety Fund, and the Opioid Settlement Fund.
- Exhibit 3 provides the most well-defined measure of changes in fund balance for the General Fund from a management perspective and incorporates a consolidation of reporting for budgeted transfers for the Tax Revaluation Fund and the School Capital Reserve Fund which correlates with Exhibit 5.

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Bertie County General Fund Net Changes in Fund Balance (using Exhibit 5 historical data) and revaluation years are highlighted.

Fiscal Year	Net Change	Fund Balance (Ending June 30)
1999-2000	\$ 136,555	\$ 4,576,226
2000-2001	\$ 157,505	\$ 4,733,731
2001-2002	\$ 375,706	\$ 5,109,437
2002-2003	\$ 397,791	\$ 5,507,228
2003-2004	\$ 951,438	\$ 6,458,666
2004-2005	\$ 287,067	\$ 6,745,733
2005-2006	\$ (376,921)	\$ 6,368,812
2006-2007	\$ 682,229	\$ 7,051,038
2007-2008	\$ (21,197)	\$ 7,029,841
2008-2009	\$ (423,025)	\$ 6,606,816
2009-2010	\$ 556,810	\$ 7,163,626
2010-2011	\$ (49,930)	\$ 7,113,696
2011-2012	\$ (601,157)	\$ 6,512,539
2012-2013	\$ 535,608	\$ 7,048,167
2013-2014	\$ 650,080	\$ 7,698,247
2014-2015	\$ (620,906)	\$ 7,077,341
2015-2016	\$ (696,478)	\$ 6,380,863
2016-2017	\$ 347,053	\$ 6,727,916
2017-2018	\$ (319,256)	\$ 6,408,660
2018-2019	\$ (1,502,496)	\$ 4,906,564
2019-2020	\$ (756,811)	\$ 4,149,753
2020-2021	\$ 1,086,573	\$ 5,236,326
2021-2022	\$ 556,199	\$ 5,792,525
2022-2023	\$ (451,964)	\$ 5,340,561
2023-2024	\$ 4,706,945	\$ 10,047,506

- The fiscal year ended June 30, 2023, reflects a total fund balance for the General Fund of \$5,340,561 as noted in Exhibit 5 on the Statement of Revenues, Expenditures, and Changes in Fund Balance which is a decrease of \$451,964 from the beginning balance on July 1, 2022.
- The fiscal year ended June 30, 2024, reflects a total fund balance for the General Fund of \$10,047,506 as noted in Exhibit 5 on the Statement of Revenues, Expenditures, and Changes in Fund Balance which is an increase of \$4,706,945 from the beginning balance on July 1, 2023.

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

- Maintaining adequate cash reserves and fund balances allows the County to meet its commitments for debt service payments, appropriations to the school system, and general county obligations for monthly operating expenses and payroll. The Board of Commissioners approves capital projects and major program initiatives, while being mindful of the burden on taxpayers and the need to maintain a stable cash position for the County at all times, and maintaining financial stability from year to year.
- Bertie County's total debt outstanding as of June 30, 2024, is \$55,129,035. Long-term debt outstanding for Bertie County for the fiscal year ended June 30, 2023, was reported as \$55,828,782. The NC Local Government Commission has provided revised reporting guidelines for this information based on interpretations for GASB accounting standards, clarifying the presentation of limited obligation bonds related to the County's water system.
- For the fiscal year ended June 30, 2023, the Total OPEB Obligation for the County was \$16,608,363.
- A full discussion of the County's OPEB obligations can be found beginning on page 99. For the fiscal year ended June 30, 2024, the Total OPEB Obligation for the County is \$16,013,967, a decrease of \$594,396 from the prior year.
- Employees hired after July 1, 2016, are not eligible for retiree health insurance.
- Tax collection rate was 97.55 percent for FY 2023-2024.

TAX INFORMATION

Tax Collections.

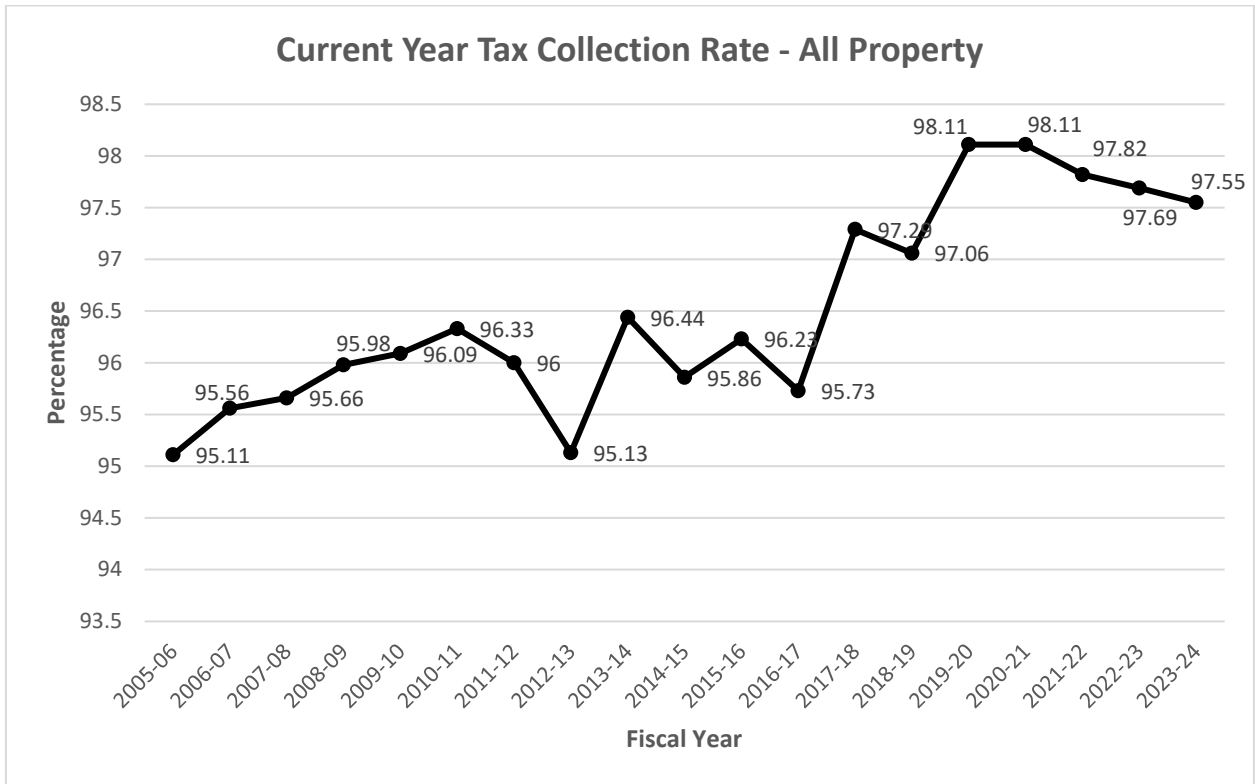
<u>FISCAL YEAR ENDED JUNE 30</u>	<u>PRIOR YEARS' LEVIES COLLECTED</u>	<u>CURRENT YEAR'S LEVY COLLECTED</u>	<u>PERCENTAGE OF CURRENT YEAR' LEVY COLLECTED</u>
2009	\$ 369,926	\$ 8,108,694	95.98
2010	371,562	8,165,170	96.09
2011	356,111	8,229,415	96.33
2012	325,136	8,297,321	96.00
2013	346,814	9,032,179	95.13
2014	427,415	10,274,111	96.44
2015	316,093	10,259,496	95.86
2016	464,204	10,598,564	96.23
2017	408,098	10,647,937	95.73
2018	420,157	10,672,111	97.29
2019	362,383	10,596,374	97.06
2020	321,374	11,239,202	98.11
2021	255,687	12,102,935	98.11
2022	414,400	11,877,381	97.82
2023	257,071	12,248,751	97.69
2024	264,128	12,708,584	97.55

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Ten Largest Taxpayers for the Fiscal Year Ended June 30, 2024.

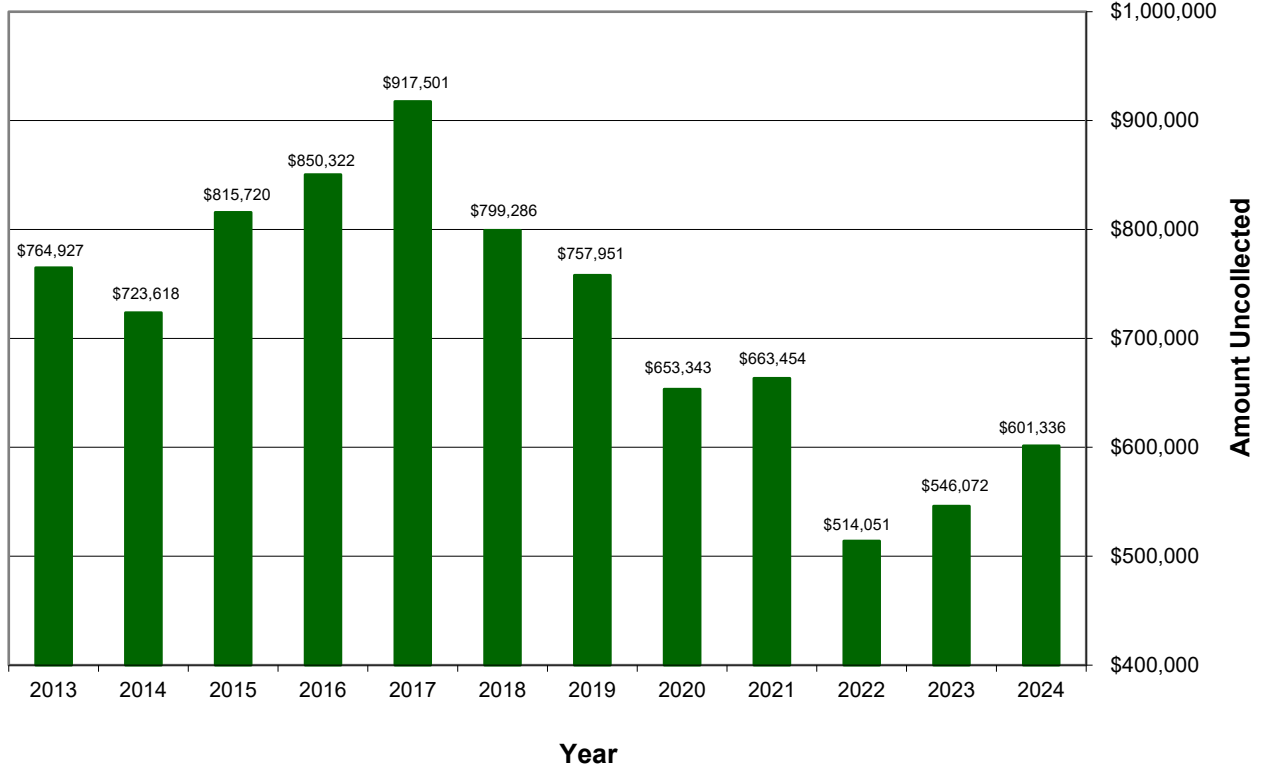
<u>Name</u>	<u>Type of Enterprise</u>	<u>Assessed Valuation</u>	<u>Tax Levy</u>
Perdue Foods LLC	Agriculture	\$59,971,681	\$557,736.63
Weyerhaeuser Company	Timberland Management	20,314,072	188,920.80
Avoca LLC	Botanical Extraction	18,891,527	175,691.20
Occano Land & Development LLC	Real Estate	18,762,185	174,488.34
Republic Services of NC LLC	Waste Industry/Landfill	16,022,883	148,921.04
Roseburg Resources Co	Timberland Management	10,784,419	100,295.14
Colonial Eagle Solar LLC	Environmental	71,543,070	66,535.06
GreenGasUSA LLC	Environmental	6,450,467	59,989.34
Valley Proteins Inc.	Rendering/Recycling	6,390,338	59,430.14
W D Byrum Logging Inc	Forestry	4,385,781	40,782.32



BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Delinquent Taxes Owed to Bertie County as of June 30th
(Each Year Includes the Current Year Plus the Prior 9 Years)



BERTIE COUNTY, NORTH CAROLINA

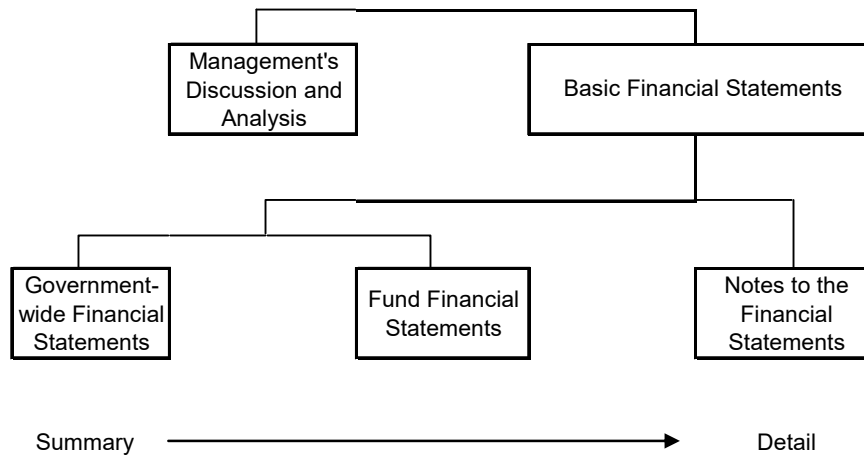
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Bertie 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 Bertie 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 9) 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 major and non-major governmental funds and internal service funds, with the non-major funds 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 plan and other postemployment benefits.

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

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

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water services offered by Bertie 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 a portion of its profits to the County.

The government-wide financial statements begin on page 19 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. Bertie 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 Bertie 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 less 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.

Bertie 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.

Proprietary Funds – Bertie 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. Bertie County uses enterprise funds to account for its water 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.

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Bertie County has four fiduciary funds, one of which is a pension trust fund and three of which are agency 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 34 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Bertie County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 87 of this report.

Interdependence with Other Entities – The County depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with US Treasury Securities because of actions by foreign government and other holders of publicly held US Treasury Securities.

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 its liabilities and deferred inflows of resources by \$28,761,837 as of June 30, 2024. The County's net position increased by \$10,021,817 for the fiscal year ended June 30, 2024. One of the largest portions of the County's net position (\$48,938,560) reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). Bertie County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bertie 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 Bertie County's net position (\$11,001,191) represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$31,177,914) is unrestricted.

Bertie County's Net Position
Figure 2

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 21,124,362	\$ 11,244,525	\$ 2,961,891	\$ 2,607,266	\$ 24,086,253	\$ 13,851,791
Capital assets	34,122,624	34,151,643	27,200,734	28,021,100	61,323,358	62,172,743
Total assets	55,246,986	45,396,168	30,162,625	30,628,366	85,409,611	76,024,534
Total deferred outflows of resources	5,513,029	6,174,486	345,266	385,140	5,858,295	6,559,626
Current and other liabilities	2,326,251	4,287,302	1,201,565	1,143,947	3,527,816	5,431,249
Long-term liabilities	41,586,452	39,952,281	11,770,342	12,431,770	53,356,794	52,384,051
Total liabilities	43,912,703	44,239,583	12,971,907	13,575,717	56,884,610	57,815,300
Total deferred inflows of resources	5,297,932	5,694,137	323,527	334,703	5,621,459	6,028,840
Net position:						
Net investment in capital assets	32,566,515	32,625,792	16,372,045	16,604,835	48,938,560	49,230,627
Restricted	11,001,191	4,712,366	-	-	11,001,191	4,712,366
Unrestricted	(32,018,326)	(35,701,224)	840,412	498,251	(31,177,914)	(35,202,973)
Total net position	\$ 11,549,380	\$ 1,636,934	\$ 17,212,457	\$ 17,103,086	\$ 28,761,837	\$ 18,740,020

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

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

- Continued diligence in the listing of business personal property and the collection of property taxes, both current year levy and prior year delinquent taxes.
- Savings were realized in several departments due to lapsed salaries, as well as unspent supplies, utilities and equipment appropriations.

Bertie County's Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program revenues						
Charges for services	\$ 8,631,441	\$ 7,839,773	\$ 2,876,352	\$ 2,768,012	\$ 11,507,793	\$ 10,607,785
Operating grants and contributions	2,893,649	3,538,991	-	-	2,893,649	3,538,991
Capital grants and contributions	6,061,450	-	-	-	6,061,450	-
General revenues						
Property taxes	13,538,979	12,516,471	-	-	13,538,979	12,516,471
Local option sales taxes	3,625,233	3,440,605	-	-	3,625,233	3,440,605
Other taxes and licenses	1,002,648	1,139,369	-	-	1,002,648	1,139,369
Investment earnings	425,459	251,647	-	-	425,459	251,647
Miscellaneous	430,705	381,706	-	-	430,705	381,706
Total revenues	36,609,564	29,108,562	2,876,352	2,768,012	39,485,916	31,876,574
Expenses						
General government	7,130,029	3,969,882	-	-	7,130,029	3,969,882
Public safety	9,084,651	11,510,193	-	-	9,084,651	11,510,193
Environmental protection	519,520	525,621	-	-	519,520	525,621
Economic and physical development	775,584	688,533	-	-	775,584	688,533
Human services	5,302,074	5,121,228	-	-	5,302,074	5,121,228
Education	3,903,209	3,861,432	-	-	3,903,209	3,861,432
Special appropriations	598,672	634,121	-	-	598,672	634,121
Culture and recreational	332,975	258,731	-	-	332,975	258,731
Interest on long-term debt	867,653	1,016,838	-	-	867,653	1,016,838
Water districts	-	-	2,766,981	2,924,510	2,766,981	2,924,510
Total expenses	28,514,367	27,586,579	2,766,981	2,924,510	31,281,348	30,511,089
Increase (decrease) before transfers	8,095,197	1,521,983	109,371	(156,498)	8,204,568	1,365,485
Transfers	-	-	-	-	-	-
Change in net position	8,095,197	1,521,983	109,371	(156,498)	8,204,568	1,365,485
Net position, beginning	1,636,934	(75,169)	17,103,086	16,963,665	18,740,020	16,888,496
Adjustment: Error Correction	1,817,249	190,120	-	295,919	1,817,249	486,039
Net position, beginning, restated	3,454,183	114,951	17,103,086	17,259,584	20,557,269	17,374,535
Net position, ending	\$ 11,549,380	\$ 1,636,934	\$ 17,212,457	\$ 17,103,086	\$ 28,761,837	\$ 18,740,020

Governmental activities. Governmental activities increased the County's net position by \$8,095,197. Key elements of this increase are as follows:

- Revenues for governmental activities increased due to increases in charges for services and taxes, grant awards, the Opioid Settlement Fund, and Department of Public Safety fund.
- Expenses for governmental activities increased by \$927,788 primarily due to increases in general government.

Business-type activities: Business-type activities increased Bertie County's net position by \$109,371. Key elements of this increase are as follows:

- An increase in water sales contributed to the overall increase in net position for the water system.
- A decrease in water district expenses also contributed to the increase in net position.

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Bertie County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Bertie County's financing requirements. Specifically, fund balance available for appropriations 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 Bertie County. As of June 30, 2024, Bertie County's unassigned fund balance in the General Fund was \$4,222,879, while total fund balance in the General Fund reached \$10,047,506. The Governing Body of Bertie County has determined that the County should maintain an available fund balance of at least ten percent of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County.

- Bertie County's reported available fund balance for fiscal year ended June 30, 2023, was \$2,365,867.
- Bertie County's available fund balance for the fiscal year ended June 30, 2024, is \$6,682,520 which is an increase of \$4,316,653 or approximately 182 percent above the prior year.
- In the past, the NC Local Government Commission recommended that units of local government maintain a minimum of eight percent fund balance to cover cash flow and operating cycle, emergency reserves, and credit rating requirements. This recommendation has shifted to local governments maintaining a fund balance comparable to local governments of a similar size.
- Bertie County's available fund balance for appropriation is 24.87 percent of total General Fund expenditures for the fiscal year ended June 30, 2024.

The County's unassigned fund balance is 16.69 percent of General Fund expenditures, while total fund balance represents 39.71 percent of that same amount (\$25,300,190).

At June 30, 2024, the governmental funds of Bertie County reported a combined fund balance of \$17,209,574, a 3.73% increase over last year. The Department of Public Safety fund's fund balance increased \$5,500,000 and the Opioid Settlement fund's fund balance increased \$301,487 related to grant funding with no expenditures in the current year.

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.

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Statutory Calculation of Fund Balance Available for Appropriation At June 30
Restricted - Stabilization by State Statute

Bertie County General Fund

6/30/2011 and Later

Calculation

Fund Balance Available for Appropriation - G.S. §159-8(a)

	<u>Total</u>	<u>Without Including Restricted Cash</u>
Unrestricted Cash and Investments	\$ 2,163,588	\$ 2,163,588
Restricted cash and investments (This would normally include Powell Bill, Bond Proceeds, consolidated funds such as capital reserve funds or tax revaluation funds)	5,679,753	
Liabilities excluding those to be paid from restricted cash	1,138,127	1,138,127
Liabilities to be paid from restricted cash not included above		
Encumbrances at June 30 (listed in the notes).....		---
Deferred or Unearned Revenues Arising from Cash Receipts ...	22,694	22,694
✓ Fund Balance Available for Appropriation	\$ 6,682,520	\$ 1,002,767

Total Fund Balance (From Audited Financial Statements) 10,047,506

Total Restricted by State Statute..... \$ 3,364,986

Restricted by State Statute Presented on Financial Statements

<u>Less</u> Non Spendable - Inventory	---
Non Spendable - Prepays	---
Other Non Spendable amounts	79
✓ Restricted - Stabilization by State Statute (LGC calculation)	\$ 3,364,907

Restricted - Stabilization by State Statute (From Audited Financial Sta \$ 3,364,907

Restricted - Stabilization by State Statute Correctly Reported.



<u>Analysis</u>	<u>Total</u>	<u>Without Including Consolidated Fund</u>
<u>Expenditures - General Fund</u>		
Total Expenditures - General Fund	\$ 25,300,190	\$ 25,300,190
<u>Adjustments</u>		
Transfers Out	2,022,852	2,022,852
Issuance of Capital Leases & Installment Purchases	455,714	455,714
Total Expenditures (As Adjusted)	<u>\$ 26,867,328</u>	<u>\$ 26,867,328</u>
✓ Fund Balance Available as % of Expenditures	<u>24.87 %</u>	<u>3.73 %</u>

Counties and Municipalities may use this link to compare current information with their performance in prior fiscal years or with the ratios of their peer group.

[North Carolina County and Municipal Financial Information](#)

Prepared By: <i>77P</i>	On Date: Mar 23, 2026
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BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Capital Asset and Debt Administration

Capital assets. Bertie County's capital assets for its governmental and business-type activities as of June 30, 2024, total \$61,323,358 (net of accumulated depreciation/amortization). These assets include buildings, land, equipment, construction in progress (CIP), vehicles, and right-to-use assets.

(Net of Depreciation/Amortization)

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 1,928,490	\$ 1,928,490	\$ 129,994	\$ 129,994	\$ 2,058,484	\$ 2,058,484
Buildings and system	26,071,210	26,814,674	26,988,172	27,879,741	53,059,382	54,694,415
Improvements	663,418	671,613	-	-	663,418	671,613
Equipment	1,328,885	1,492,969	-	-	1,328,885	1,492,969
Vehicles and motor equipment	957,822	792,086	-	-	957,822	792,086
Right-to-use lease vehicles	897,101	779,626	82,568	70	979,669	779,696
Right-to-use lease equipment	22,483	35,184	-	11,295	22,483	46,479
Construction in progress	2,253,215	1,637,001	-	-	2,253,215	1,637,001
Total capital assets	\$ 34,122,624	\$ 34,151,643	\$ 27,200,734	\$ 28,021,100	\$ 61,323,358	\$ 62,172,743

Additional information of the County's capital assets can be found in Note 5.

Long-term Debt. As of June 30, 2024, Bertie County had total debt outstanding of \$55,129,035.

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Limited obligation bonds **	\$ 18,030,000	\$ 18,030,000	\$ 7,275,000	\$ 7,760,000	\$ 25,305,000	\$ 25,790,000
Installment purchases **	684,706	757,247	1,940,339	2,083,928	2,625,045	2,841,175
Lease liability	871,403	768,604	80,350	11,337	951,753	779,941
Revenue bond	-	-	1,533,000	1,561,000	1,533,000	1,561,000
Original issue discount	-	-	(26,757)	(28,923)	(26,757)	(28,923)
Original issue premium	-	-	319,675	345,578	319,675	345,578
Compensated absences	392,457	444,508	24,439	22,263	416,896	466,771
Net pension liability (LGRS)	6,963,883	6,498,226	444,503	414,780	7,408,386	6,913,006
Total pension liability (LEOSSA)	582,070	551,871	-	-	582,070	551,871
Total OPEB liability	15,053,129	15,611,861	960,838	996,502	16,013,967	16,608,363
Total long-term liabilities	\$ 42,577,648	\$ 42,662,317	\$ 12,551,387	\$ 13,166,465	\$ 55,129,035	\$ 55,828,782

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to eight percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Bertie County is \$90,351,883.

BERTIE COUNTY, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Business-type Activities:

Bertie County's Regional Water System operating revenues for the fiscal year ended June 30, 2024, total \$2,876,352 or \$108,340 more than the prior year.

Expenditures for the Regional Water System are reported as \$2,440,877 on page 138. The operating income of \$435,475 for the fiscal year ended June 30, 2024 represents an increase of \$242,707 as compared with the operating income of \$192,768 for the fiscal year ended June 30, 2023.

The Board of Commissioners has actively sought to achieve the merger and consolidation of the County's regional water system with the Towns of Roxobel and Lewiston-Woodville and was successful in securing financing through the NC Drinking Water state revolving fund including a \$500,000 grant which reflects principal forgiveness for this loan. Additionally, the Board of Commissioners consolidated Water District III with the South Windsor Association community water system in 2014 and has secured \$3,055,000 in USDA Rural Development financing, of which \$1,074,000 is a federal grant.

The water rates for residential, commercial and institutional customers in the County increased on July 1, 2021, for all four water districts.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Bertie County, PO Box 530, Windsor, NC 27983.

BASIC FINANCIAL STATEMENTS

BERTIE COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION JUNE 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bertie County ABC Board
ASSETS				
Cash and cash equivalents - unrestricted	\$ 3,060,674	\$ 2,164,958	\$ 5,225,632	\$ 86,972
Cash and cash equivalents - restricted	12,410,574	350,681	12,761,255	-
Receivables, (net)	5,207,938	446,252	5,654,190	-
Notes receivable	418,283	-	418,283	-
Inventories	-	-	-	252,878
Prepaid expenses	-	-	-	8,612
Leases receivable	13,337	-	13,337	-
Total current assets	21,110,806	2,961,891	24,072,697	348,462
Net pension asset	13,556	-	13,556	-
Capital assets:				
Land, improvements, and construction in progress	4,181,705	129,994	4,311,699	3,789
Other capital assets, net of depreciation	29,021,335	26,988,172	56,009,507	18,636
Right to use lease asset, net of amortization	919,584	82,568	1,002,152	-
Total capital assets	34,122,624	27,200,734	61,323,358	22,425
Total assets	55,246,986	30,162,625	85,409,611	370,887
DEFERRED OUTFLOWS OF RESOURCES				
	5,513,029	345,266	5,858,295	53,708
LIABILITIES				
Accounts payable and accrued liabilities	1,202,004	71,666	1,273,670	81,179
Unearned revenue	2,923	-	2,923	-
Customer deposits	-	321,688	321,688	-
Accrued interest payable	130,128	27,166	157,294	-
Due within one year	991,196	781,045	1,772,241	-
Long-term liabilities				
Net pension liability - LGERS	6,963,883	444,503	7,408,386	54,177
Total pension liability - LEOSSA	565,125	-	565,125	-
Total OPEB liability	14,702,794	938,476	15,641,270	247,859
Compensated absences payable	190,635	-	190,635	-
Due in more than one year	19,164,015	10,387,363	29,551,378	-
Total long-term liabilities	41,586,452	11,770,342	53,356,794	302,036
Total liabilities	43,912,703	12,971,907	56,884,610	383,215
DEFERRED INFLOWS OF RESOURCES				
	5,297,932	323,527	5,621,459	39,190
NET POSITION				
Net investment in capital assets	32,566,515	16,372,045	48,938,560	22,425
Restricted for:				
Stabilization by state statute	3,364,907	-	3,364,907	-
Register of Deeds' pension plan	13,556	-	13,556	-
Public safety	5,977,477	-	5,977,477	-
Economic and physical development	1,153,333	-	1,153,333	-
Human services	478,385	-	478,385	-
Environmental protection	13,533	-	13,533	-
Working capital	-	-	-	39,852
Unrestricted balance (deficit)	(32,018,326)	840,412	(31,177,914)	(60,087)
Total net position	\$ 11,549,380	\$ 17,212,457	\$ 28,761,837	\$ 2,190

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

BERTIE COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental Activities:				
General government	\$ 7,130,029	\$ 296,078	\$ 1,435,555	\$ 526,450
Public safety	9,084,651	827,166	152,742	5,500,000
Economic and physical development	775,584	118,277	372,589	35,000
Human services	5,302,074	4,941,549	559,443	-
Environmental protection	519,520	2,435,676	-	-
Education	3,903,209	-	-	-
Cultural and recreational	332,975	12,695	5,200	-
Interest on long-term debt	867,653	-	368,120	-
Special appropriations	598,672	-	-	-
Total governmental activities	28,514,367	8,631,441	2,893,649	6,061,450
Business-type activities:				
Water Districts	2,766,981	2,876,352	-	-
Total business-type activities	2,766,981	2,876,352	-	-
Total primary government	31,281,348	11,507,793	2,893,649	6,061,450
Component unit:				
ABC Board	1,282,339	1,337,615	-	-
Total component unit	\$ 1,282,339	\$ 1,337,615	\$ -	\$ -
General revenues:				
Taxes:				
Property taxes, levied for general purpose				
Local option sales tax				
Other taxes and licenses				
Miscellaneous				
Investment earnings, unrestricted				
Total general revenues				
Change in net position				
Net position, beginning, as previously reported				
Adjustment: Error Correction (Note 17)				
Net position, beginning, as 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	Bertie County ABC Board
\$ (4,871,946)	\$ -	\$ (4,871,946)	\$ -
(2,604,743)	-	(2,604,743)	-
(249,718)	-	(249,718)	-
198,918	-	198,918	-
1,916,156	-	1,916,156	-
(3,903,209)	-	(3,903,209)	-
(315,080)	-	(315,080)	-
(499,533)	-	(499,533)	-
(598,672)	-	(598,672)	-
<u>(10,927,827)</u>	<u>-</u>	<u>(10,927,827)</u>	<u>-</u>
-	109,371	109,371	-
-	109,371	109,371	-
<u>(10,927,827)</u>	<u>109,371</u>	<u>(10,818,456)</u>	<u>-</u>
-	-	-	55,276
-	-	-	55,276
13,538,979	-	13,538,979	-
3,625,233	-	3,625,233	-
1,002,648	-	1,002,648	-
430,705	-	430,705	349
425,459	-	425,459	-
<u>19,023,024</u>	<u>-</u>	<u>19,023,024</u>	<u>349</u>
<u>8,095,197</u>	<u>109,371</u>	<u>8,204,568</u>	<u>55,625</u>
1,636,934	17,103,086	18,740,020	(53,435)
1,817,249	-	1,817,249	-
<u>3,454,183</u>	<u>17,103,086</u>	<u>20,557,269</u>	<u>(53,435)</u>
<u>\$ 11,549,380</u>	<u>\$ 17,212,457</u>	<u>\$ 28,761,837</u>	<u>\$ 2,190</u>

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

BERTIE COUNTY, NORTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Department of Public Safety Fund	Opioid Settlement Fund		
ASSETS					
Cash and cash equivalents	\$ 2,163,588	\$ -	\$ -	\$ 804,381	\$ 2,967,969
Restricted cash	5,679,753	5,500,601	363,008	867,212	12,410,574
Due from other funds	962,375	-	-	-	962,375
Receivables, (net):					
Accounts	1,380,414	-	1,320,966	538,076	3,239,456
Taxes	1,964,529	-	-	-	1,964,529
Leases receivable	13,337	-	-	-	13,337
Notes	418,283	-	-	-	418,283
Total assets	<u>12,582,279</u>	<u>5,500,601</u>	<u>1,683,974</u>	<u>2,209,669</u>	<u>21,976,523</u>
LIABILITIES					
Accounts payable and accrued expenses	1,138,127	-	-	61,021	1,199,148
Unearned revenues	-	-	-	2,923	2,923
Due to other funds	-	-	-	962,375	962,375
Total liabilities	<u>1,138,127</u>	<u>-</u>	<u>-</u>	<u>1,026,319</u>	<u>2,164,446</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable taxes receivable	478,980	-	-	-	478,980
Prepaid taxes	22,694	-	-	-	22,694
Leases receivable	13,258	-	-	-	13,258
Unavailable EMS receivable	463,431	-	-	-	463,431
Unavailable opioid receivable	-	-	1,205,857	-	1,205,857
Notes receivable	418,283	-	-	-	418,283
Total deferred inflows of resources	<u>1,396,646</u>	<u>-</u>	<u>1,205,857</u>	<u>-</u>	<u>2,602,503</u>
FUND BALANCES					
Nonspendable					
Leases	79	-	-	-	79
Restricted					
Stabilization by state statute	3,364,907	-	-	-	3,364,907
Public safety	-	5,500,601	-	476,876	5,977,477
Economic and physical development	-	-	-	1,153,333	1,153,333
Human services	-	-	478,117	268	478,385
Environmental protection	-	-	-	13,533	13,533
Committed					
Tax revaluation	384,317	-	-	-	384,317
Education (Capital Reserve - Schools Fund)	2,075,324	-	-	-	2,075,324
Unassigned	4,222,879	-	-	(460,660)	3,762,219
Total fund balances	<u>10,047,506</u>	<u>5,500,601</u>	<u>478,117</u>	<u>1,183,350</u>	<u>17,209,574</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,582,279</u>	<u>\$ 5,500,601</u>	<u>\$ 1,683,974</u>	<u>\$ 2,209,669</u>	<u>\$ 21,976,523</u>

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

BERTIE COUNTY, NORTH CAROLINA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

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

Fund balances (deficit) - total governmental funds		\$ 17,209,574
Capital assets and right-to-use assets used in governmental activities are not financial resources, therefore, the assets are not reported in the governmental funds:		
Assets not subject to depreciation	\$ 4,181,705	
Assets subject to depreciation/amortization	47,184,434	
Less: accumulated depreciation and amortization	<u>(17,271,150)</u>	34,094,989
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the governmental funds.		
Unavailable revenue - property taxes	\$ 478,980	
Unavailable revenue - EMS and notes receivable	881,714	
Unavailable revenue - opioid receivable	<u>1,205,857</u>	2,566,551
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds payable, net of unamortized premiums	\$ (18,030,000)	
Installment notes payable, net of unamortized premiums	(684,706)	
Leases payable	(871,403)	
Accrued interest payable	(130,128)	
Compensated absences	<u>(392,457)</u>	(20,108,694)
The net pension liability (LGERS), total pension liability (LEOSSA), and net pension asset (RODSPF), as well as the related deferred outflows and inflows of resources are not expected to be liquidated with expendable available resources and, therefore, are not reported in the governmental funds.		
Net pension liability (LGERS)	\$ (6,963,883)	
Total pension liability (LEOSSA)	(582,070)	
Net pension asset (RODSPF)	13,556	
Deferred outflows of resources - pension items	4,183,767	
Deferred inflows of resources - pension items	<u>(653,363)</u>	(4,001,993)
The total OPEB liability and the related deferred outflows and inflows of resources are not expected to be liquidated with expendable available resources and, therefore, are not reported in the governmental funds.		
Total OPEB liability	\$ (15,053,129)	
Deferred outflows of resources - OPEB items	1,329,262	
Deferred inflows of resources - OPEB items	<u>(4,608,617)</u>	(18,332,484)
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
		<u>121,437</u>
Net position of governmental activities		<u>\$ 11,549,380</u>

BERTIE COUNTY, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Major Funds			(Previously Major)		Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Department of Public Safety Fund	Opioid Settlement Fund	Water Access - Phase 1 Fund	SLFRF/ARP Project		
REVENUES							
Ad valorem taxes	\$ 13,037,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,037,391
Other taxes and licenses	885,948	-	-	-	-	-	885,948
Unrestricted intergovernmental revenues	3,741,683	-	-	-	-	-	3,741,683
Restricted intergovernmental revenues	4,219,971	5,500,000	301,487	-	-	3,128,182	13,149,640
Permits and fees	264,876	-	-	-	-	-	264,876
Sales and services	4,515,442	-	-	-	-	-	4,515,442
Investment earnings	339,693	-	-	-	-	85,766	425,459
Miscellaneous	798,757	-	-	-	-	-	798,757
Total revenues	27,803,761	5,500,000	301,487	-	-	3,213,948	36,819,196
EXPENDITURES							
Current:							
General government	4,364,945	-	-	-	-	2,285,445	6,650,390
Public safety	8,548,678	-	-	-	-	687,511	9,236,189
Economic and physical development	538,054	-	-	-	-	451,384	989,438
Human services	784,650	-	-	-	-	-	784,650
Environmental protection	519,520	-	-	-	-	-	519,520
Education	3,903,209	-	-	-	-	-	3,903,209
Cultural and recreational	353,712	-	-	-	-	-	353,712
Social Services	4,385,620	-	-	-	-	-	4,385,620
Debt service	1,303,130	-	-	-	-	-	1,303,130
Special appropriations	598,672	-	-	-	-	-	598,672
Total expenditures	25,300,190	-	-	-	-	3,424,340	28,724,530
Excess (deficiency) of revenues over (under) expenditures	2,503,571	5,500,000	301,487	-	-	(210,392)	8,094,666
OTHER FINANCING SOURCES (USES)							
Transfers in	1,998,377	-	-	-	-	-	1,998,377
Transfers out	(2,022,852)	-	-	-	-	-	(2,022,852)
Sale of capital assets	75,629	-	-	-	-	-	75,629
Lease proceeds	28,194	-	-	-	-	-	28,194
Issuance of leases	455,714	-	-	-	-	-	455,714
Total other financing sources, net	535,062	-	-	-	-	-	535,062
Net change in fund balances	3,038,633	5,500,000	301,487	-	-	(210,392)	8,629,728
Fund balances, beginning, as previously reported	5,340,561	-	-	(142,405)	-	1,724,476	6,922,632
Adjustment - change to reporting entity (Note 17)	-	601	116,446	142,405	-	(259,452)	-
Adjustment - error correction (Note 17)	1,668,312	-	60,184	-	-	(71,282)	1,657,214
Fund balances, beginning, as adjusted	7,008,873	601	176,630	-	-	1,393,742	8,579,846
Fund balances, end of year	\$ 10,047,506	\$ 5,500,601	\$ 478,117	\$ -	\$ -	\$ 1,183,350	\$ 17,209,574

BERTIE COUNTY, 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, 2024

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

Net changes in fund balances - total government funds	\$	8,629,728
The net effect of the sale and disposal of capital and right-to-use assets to decrease the net position of governmental activities.		
		(28,172)
Governmental funds report capital outlays as expenditures, however, the cost of those assets is allocated over their estimated useful lives and reported as depreciation or amortization expense in the Statement of Activities. This is the amount by which capital outlays exceeded depreciation and amortization expense in the current period.		
Capital outlay	\$ 1,735,233	
Depreciation and amortization expense	<u>(1,723,857)</u>	11,376
Receivables are deferred in the fund statements because they are not considered available and do not provide current financial resources. The following amounts are recognized as revenue in the Statement of Activities:		
Net change in unavailable property tax revenues	\$ 23,183	
Net change in unavailable EMS and notes receivable	8,421	
Net change in unavailable opioid receivable	<u>(241,304)</u>	(209,700)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Issuance of new leases	\$ (455,714)	
Principal payments on long-term liabilities	<u>425,456</u>	(30,258)
The following 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:		
Net change in compensated absences	\$ 52,051	
Net change in accrued interest	10,089	
Pension expense - LGERS	(644,244)	
Pension expense - LEOSSA	(124,465)	
Pension expense - RODSPF	4,941	
OPEB expense	<u>381,874</u>	(319,754)
Internal service funds are used by management to charge the costs of a telephone system to individual funds. The net expense of the internal service fund is reported within governmental activities.		
		<u>41,977</u>
Change in net position - governmental activities	\$	<u><u>8,095,197</u></u>

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

BERTIE COUNTY, NORTH CAROLINA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 13,266,760	\$ 13,275,760	\$ 13,037,391	\$ (238,369)
Other taxes and licenses	622,700	622,700	885,948	263,248
Unrestricted intergovernmental revenues	3,270,680	3,270,680	3,741,683	471,003
Restricted intergovernmental revenues	3,926,458	4,178,381	4,219,971	41,590
Permits and services	241,175	241,175	264,876	23,701
Sales and services	4,235,483	4,235,483	4,515,442	279,959
Investment earnings	100,000	100,000	316,500	216,500
Miscellaneous	382,799	401,051	430,637	29,586
Total revenues	<u>26,046,055</u>	<u>26,325,230</u>	<u>27,412,448</u>	<u>1,087,218</u>
Expenditures				
Current:				
General government	4,426,558	4,439,725	4,364,945	74,780
Public safety	10,207,654	10,305,145	8,548,678	1,756,467
Economic and physical development	604,685	609,185	538,054	71,131
Human services	770,214	807,166	784,650	22,516
Environmental protection	543,356	543,356	519,520	23,836
Education	3,839,946	3,839,946	3,903,209	(63,263)
Cultural and recreational	436,897	436,898	353,712	83,186
Social services	5,100,556	5,256,510	4,385,620	870,890
Debt service	2,094,799	2,094,798	1,303,130	791,668
Special appropriations	596,360	562,230	598,672	(36,442)
Total expenditures	<u>28,621,025</u>	<u>28,894,959</u>	<u>25,300,190</u>	<u>3,594,769</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,574,970)</u>	<u>(2,569,729)</u>	<u>2,112,258</u>	<u>4,681,987</u>
Other financing sources (uses)				
Transfers from other funds	2,540,795	2,540,795	3,999,808	1,459,013
Transfers to other funds	(104,475)	(104,475)	(4,101,229)	(3,996,754)
Sale of capital assets	1,000	1,000	75,629	74,629
Issuance of leases	-	-	455,714	455,714
Lease proceeds	-	-	28,194	28,194
Total other financing sources, net	<u>2,437,320</u>	<u>2,437,320</u>	<u>458,116</u>	<u>(1,979,204)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(137,650)</u>	<u>(132,409)</u>	<u>2,570,374</u>	<u>2,702,783</u>
Appropriated fund balance	<u>137,650</u>	<u>132,409</u>	<u>-</u>	<u>(132,409)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>2,570,374</u>	<u>\$ 2,570,374</u>
Fund balances, beginning of year			<u>5,017,491</u>	
Fund balances, end of year			<u>7,587,865</u>	
The legally budgeted Tax Revaluation Fund and Capital Reserve Fund are consolidated into the General Fund for reporting purposes:				
Investment earnings			391,313	
Transfers from other funds			(2,001,431)	
Transfers to other funds			2,078,377	
Fund balances, beginning of year			<u>323,070</u>	
Adjustment - error correction (Note 17)			<u>1,668,312</u>	
Fund balances, beginning, as adjusted			<u>1,991,382</u>	
Fund balances, end of year			<u>\$ 10,047,506</u>	

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

BERTIE COUNTY, NORTH CAROLINA

**DEPARTMENT OF PUBLIC SAFETY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Intergovernmental revenues	<u>\$ 728,269</u>	<u>\$ 5,500,000</u>	<u>\$ 4,771,731</u>
Total revenues	<u>728,269</u>	<u>5,500,000</u>	<u>4,771,731</u>
Expenditures			
Current:			
Public safety	<u>728,269</u>	<u>-</u>	<u>728,269</u>
Total expenditures	<u>728,269</u>	<u>-</u>	<u>728,269</u>
Net change in fund balances	<u>\$ -</u>	<u>5,500,000</u>	<u>\$ 5,500,000</u>
Fund balance, beginning		<u>601</u>	
Fund balance, ending		<u><u>\$ 5,500,601</u></u>	

BERTIE COUNTY, NORTH CAROLINA

**OPIOID SETTLEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental revenues	\$ 116,446	\$ 301,487	\$ 185,041
Total revenues	<u>116,446</u>	<u>301,487</u>	<u>185,041</u>
Expenditures			
Current:			
Human services	116,446	-	116,446
Total expenditures	<u>116,446</u>	<u>-</u>	<u>116,446</u>
Net change in fund balances	<u>\$ -</u>	301,487	<u>\$ 301,487</u>
Fund balance, beginning as previously reported		116,446	
Error correction (Note 17)		60,184	
Fund balance, ending		<u>\$ 478,117</u>	

BERTIE COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2024

	Regional Water District	Internal Service Fund
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,164,958	\$ 92,705
Restricted cash and cash equivalents	350,681	
Receivables, net	446,252	3,953
Total current assets	2,961,891	96,658
NONCURRENT ASSETS		
Capital assets:		
Land and improvements	129,994	-
Buildings, improvements, and equipment	43,621,663	305,185
Right-to-use assets	118,171	-
Less accumulated depreciation/amortization	(16,669,094)	(277,550)
Total noncurrent assets	27,200,734	27,635
Total assets	30,162,625	124,293
DEFERRED OUTFLOWS OF RESOURCES	345,266	-
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	71,666	2,857
Accrued interest payable	27,166	-
Compensated absences	24,439	-
Customer deposits	321,688	-
Installment notes payable	143,588	-
Limited obligation bonds	515,000	-
Revenue bond	29,000	-
Original issue discount/premium	23,737	-
Total OPEB liability	22,362	-
Right-to-use liabilities	22,919	-
Total current liabilities	1,201,565	2,857
NONCURRENT LIABILITIES		
Installment notes payable	1,796,751	-
Limited obligation bonds	6,760,000	-
Revenue bond	1,504,000	-
Original issue discount/premium	269,181	-
Net pension liability	444,503	-
Total OPEB liability	938,476	-
Right-to-use liabilities	57,431	-
Total noncurrent liabilities	11,770,342	-
Total liabilities	12,971,907	2,857
DEFERRED INFLOWS OF RESOURCES	323,527	-
NET POSITION		
Net investment in capital assets	16,372,045	27,635
Unrestricted	840,412	93,801
Total net position	\$ 17,212,457	\$ 121,436

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

BERTIE COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Regional Water District	Internal Service Fund
OPERATING REVENUES		
User charges	\$ 2,865,156	\$ 65,560
Other operating revenue	11,196	-
Total operating revenues	2,876,352	65,560
OPERATING EXPENSES		
Salaries and employee benefits	512,556	-
Cost of operations	1,019,150	35,835
Depreciation expense	909,171	12,223
Total operating expenses	2,440,877	48,058
Operating income	435,475	17,502
NON-OPERATING REVENUES (EXPENSES)		
Debt service - interest	(349,841)	-
Debt service - amortization	23,737	-
Total nonoperating expenses, net	(326,104)	-
Income before transfers	109,371	17,502
Transfer in	-	24,475
Change in net position	109,371	41,977
Net position, beginning of year	17,103,086	79,459
Net position, end of year	\$ 17,212,457	\$ 121,436

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

BERTIE COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Regional Water District	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 2,789,740	\$ 65,819
Cash paid for goods and services	(1,019,003)	(37,703)
Cash paid to employees for services	(487,624)	-
Other operating revenues	11,196	-
Net cash provided by operating activities	1,294,309	28,116
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfers from other funds	-	24,475
Net cash provided by non-capital financing activities	-	24,475
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest paid on construction debt	(350,528)	-
Principal paid on bond maturities and equipment contracts	(656,589)	-
Principal paid on leases	(17,462)	-
Net cash used in capital and related financing activities	(1,024,579)	-
Net increase in cash and cash equivalents	269,730	52,591
Cash and cash equivalents, beginning of year	2,245,909	40,114
Cash and cash equivalents, end of year	\$ 2,515,639	\$ 92,705
Cash and cash equivalents		
Cash and cash equivalents	\$ 2,164,958	\$ 92,705
Restricted cash and cash equivalents	350,681	-
Total cash and cash equivalents	\$ 2,515,639	\$ 92,705
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 435,475	\$ 17,502
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and Amortization	909,171	12,223
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in accounts receivable	(84,894)	259
Decrease in deferred outflows of resources for pensions and OPEB	39,874	-
Increase in net pension liability	29,723	-
Decrease in net OPEB liability	(35,664)	-
Decrease in deferred inflows of resources for pensions and OPEB	(11,176)	-
Increase (decrease) in accounts payable and accrued liabilities	147	(1,868)
Increase in customer deposits	9,478	-
Increase in accrued vacation	2,175	-
Net cash provided by operating activities	\$ 1,294,309	\$ 28,116
SUMMARY OF NON-CASH AND RELATED FINANCING ACTIVITIES		
Amortization of debt premiums and discounts	\$ (23,737)	\$ -
Acquisition of capital assets via leasing agreements	(88,804)	-
Issuance of leases	86,475	-
	\$ (26,066)	\$ -

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

BERTIE COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION

CUSTODIAL FUND

JUNE 30, 2024

	Municipal Tax Fund
ASSETS	
Cash and cash equivalents	\$ 53,232
Total assets	<u>53,232</u>
LIABILITIES AND NET POSITION	
Accounts payable and accrued liabilities	<u>53,232</u>
Total liabilities	<u>53,232</u>
Restricted for:	
Individuals, organizations, and other governments	-
Total net position	<u>\$ -</u>

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

BERTIE COUNTY, NORTH CAROLINA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	Municipal Tax Fund
ADDITIONS	
Ad valorem taxes for other governments	\$ 835,457
Collection of civil fees	44,828
Total additions	<u>880,285</u>
DEDUCTIONS	
Tax distributions to other governments	835,457
Disbursement of civil fees	44,828
Total deductions	<u>880,285</u>
Change in fiduciary net position	-
Net position, beginning of year	<u>-</u>
Net position, end of year	<u>\$ -</u>

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

NOTES TO THE FINANCIAL STATEMENTS

BERTIE COUNTY, NORTH CAROLINA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Bertie County, North Carolina (the “County”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County’s significant accounting policies are described below.

A. Reporting Entity

The County, which is governed by a five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by GAAP, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. One component unit of the County has no financial transactions or account balances; therefore, it does not appear in the combined financial statements. The blended component unit, although it is a legally separate entity, is, in substance, part of the County’s operations. The discretely presented component unit below is reported in a separate column in the County’s combined financial statements in order to emphasize that it is legally separate from the County.

As required by GAAP in the United States of America, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County’s reporting entity because of the significance of their operational and financial relationship with the County. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit

Under State law (G.S. 162A-89), the County’s board of commissioners also serve as the governing board for the Regional Water District. Therefore, the Regional Water District is reported as an enterprise fund in the County’s financial statements. The Regional Water District does not issue separate financial statements.

Discretely Presented Component Units

Bertie County Industrial Facility and Pollution Control Financing Authority (the “Authority”) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority is governed by a seven-member board of commissioners, all of whom are appointed by the County commissioners. The County can remove any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The Bertie County Alcoholic Beverage Control Board (the “ABC Board”) operates retail liquor stores within the County and investigates violations of laws pertaining to retail liquor sales. The members of the ABC Board’s governing board are appointed by the County. The ABC Board is required by State statute to distribute surpluses to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund. Complete separate financial statements for the ABC Board may be obtained at its administrative office:

Bertie County ABC Board
PO Box 97
Windsor, North Carolina 27983

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component unit* for which the primary government is financially accountable. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the County’s capital assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers most revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which use a 60-day period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to other long-term liabilities, such as compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, individual major funds are reported as separate columns in the fund financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The County reports the following major governmental funds:

The **General Fund** 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. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Capital Reserve Fund and Revaluation Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the General Fund.

The **Department of Public Safety Fund**, formerly presented as the Sheriff's Grant Fund, accounts for grants to aid in the funding of capital items for public safety departments such as Fire and Emergency Services.

The **Opioid Settlement Fund** accounts for the monies deposited from the opioid settlement to fight against the opioid epidemic.

The County reports the following major enterprise fund:

The **Regional Water District Fund** accounts for the revenues and expenses related to the provision of the water and sewer system within the County.

Additionally, the County reports the following fund types:

The **special revenue funds** are used to account for specific revenues, such as various grants and contributions, which are legally restricted or committed to expenditures for particular purposes. The County maintains seven legally budgeted funds. The Emergency Telephone System, Affordable Teacher Housing Fund, OSBM Settlement Fund, Fire Districts Fund, Representative Payee Fund, Pest Management Fund, Fines and Forfeitures Fund, Tornado Donations Fund, and the SLFRF/ARP Fund are reported as nonmajor special revenue funds. The Library Co-Op Extension Building Fund, Library Co-Op Construction Fund, Water Access – Phase 1 Fund, EMS Building Fund, Disaster Recovery 17 Project Fund, Animal Shelter Project Fund, Capital Projects – Schools Fund, CRDS Fund, and the WD IV IMP Fund are reported as nonmajor capital project funds.

The **custodial fund** is used to account for activities in which the County is acting in a fiduciary capacity. The County maintains one custodial fund: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but that are not revenues to the County.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The **internal service fund**, which is a proprietary fund, is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. The County has one internal service fund. The Bertie Telephone Fund is an internal service fund, which operates for County use only. The Bertie Telephone Fund is consolidated with the Governmental Funds in the government-wide statements.

In accounting and reporting for its proprietary operations, the government applies all GASB pronouncements. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989, which did not conflict with or contradict GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any inter-fund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

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. 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 enterprise funds include the cost of these goods 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.

D. Budgets

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Enterprise Funds, and Special Revenue Funds, except as noted. The representative payee fund and the pest management fund are special revenue funds that did not have an adopted budget in fiscal year 2024. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Capital Projects Funds and the Enterprise Capital Projects Funds. The Enterprise Capital Projects Funds are consolidated with the enterprise operating funds for reporting purposes.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets (Continued)

In accordance with State law, the budgets adopted for the enterprise funds are adopted on the modified accrual basis of accounting, and a reconciliation is provided along with the budget schedule to reconcile from the modified accrual basis to the accrual basis. The use of fund balance is shown as other financing sources for both governmental and proprietary funds. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000. The governing board must approve all amendments.

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

E. Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. The County pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Any deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of State or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

State law [G.S. 159-30(c)] authorizes the County 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 NCCMT Government Portfolio is an SEC-registered (2a-7) money market mutual fund and is measured at fair value. The County's investment in the NCCMT Government Portfolio carried a credit rating of AAAM by Standard & Poor's and AAA-mf by Moody's Investors Service as of June 30, 2024. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, the County considers amounts invested in the NCCMT Government Portfolio to be cash equivalents for financial reporting purposes.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Restricted Cash and Cash Equivalents

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 assets because its use is restricted per North Carolina General Statute 153A-150. Money in the Capital Reserve Schools Fund is classified as restricted assets because its use is restricted per North Carolina General Statutes 159-18 through 22. The County is required by the USDA to set aside ten percent of the current year's note payment as restricted cash in a separate account for ten years or until one payment has accrued or the note is paid out. The unspent Opioid funds, OSBM grant, and grant monies are restricted to the purpose for which the grant funds were awarded. The County's Debt Service for the Qualified School Construction Bond (QSCB) is restricted in a sinking fund to be paid at the bond's maturity.

Governmental Activities:

	Tax Revaluation	\$ 384,317
	Unspent Opioid funds	363,008
	Unspent Grant monies	5,500,601
	USDA Reserves Account	25,159
	OSBM Grant	866,944
	School Capital Reserve	2,111,927
	Debt Service (QSCB)	3,158,350
	DSS Representative Payee	268
Total Governmental Activities		\$ 12,410,574

Business-type Activities:

Regional Water District		
	Customer deposits	\$ 321,688
	USDA Reserves Account	28,993
Total Business-type Activities		\$ 350,681

G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

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 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, 2023.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Allowances

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

I. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government wide financial statements as “internal balances.”

J. Leases

Lessee

The County is a lessee for multiple noncancellable lease equipment and vehicles. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities and right-to-use lease assets in accordance with its capitalization policy (Note 1-M).

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Leases (Continued)

Lessee (Continued)

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

In the statement of net position, right-to-use lease assets are reported with capital assets and lease liabilities are reported with other long-term liabilities as amounts due within one year and amounts due in more than one year.

Lessor

The County is the lessor for a noncancellable lease of real property. The County recognizes a lease receivable and a deferred inflow of resources for deferred lease revenue in accordance with these transactions.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date, less certain other amounts to be paid by the County (if any). Subsequently, the deferred inflow of resources is amortized into lease revenue on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The lease agreements entered into by the County as lessor do not include stated interest rates. Therefore, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments that the County will receive over the term of the lease agreement.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Inventories

The inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The inventory of the ABC Board consists of materials and supplies held for consumption or resale. The cost of the inventory for the ABC Board is recorded as an expense as it is consumed or sold.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items in both government-wide and fund financial statements.

M. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (including right-to-use lease assets) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Capital assets of the County are depreciated/amortized using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Improvements	10-20
Furniture and equipment	10
Vehicles	3-5
Computer equipment	5
Right-to-use assets	Useful life

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the financial statements reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has six items that qualifies for reporting in this category which occurs in the governmental funds – taxes receivable, prepaid taxes, leases, unavailable EMS and opioid receivables, and notes receivable.

The County also has deferred inflows and outflows related to the recording of changes in its net pension liability – LGERS, net pension liability – ROD, and total pension liability – LEOSA and its total OPEB liability. Certain changes in the net pension/OPEB liability are recognized as pension or OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension/OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension/OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in proportion and differences between employer contributions and proportionate share of contributions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension or OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Compensated Absences

The vacation policy of the County provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policy of the County 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 County has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

P. Long-term Obligations

In the government-wide financial statements and proprietary fund types fund 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 are accrued and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the 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 or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Q. Opioid Settlement Funds

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

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

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Opioid Settlement Funds (Continued)

The County received \$34,508, \$142,122, and \$301,487 as part of this settlement in fiscal years 2022 through 2024, respectively. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. No funds have been expended as of June 30, 2024. The MOA offered the County two options of expending the funds. The County opted for Option A, which allows the County to fund one or more high-impact strategies from a list of evidence-based strategies to combat the opioid epidemic.

R. Reimbursements for Pandemic-related Expenditures

The American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. The County was allocated \$1,337,050 of fiscal recovery funds to be paid in two equal installments. The first installment of \$668,525 was received in July 2021 and the second installment was received in July 2022. A second tranche of funding was received in July 2022 for \$1,840,117. County staff and the Board of Commissioners elected to use \$1,200,971 of the ARPA funds for premium pay in fiscal year 2022 and for capital outlays in fiscal year 2023. The County elected to use the rest of the funds for revenue replacement in Fiscal Year 2024.

S. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Fund Equity (Continued)

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

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 Public safety, Economic and physical development, Human services, and Environmental protection – portion of fund balance that can only be used for the protection of citizens, growth and maintenance of the community's infrastructure, social welfare, and preserving natural resources, respectively.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by the County's Board of Commissioners. Approval of a resolution after a formal vote of the County's Board is required to establish a commitment of fund balance. Similarly, the County's Board may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

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

Committed for Education – portion of fund balance that can only be used for capital reserves schools.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Fund Equity (Continued)

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. The County's Board of Commissioners, through County Ordinance, has expressly delegated to the County Manager the authority to assign funds for particular purposes. There is no assigned fund balance at June 30, 2024.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The General Fund is the only fund that may report a positive unassigned fund balance.

The County has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County 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 County in a future budget.

Flow Assumptions – The 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.

Net Position – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Pensions

For purposes of measuring the net pension liability (asset), 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 (LGERS) and the Register of Deeds' Supplemental Pension Fund (RODSPF) and additions to/deductions from LGERS' and RODSPF's fiduciary net position have been determined on the same basis as they are reported by LGERS and RODSPF. 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.

U. Management 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 the reported amounts of assets, deferred outflows of resources, deferred inflows of resources, and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit in Fund Balance

For the fiscal year ended June 30, 2024, the following funds reported a deficit in Fund Balance:

Water Access - Phase 1 Fund	\$ 456,271
Disaster Recovery Fund	2,914
CRDS Fund	875
WC IV IMP Fund	600

These deficits are due to timing issues and will be alleviated with a transfer from the General Fund in the subsequent years, as necessary.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Excess of Expenditures over Appropriations

The education function, special appropriations, and transfers to other funds within the General fund reported expenditures in excess of amounts budgeted of \$63,263, \$36,442, and \$3,996,754, respectively due to failure to amend the budget to actual expenditures. The overage for the education function is due to an increase in public schools' current expenses that were not budgeted. The overage for special appropriations is due to an increase in appropriations relating to juvenile detention. The overage for transfers to other funds is due to the County adding the activity for the QSCB after the time period of budget amendments. These are transfers made to the Capital Reserve – School Funds and to Debt Service within the General Fund.

The Fines and Forfeitures Fund reported expenditures in excess of amounts budgeted of \$10,551 due to failure to amend the budget to actual expenditures. This fund is budgeted within the General Fund and broken out on the financial statements for presentation purposes.

Debt Service within the Regional Water District Fund reported expenditures in excess of amounts budgeted of \$135,669 due to failure to amend the budget to actual expenditures. The overage is due to the issuance of leases under GASB Statement No. 87.

The representative payee fund and the pest management fund were not budgeted in fiscal year 2024 and as such expenditures were in excess of amounts budgeted.

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits as of June 30, 2024, are summarized as follows:

Statement of Net Position:

Cash and cash equivalents	\$ 5,225,632
Restricted cash and cash equivalents	12,761,255
Fiduciary - custodial funds	53,232
	<u>\$ 18,040,119</u>
Cash deposited with financial institutions	\$ 9,459,052
Cash deposited with NCCMT	8,579,842
Petty cash	1,225
	<u>\$ 18,040,119</u>

At June 30, 2024, the County's deposits had a carrying amount of \$9,459,052 and a bank balance of \$9,984,233. Of the bank balance, \$250,000 was covered by Federal depository insurance, the remainder was covered by collateral held under the Pooling Method. At June 30, 2024, the County's petty cash fund totaled \$1,225.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

All of the County'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 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, 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 with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

Credit risk. State statutes and the County's policies authorize the County to invest in obligations of the State of North Carolina or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the NCCMT; and obligations of other political subdivisions of the state of North Carolina. The County does not have a separate credit rating policy which provides restrictions or limitations on credit ratings for the County's investments aside from adherence to the provisions of North Carolina G.S. 159-30.

As of June 30, 2024, the County had \$8,579,842 in the NCCMT Government Portfolio, an SEC registered (2a-7) money market mutual fund. The NCCMT Government Portfolio invests in treasuries and government agencies and is rated AAAM by S&P and AAAMf by Moody Investor Services. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented by the County as cash equivalents in the financial statements.

Fair value measurement. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County's investments in the NCCMT Government Portfolio are Level 1 investments.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk. The County does not have a formal investment interest rate policy that manages its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes (G.S. 159-31) require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2024, the County's deposits are insured or collateralized as required by GASB and state statutes.

NOTE 4. RECEIVABLES

Receivables at June 30, 2024, for the County's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts are as follows:

	Accounts	Taxes and Related Accrued Interest	Due from Other Governments	Lease Receivable	Notes Receivable	Total
Governmental activities:						
General fund	\$ 3,764,761	\$ 2,086,885	\$ 676,484	\$ 13,337	\$ 418,283	\$ 6,959,750
Opioid settlement fund	-	-	1,320,966	-	-	1,320,966
Other governmental	-	-	538,076	-	-	538,076
Internal service fund	3,953	-	-	-	-	3,953
Total receivables	3,768,714	2,086,885	2,535,526	13,337	418,283	8,822,745
Allowance for doubtful accounts	(3,060,831)	(122,356)	-	-	-	(3,183,187)
Total governmental activities	<u>\$ 707,883</u>	<u>\$ 1,964,529</u>	<u>\$ 2,535,526</u>	<u>\$ 13,337</u>	<u>\$ 418,283</u>	<u>\$ 5,639,558</u>
Business-type activities:						
Regional water district	\$ 872,518	\$ -	\$ 202,361	\$ -	\$ -	\$ 1,074,879
Total receivables	872,518	-	202,361	-	-	1,074,879
Allowance for doubtful accounts	(628,627)	-	-	-	-	(628,627)
Total business-type activities	<u>\$ 243,891</u>	<u>\$ -</u>	<u>\$ 202,361</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 446,252</u>

Lease Receivables

In January 2022, the County entered into a 36-month lease as lessor for the use of 106 East Dundee St. An initial lease receivable was recorded in the amount of \$79,551. As of June 30, 2024, the value of the lease receivable is \$13,337. The lessee is required to make monthly fixed payments of \$2,226. The lease has an interest rate of 0.4760%. The buildings estimated useful life was 360 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2024, was \$13,258, and the County recognized lease revenue of \$26,517 during the fiscal year.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES (CONTINUED)

Notes Receivables

In December 1993, the County accepted a note receivable from Landmark Asset Services, Inc., in exchange for 6.78 acres of land. The face value of the note is \$90,000, due in one single principal payment in 2044 and is non-interest bearing. The note is valued on the financial statements at the fair market value of the land of \$39,163 and is recorded as a deferred inflow of resources because the revenue is measurable, but not available.

In December 1995, the County accepted a note receivable from Landmark Asset Services, Inc., in consideration for environmental clean-up and site improvement expenditures incurred by the County. The face value of the note is \$249,520, due in one single payment in 2046 and is non-interest bearing. The note is valued on the financial statements at face value and is recorded as a deferred inflow of resources because the revenue is measurable, but not available.

In July 2004, the County accepted a note receivable from Bertie Memorial Limited Partnership in consideration for environmental clean-up and site improvement expenditures incurred by the County. The face value of the note is \$129,600, due in eighteen payments beginning in 2037 and is non-interest bearing. The note is valued on the financial statements at face value and is recorded as a deferred inflow of resources because the revenue is measurable, but not available.

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NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental Activities:					
Nondepreciable capital assets:					
Land & Improvements	\$ 1,928,490	\$ -	\$ -	\$ -	\$ 1,928,490
Construction in progress	1,637,001	616,214	-	-	2,253,215
Total	3,565,491	616,214	-	-	4,181,705
Capital assets being depreciated and amortized:					
Buildings	35,833,002	-	-	-	35,833,002
Improvements	1,575,911	70,950	-	-	1,646,861
Equipment	5,191,756	201,720	(6,260)	-	5,387,216
Vehicles and motor equipment	2,436,941	376,511	(59,104)	-	2,754,348
Right-to-use lease vehicles	1,105,946	469,838	(70,395)	-	1,505,389
Right-to-use lease equipment	75,543	-	(17,925)	-	57,618
Total	46,219,099	1,119,019	(153,684)	-	47,184,434
Less accumulated depreciation and amortization for:					
Buildings	9,058,186	731,241	-	-	9,789,427
Improvements	904,298	79,145	-	-	983,443
Equipment	3,698,787	365,804	(6,260)	-	4,058,331
Vehicles and motor equipment	1,644,855	210,775	(59,104)	-	1,796,526
Right-to-use lease vehicles	326,320	324,191	(42,223)	-	608,288
Right-to-use lease equipment	40,359	12,701	(17,925)	-	35,135
Total	15,672,805	\$ 1,723,857	\$ (125,512)	\$ -	17,271,150
Total capital assets being depreciated and amortized, net	30,546,294				29,913,284
Governmental activity capital assets, net	\$ 34,111,785				\$ 34,094,989
Internal Service Funds:					
Capital assets being depreciated:					
Building, improvements, and equipment	\$ 305,185	\$ -	\$ -	\$ -	\$ 305,185
Total	305,185	-	-	-	305,185
Less accumulated depreciation for:					
Building, improvements, and equipment	265,327	12,223	-	-	277,550
Total	265,327	\$ 12,223	\$ -	\$ -	277,550
Total capital assets being depreciated and amortized, net	39,858				27,635
Internal Service Fund capital assets, net	\$ 39,858				\$ 27,635
Total Governmental Activities and Internal Service Funds, net	\$ 34,151,643				\$ 34,122,624

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

General government	\$ 662,361
Public safety	917,497
Human services	75,018
Cultural and recreational	81,204
Total depreciation/amortization expense	\$ 1,736,080

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities:				
Regional Water District				
Capital assets not being depreciated:				
Land	\$ 129,994	\$ -	\$ -	\$ 129,994
Total capital assets not being depreciated	129,994	-	-	129,994
Capital assets being depreciated and amortized:				
Plant and distribution systems	43,448,838	-	-	43,448,838
Vehicles	172,825	-	-	172,825
Right-to-use lease vehicles	29,367	88,804	-	118,171
Right-to-use lease equipment	1,816	-	(1,816)	-
Total	43,652,846	88,804	(1,816)	43,739,834
Less accumulated depreciation and amortization for:				
Plant and distribution systems	15,569,097	891,569	-	16,460,666
Vehicles	172,825	-	-	172,825
Right-to-use lease vehicles	18,072	17,531	-	35,603
Right-to-use lease equipment	1,746	71	(1,817)	-
Total accumulated depreciation	15,761,740	\$ 909,171	\$ (1,817)	16,669,094
Total capital assets being depreciated and amortized, net	27,891,106			27,070,740
Regional Water District capital assets, net	\$ 28,021,100			\$ 27,200,734

Construction Commitments

The government has active construction projects as of June 30, 2024. The projects include the Animal shelter, the water access projects, and the Lewiston-Woodville Water System Replacement project. At June 30, 2024, the government's commitments with contractors are as follows:

	Spent-to-date	Remaining Commitment
Project		
Animal Shelter	\$ 137,571	\$ 64,101
Water Access - TGOW	1,621,796	375,000
Lewiston-Woodville Water System Replacement	493,848	66,610
Total	\$ 2,253,215	\$ 505,711

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023, Restated	Increases	Decreases	Balance June 30, 2024	Current Portion of Balance
Governmental Activities:					
Direct placement installment notes payable **	\$ 757,247	\$ -	\$ 72,541	\$ 684,706	\$ 74,536
Limited obligation bonds **	18,030,000	-	-	18,030,000	-
Lease liability	768,604	455,714	352,915	871,403	347,558
Compensated absences	444,508	149,771	201,822	392,457	201,822
Total pension liability (LEOSSA)	551,871	74,238	44,039	582,070	16,945
Net pension liability (LGERS)	6,498,226	1,284,649	818,992	6,963,883	-
Total OPEB liability	15,611,861	1,009,043	1,567,775	15,053,129	350,335
Total governmental activities	<u>\$ 42,662,317</u>	<u>\$ 2,973,415</u>	<u>\$ 3,058,084</u>	<u>\$ 42,577,648</u>	<u>\$ 991,196</u>
Business-type Activities:					
Direct placement installment notes payable	\$ 2,083,928	\$ -	\$ 143,589	\$ 1,940,339	\$ 143,588
Limited obligation bonds	7,760,000	-	485,000	7,275,000	515,000
Revenue bond	1,561,000	-	28,000	1,533,000	29,000
Original issue discount	(28,923)	-	(2,166)	(26,757)	(2,166)
Original issue premium	345,578	-	25,903	319,675	25,903
Lease liability	11,337	86,475	17,462	80,350	22,919
Compensated absences	22,264	16,246	14,071	24,439	24,439
Net pension liability (LGERS)	414,780	81,999	52,276	444,503	-
Total OPEB liability	996,502	64,407	100,071	960,838	22,362
Total business-type activities	<u>\$ 13,166,466</u>	<u>\$ 249,127</u>	<u>\$ 864,206</u>	<u>\$ 12,551,387</u>	<u>\$ 781,045</u>

** Direct placement installment notes payable and Limited obligation bonds for governmental activities were restated as documented in Note 17.

For governmental activities, compensated absences are liquidated by the General Fund. The net pension liability – LGERS, total pension liability - LEOSSA, and total OPEB liability, are liquidated primarily by the General Fund.

Installment Notes Payable

As authorized by State law (G.S.160A-20 and 153A-158.1), the County financed various property acquisitions for use by Bertie County Board of Education during the fiscal year ended June 30, 2004, by installment purchase. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with Bertie County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Installment notes serviced by the General Fund are as follows:

	Balance as of June 30, 2024
In April 2017, the County entered into a direct placement installment purchase contract for \$788,000 to finance the purchase of emergency equipment. The financing contract requires 15 annual payments, including interest, of \$64,821 with an interest rate of 2.75% beginning April 2018 and ending April 2032.	\$ 459,853
In October 2017, the County entered into a direct placement installment purchase contract for \$347,000 to finance the purchase of emergency equipment. The financing contract requires 15 annual payments, including interest, of \$28,545 with an interest rate of 2.75% beginning October 2018 and ending October 2033.	224,853
Total installment notes payable	\$ 684,706

Installment notes serviced by the Regional Water District Fund are as follows:

	Balance as of June 30, 2024
In January 2014, the County entered into a revolving loan for \$277,046 to finance a water supply system project for Water District II. The financing contract requires 18 annual principal payments of \$11,650 ending May 2032. The interest rate is 0.00%.	\$ 93,197
In January 2018, the County entered into a revolving loan for \$1,283,408 to finance a water supply system project for Water District II. The financing contract requires 20 annual principal payments of \$64,170 ending May 2038. The interest rate is 0.00%.	870,265
In May 2018, the County entered into a revolving loan for \$1,437,608 to finance a water supply system project for Water District IV. The financing contract requires 18 annual principal payments of \$71,880 ending November 2037. The interest rate is 0.00%.	976,877
Total installment notes payable	\$ 1,940,339

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

The debt service to maturity on the installment notes payable is as follows:

Year Ending June 30	Governmental Activities			
	Emergency Equipment		Emergency Equipment	
	Principal	Interest	Principal	Interest
2025	\$ 52,174	\$ 12,646	\$ 22,362	\$ 6,183
2026	53,609	11,211	22,976	5,569
2027	55,083	9,737	23,608	4,937
2028	56,598	8,222	24,238	4,287
2029	58,154	6,666	24,925	3,620
2030-2033	184,235	10,226	106,744	3,738
Principal and interest payment totals	\$ 459,853	\$ 58,708	\$ 224,853	\$ 28,334

Year Ending June 30	Business-type Activities		
	DENR	DWSFRF	DWSRF
	Principal	Principal	Principal
2025	\$ 11,649	\$ 62,162	\$ 69,777
2026	11,650	62,162	69,777
2027	11,650	62,162	69,777
2028	11,650	62,162	69,777
2029	11,650	62,162	69,777
2030-2034	34,948	310,809	348,885
2035-2038	-	248,646	279,107
Principal and interest payment totals	\$ 93,197	\$ 870,265	\$ 976,877

Limited Obligation Bonds

Pursuant to North Carolina General Statutes, the Bertie County Board of Commissioners entered into an installment contract and issued Limited Obligation Bonds for the purpose of designing, constructing and equipping a new high school for use by the Bertie County Board of Education. The 2012 Bonds are limited obligations of the County and payments thereon are limited to funds appropriated for that purpose by the Board of Commissioners of the County in its discretion. As security for the Bonds, the County executed a Deed of Trust, Security Agreement and Fixture Filing as of November 1, 2012, granting a lien of record on the site of the Project and the real estate improvements thereon.

The proceeds of the 2012 Bonds were used to construct the new Bertie High School, which is a 147,000 square foot facility, including a 500 seat auditorium, a 1,000 seat gymnasium and a cafeteria designed to seat approximately 300 students. The facility was turned over to the Board of Education in May 2014.

The obligation to make payments with respect to the bonds is not a general obligation of the County, and the taxing power of the County is not pledged directly or indirectly to secure any monies due to the owners of the bonds. Principal and interest payments are appropriated when due.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Limited Obligation Bonds (Continued)

The Regional Water District (the “District”) (a blended component unit of the County) issues General Obligation debt, the proceeds of which are used to refund existing USDA District debt. The County then issues Limited Obligation Bonds in an amount sufficient enough to purchase all the District’s General Obligation debt. Both the District and the County assign their rights to a third-party trustee that received the debt payments from the District and uses those funds to make the debt service payments on the Limited Obligation Bonds.

Limited obligation bond serviced by the general fund is as follows:

	Balance as of June 30, 2024
\$18,030,000 limited obligation Series 2012A QSCB issued November 2012 due in semi-annual interest payments with the principal due in 2036. Interest at 4.667%.	\$ 18,030,000
Total limited obligation bonds payable	\$ 18,030,000

Limited obligation bonds serviced by the Regional Water District fund are as follows:

	Balance as of June 30, 2024
\$2,525,000 refunding Series 2013 issued May 2013 due in annual installments of \$85,000 to \$130,000 through 2036. Interest at varying rates of 2% - 4%.	\$ 1,460,000
\$3,540,000 refunding Series 2013 issued May 2013 due in annual installments of \$105,000 to \$180,000 through 2037. Interest at varying rates of 2% - 4%.	2,200,000
\$2,290,000 refunding Series 2013 issued May 2013 due in annual installments of \$75,000 to \$120,000 through 2035. Interest at varying rates of 2% - 4%.	1,260,000
\$3,415,000 refunding Series 2013 issued May 2013 due in annual installments of \$80,000 to \$160,000 through 2040. Interest at varying rates of 2% - 4%.	2,355,000
Total limited obligation bonds payable	\$ 7,275,000

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Limited Obligation Bonds (Continued)

The debt service to maturity on the limited obligation bonds payable is as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ -	\$ 841,460	\$ 515,000	\$ 289,156
2026	-	841,460	520,000	268,556
2027	-	841,460	540,000	247,106
2028	-	841,460	555,000	224,831
2029	-	841,460	560,000	201,938
2030-2034	-	4,207,301	2,820,000	671,488
2035-2039	18,030,000	1,262,190	1,615,000	177,050
2040	-	-	150,000	6,000
Principal and interest payment totals	<u>\$ 18,030,000</u>	<u>\$ 9,676,791</u>	<u>\$ 7,275,000</u>	<u>\$ 2,086,125</u>

Revenue Bond

Revenue bond serviced by the Regional Water Districts is as follows:

	Balance as of June 30, 2024
\$1,717,000 Water Revenue Bond issued March 27, 2018, due in annual installments of \$71,530 through 2048. Interest at 2.75%.	<u>\$ 1,533,000</u>
Total revenue bonds payable	<u>\$ 1,533,000</u>

The debt service to maturity on the revenue bond payable is as follows:

Year Ending June 30	Principal	Interest
2025	\$ 29,000	\$ 42,158
2026	30,000	41,360
2027	31,000	40,535
2028	32,000	39,682
2029	33,000	38,803
2030-2034	175,000	180,125
2035-2039	201,000	154,688
2040-2044	231,000	125,400
2045-2049	264,000	91,905
2050-2053	303,000	53,515
2054-2058	204,000	11,330
Principal and interest payment totals	<u>\$ 1,533,000</u>	<u>\$ 819,501</u>

At June 30, 2024, the County had a legal debt margin of \$90,351,883.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Lease Liability

For the year ended June 30, 2024, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the 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. For additional information, refer to the disclosures below.

As of June 30, 2024, the County had 49 active leases. These leases have payments that range from \$1,018 to \$38,035 and interest rates that range from 0.3080% to 4.7000%. The value of the right-to-use assets as of June 30, 2024, was \$1,681,178 with accumulated amortization of \$679,026. The value of the right-to-use liabilities as of June 30, 2024, is \$951,753 with a short-term portion of \$370,477.

Debt service to maturity on the County's outstanding leases are as follows:

Year Ending June 30	Business-type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 22,919	\$ 1,616	\$ 24,535
2026	21,138	1,124	22,262
2027	21,640	622	22,262
2028	14,653	130	14,783
	<u>\$ 80,350</u>	<u>\$ 3,492</u>	<u>\$ 83,842</u>

Year Ending June 30	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 347,558	\$ 18,054	\$ 365,612
2026	251,407	10,945	262,352
2027	164,621	4,868	169,489
2028	107,817	1,231	109,048
	<u>\$ 871,403</u>	<u>\$ 35,098</u>	<u>\$ 906,501</u>

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Conduit Debt Obligations

Bertie County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2024, there were no industrial revenue bonds outstanding.

NOTE 7. INTERFUND BALANCES AND TRANSFERS

The composition of interfund transfers for the year ended June 30, 2024, is as follows:

Transfer from the General Fund to Internal Service Fund for operations	\$ 24,475
	<u>\$ 24,475</u>

The composition of due to/from other funds for the year ended June 30, 2024, is as follows:

Due to the General Fund:	
Water Access - Phase 1 Fund	\$ 824,636
Disaster Recovery Fund	2,914
CRDS Fund	29,375
WD IV IMP Fund	600
Affordable Teacher Housing Fund	104,850
	<u>\$ 962,375</u>

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS

The County participates in three defined benefit pension plans: the Local Governmental Employees' Retirement System (LGERS), Law Enforcement Officers Special Separation Allowance (LEOSSA), and the Registers of Deeds' Supplemental Pension Fund (RODSPF). Only the LGERS and RODSPF are funded with qualifying trusts and accounted for by the County under GASB Statement No. 68. The LEOSSA is reported in accordance with GASB Statement No. 73. The net pension liability (asset), total pension liability, and related deferred outflows of resources and deferred inflows of resources for the LGERS, LEOSSA, and RODSPF are summarized as follows:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>RODSPF</u>	<u>Total</u>
Net pension asset	\$ -	\$ -	\$ 13,556	\$ 13,556
Net pension liability	7,408,386	-	-	7,408,386
Total pension liability	-	582,070	-	582,070
Proportion of the net pension liability (asset)	0.11186%	N/A	0.11281%	
Deferred outflows of resources related to pensions	4,340,333	96,003	7,851	4,444,187
Deferred inflows of resources related to pensions	489,326	190,269	3,128	682,723
Pension expense	1,898,046	30,823	1,289	1,930,158

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

A. Local Governmental Employees' Retirement System

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

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 postretirement benefit increases. Increases are contingent upon actuarial gains of the plan.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

A. Local Governmental Employees' Retirement System (Continued)

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2024, was 14.10% of compensation for law enforcement officers and 12.85% 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 \$1,112,512 for the year ended June 30, 2024.

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

A. Local Governmental Employees' Retirement System (Continued)

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

At June 30, 2024, the County reported a liability of \$7,408,386 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023, utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2023, the County's proportion was 0.11186%, which was a decrease of 0.01068% from its proportion as of June 30, 2023 (measured as of June 30, 2022).

For the year ended June 30, 2024, the County recognized pension expense of \$1,898,046. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 825,514	\$ 17,772
Net difference between projected and actual earnings on pension plan investments	1,982,809	-
Changes in proportion and differences between County contributions and proportionate share of contributions	104,684	471,554
Changes in plan assumptions	314,814	-
County contributions subsequent to the measurement date	1,112,512	-
Total	\$ 4,340,333	\$ 489,326

County contributions made subsequent to the measurement date of \$1,112,512 are reported as deferred outflows of resources and will be recognized as a decrease of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,		
2025	\$	964,942
2026		477,069
2027		1,212,639
2028		83,845
Total	\$	2,738,495

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

A. Local Governmental Employees' Retirement System (Continued)

Actuarial Assumptions. The total pension liability as of June 30, 2023, was determined by the December 31, 2022 actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study as of December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. 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.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

A. Local Governmental Employees' Retirement System (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	29.0%	1.1%
Global Equity	42.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	7.5%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	100.0%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

A. Local Governmental Employees' Retirement System (Continued)

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability	\$ 12,834,738	\$ 7,408,386	\$ 2,940,905

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

B. Law Enforcement Officers Special Separation Allowance

Plan Description. The County administers a public employee retirement system (the "Separation Allowance"), a single employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is administered by the State of North Carolina. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. A separate report is not issued for the Plan.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2022, the date of the most recent actuarial valuation the Separation Allowance's membership consisted of:

Retirees receiving benefits	1
Active plan members	24
Total	25

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

B. Law Enforcement Officers Special Separation Allowance (Continued)

Basis of Accounting. The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds 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 criteria, which are outlined in GASB Statement 73 paragraph 4.

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

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.00 percent

The discount rate used to measure the total pension liability is the Standard & Poor's Municipal Bond 20 Year High Grade Rate Index. Since the prior measurement date, the discount rate has changed from 4.31% to 4.00% due to a change in the Municipal Bond Rate.

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study completed by the actuary for the Local Governmental Employees' Retirement System (LGERs) for the five-year period ending December 31, 2019.

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

B. Law Enforcement Officers Special Separation Allowance (Continued)

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

At June 30, 2024, the County reported a total pension liability of \$582,070. The total pension liability was measured as of December 31, 2023, based on a December 31, 2022 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2023, utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the County recognized pension expense in the amount of \$30,823. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 96,003	\$ 102,069
Differences between expected and actual experience	-	88,200
Total	\$ 96,003	\$ 190,269

Other amounts reported as deferred inflows of resources related to pensions will be recognized as an element of (or reduction to) pension expense as follows:

Year Ending June 30:	
2025	\$ (19,757)
2026	(16,702)
2027	(26,828)
2028	(27,599)
2029	(3,077)
Thereafter	(303)
Total	\$ (94,266)

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

B. Law Enforcement Officers Special Separation Allowance (Continued)

Changes in the Total Pension Liability. The changes in the total pension liability of the County for the fiscal year ended June 30, 2024, were as follows:

	Total Pension Liability
Balance at June 30, 2023	\$ 551,871
Service cost	33,502
Interest	23,318
Difference between expected and actual experience	(22,335)
Change of assumptions or other inputs	17,418
Contributions	(21,704)
Balance at June 30, 2024	\$ 582,070

The required schedule of changes in the County's total pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information.

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

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total pension liability	\$ 647,453	\$ 582,070	\$ 523,644

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

C. Supplemental Retirement Income Plan for Law Enforcement Officers and General Employees

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

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. The County also elected to contribute an amount equal to three percent of each general employee’s salary. All amounts contributed are vested immediately. Also, the general employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2024, were \$404,970 which consisted of \$272,426 from the County and \$132,544 from the employees.

D. Register of Deeds’ Supplemental Pension Fund

Plan Description. The County also contributes to the Registers of Deeds’ Supplemental Pension Fund (RODSPF), a noncontributory cost-sharing multiple-employer, 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 ACFR for the State of North Carolina. The State’s ACFR includes financial statements and required supplementary information for the Registers of Deeds’ Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

D. Register of Deeds' Supplemental Pension Fund (Continued)

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least ten 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 \$965 for the year ended June 30, 2024.

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

At June 30, 2024, the County reported an asset of \$13,556 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023, utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2023 (measurement date), the County's proportion was 0.11281%, which was an increase of 0.01207% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the County recognized pension expense of \$1,289. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 600
Net difference between projected and actual earnings on pension plan investments	6,886	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	2,528
County contributions subsequent to the measurement date	965	-
Total	\$ 7,851	\$ 3,128

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

D. Register of Deeds' Supplemental Pension Fund (Continued)

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

County contributions made subsequent to the measurement date of \$965 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension asset in the year ending June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an element of (or reduction to) pension expense as follows:

Year Ending June 30:	
2025	\$ (171)
2026	1,495
2027	1,999
2028	435
Total	<u>\$ 3,758</u>

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

Inflation	2.50%
Salary increases	3.25 to 8.25%, including inflation and productivity factor
Investment rate of return	3.00%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study as of December 31, 2019.

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. PENSION PLANS (CONTINUED)

D. Register of Deeds' Supplemental Pension Fund (Continued)

Actuarial Assumptions (Continued). 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, 2024, is 3.0%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

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

Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00%, 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 one percentage point lower (2.00%) or one percentage point higher (4.00%) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension asset	\$ 9,254	\$ 13,556	\$ 17,184

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ACFR for the state of North Carolina.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). The County's Board of Commissioners 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. The plan provides postemployment healthcare benefits to retirees of the county, provided they participated in the North Carolina Local Governmental Employees' Retirement System (System). The County provides these benefits according to the following guidelines: a) The County will pay 50% of the cost of the premiums for an employee who is at least 55 years of age retiring with 15 years of continuous service with the County; b) The County will pay 100% of the cost of the premiums for an employee retiring with 20 years of continuous service with the County; c) The County will pay 100% of the cost of the premiums for an employee retiring with 25 years of non-continuous service with the County; Coverage will continue until the employee becomes eligible for Medicare, at which time the County will convert coverage to a Medicare Supplement policy. The cost for the employee's share of the premiums, if any, will be determined on an annual basis. Service time credit with the County will be calculated based on actual service time and any sick leave time that is on balance with the County at the time of retirement. The health insurance provision of this article shall apply to County Commissioners. The County pays the full cost of coverage for these benefits through private insurers. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Employees hired after July 1, 2016, are not eligible for retiree health insurance benefits upon retirement.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

Active participants	75
Retirees and beneficiaries currently receiving benefits	62
Total	137

Total OPEB Liability of the County. The County's total OPEB liability was measured as of June 30, 2024, as determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	3.93%
Healthcare cost trend rate:	7.00% to 4.50%, Ultimate Trend in 2033 (Pre-Medicare) 5.125% to 4.50%, Ultimate Trend in 2026 (Medicare)
Inflation rate:	2.50%
Real wage growth:	0.75%
Wage inflation:	3.25%
Salary increases, including wage inflation:	
General Employees	3.25% to 8.41%
Firefighters	3.25% to 8.15%
Law Enforcement Officer	3.25% to 8.41%

The County selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index, published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the total OPEB liability.

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

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2015, through December 31, 2019, adopted by the LGERS Board. The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2023 valuation.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount Rate. The discount rate used to measure the total OPEB liability was 3.93%, the rate was increased from the discount rate of 3.65% which was used for the prior measurement period. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher—which was 3.93% as determined by the Bond Buyer General Obligation 20-year Municipal Bond Index as of June 30, 2023.

Changes in the Total OPEB Liability of the County. The changes in the components of the total OPEB liability of the County for the year ended June 30, 2024, were as follows:

	Total OPEB Liability
Balances at June 30, 2023	\$ 16,608,363
Changes for the year:	
Service cost	458,111
Interest	615,339
Differences between expected and actual experience	(847,392)
Assumption changes	(400,932)
Benefit payments	(419,522)
Net changes	(594,396)
Balances at June 30, 2024	\$ 16,013,967

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about 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 (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 18,722,554	\$ 16,013,967	\$ 13,860,552

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 13,570,632	\$ 16,013,967	\$ 19,141,768

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2024, and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2024, the County recognized OPEB expense of \$13,273. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 1,268,004	\$ 2,624,244
Differences between expected and actual experience	146,104	2,278,540
Total	\$ 1,414,108	\$ 4,902,784

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2025	\$ (1,060,177)
2026	(1,013,601)
2027	(1,173,576)
2028	(241,322)
Total	\$ (3,488,676)

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Employment Benefits

The County has elected to provide death benefits to law enforcement officers 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. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

NOTE 10. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pensions - difference between expected and actual experience		
LGERS	\$ 825,514	\$ 17,772
Register of Deeds	-	600
LEOSSA	-	88,200
Pensions - difference between projected and actual investment		
LGERS	1,982,809	-
Register of Deeds	6,886	-
Pensions - change in proportion and difference between employer		
LGERS	104,684	471,554
Register of Deeds	-	2,528
OPEB - difference between expected and actual experience	146,104	2,278,540
Changes in assumptions		
LGERS	314,814	-
OPEB	1,268,004	2,624,244
LEOSSA	96,003	102,069
Contributions to pension plan		
LGERS	1,112,512	-
Register of Deeds	965	-
Prepaid taxes	-	22,694
Lease receivable	-	13,258
Total government-wide	\$ 5,858,295	\$ 5,621,459

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11. 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 two 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, and workers' compensation coverage up to the statutory limits. 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. The pool is reinsured through commercial carrier for individual losses in excess of \$100,000.

Blue Cross/Blue Shield of North Carolina provides the County's health insurance, and the dental insurance is provided by Guardian.

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 the NFIP. The County also is eligible to but has not purchased commercial flood insurance for another \$3,500,000 of coverage per structure.

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, the Tax Collector, and the Register of Deeds are each individually bonded for \$50,000 each. The Sheriff is individually bonded for \$25,000. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000. It is noted, however, that the County's finance officer should have been bonded for \$1,000,000 based on the County's annual General Fund expenditures and as such, the County was not in compliance with G.S. 159-29 as it relates to the finance officer's bond amount for the fiscal year under audit.

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.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. NET INVESTMENT IN CAPITAL ASSETS

	Governmental	Business-type
Capital Assets	\$ 34,122,624	\$ 27,200,734
Less: long-term debt	(19,586,109)	(10,828,689)
Add: debt related to assets not owned by the County	18,030,000	-
Net investment in capital assets	\$ 32,566,515	\$ 16,372,045

NOTE 13. FUND BALANCE

The 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's 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 appropriations:

Total fund balance - general fund	\$ 10,047,506
Less:	
Stabilization by state statute	3,364,907
Tax revaluation	384,317
Education	2,075,324
Leases	79
Remaining fund balance	\$ 4,222,879

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

NOTE 14. COMMITMENTS AND CONTINGENCIES

Litigation. The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Grant Contingencies. The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the County believes such disallowances, if any, will not be significant.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 15. JOINT VENTURES

The County participates in a joint venture to operate the Albemarle Regional Library (the “Library”) with three other local governments. Each participating government appoints three board members to the twelve-member board of the Library. The County has an ongoing financial responsibility for the joint venture because the Library’s continued existence depends on the participating governments’ continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$119,913 to the Library to supplement its activities. Complete financial statements for the Library may be obtained from the Library’s offices at Winton, North Carolina.

The County participates in a joint venture to operate East Carolina Behavioral Health (the “Center”) with nine other counties. Each participating government appoints members to the 18 member board. The County appoints two members to the board. 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, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$44,590 to the Center to supplement its activities. Complete financial statements for the Center may be obtained from the Center’s offices at 144 Community College Road, Ahoskie, North Carolina 27910.

The County participates in a joint venture to operate the Bertie-Martin Regional Jail (the “Jail”) with one other local government. Each participating government appoints three board members to the six-member board of the Jail. The County has an ongoing financial responsibility for the joint venture because the Jail’s continued existence depends on the participating governments’ continued funding. None of the participating governments have any equity interest in the Jail, so no equity interest has been reflected in the financial statements at June 30, 2024. In accordance with the governmental agreement between the participating governments, the County appropriated \$1,147,006 to the Jail to supplement its activities. This amount represents 46.0% of the total contributions by the participating governments. Complete financial statements for the Jail may be obtained from the Jail’s office at 230 County Farm Road, Windsor, North Carolina 27983.

The County participates in a joint venture to operate the Choanoke Public Transportation Authority (the “Authority”) with three other local governments. Each participating government appoints board members to the nine-member board based upon population. Bertie County appoints two members to the board. The County has an ongoing financial responsibility for the joint venture because the Authority’s continued existence depends on the participating governments’ continued funding. None of the participating governments have any equity interest in the Authority, so no equity interest has been reflected in the financial statements at June 30, 2024. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$10,000 to the Authority to supplement its activities. Complete financial statements for the Authority may be obtained from the Authority’s office at P. O. Box 320, Rich Square, North Carolina 27869.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 16. JOINTLY GOVERNED ORGANIZATIONS

The County, in conjunction with four other counties and thirty-nine municipalities, established the Mid-East Council of Governments (the “Council”). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council’s governing board. The County paid membership fees of \$5,886 to the Council during the fiscal year ended June 30, 2024.

NOTE 17. ACCOUNTING CHANGES AND ERROR CORRECTIONS

The table below summarizes the changes to or within the financial reporting entity along with error corrections discussed below:

	Funds					Government- wide
	General Fund	Water Access Phase 1 Fund	Department of Public Safety Fund	Opioid Settlement Fund	Nonmajor Governmental Funds	Governmental Activities
June 30, 2023, Fund balance, as previously reported	\$ 5,340,561	\$ (142,405)	\$ -	\$ -	\$ 1,724,476	\$ 1,636,934
Change from nonmajor to major fund	-	-	601	116,446	(117,047)	-
Change from major to nonmajor fund	-	142,405	-	-	(142,405)	-
Error corrections	1,668,312	-	-	60,184	(71,282)	1,817,249
June 30, 2023, Fund balance, as restated	<u>\$ 7,008,873</u>	<u>\$ -</u>	<u>\$ 601</u>	<u>\$ 176,630</u>	<u>\$ 1,393,742</u>	<u>\$ 3,454,183</u>

Changes to or within the Financial Reporting Entity

For the current year, two of the County’s funds no longer meet the definition of a major fund. These funds are the SLFRF/ARP Fund and the Water Access – Phase 1 Fund. As the SLFRF/ARP Fund did not report any fund balance at the end of the prior year, no change to beginning fund balance is noted.

The Department of Public Safety Fund was previously reported as the Sheriff’s Grant Fund and was renamed in the current year to better fit the purpose of the grant received. In addition, the Department of Public Safety Fund and Opioid Settlement Fund are now major governmental funds of the County.

Therefore, the beginning balances of the Water Access – Phase 1 Fund, the Department of Public Safety Fund, the Opioid Settlement Fund, and the nonmajor governmental funds of the County have been restated in the table above.

Correction of Errors in Previously Issued Financial Statements

Beginning net position for governmental activities and beginning fund balance for the Opioid Settlement Fund have been restated as of July 1, 2023, to correctly record earned revenue that was unearned in the prior year resulting in an increase of \$1,447,162 to the beginning net position for governmental activities and \$60,184 beginning fund balance for the Opioid Settlement Fund which represents the unearned revenue balance as of June 30, 2023.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 17. ACCOUNTING CHANGES AND ERROR CORRECTIONS (CONTINUED)

Correction of Errors in Previously Issued Financial Statements (Continued)

Beginning net position for governmental activities has been restated as of July 1, 2023, to remove principal payments from the prior two fiscal years for the QSCB bond that does not require principal payments until maturity. The County wires the payments into a sinking fund bank account, but no principal amounts are removed from the liability until maturity. Beginning net position for governmental activities was restated by \$1,645,227 as of June 30, 2023.

Beginning fund balance for the Capital Reserve – Schools Fund has been restated as of July 1, 2023, to reflect the inclusion of Sinking Fund cash accounts that were previously not recorded. The net effect of the prior period adjustment increased the beginning fund balance by \$1,668,312.

Beginning net position for governmental activities has been restated as of July 1, 2023, to reflect the payoff of a bonds payable. The final payment was not reflected in FY2023 due to the County not including the Sinking Fund Cash account in governmental activities. The net effect of the prior period adjustment increased the beginning net position for the governmental activities by \$358,100.

Beginning fund balance for the Water Access – Phase 1 Fund has been restated as of July 1, 2023, to reduce the overstatement of the prior year accounts receivable balance. The net effect of the prior period adjustment decreased the beginning fund balance by \$71,282.

REQUIRED SUPPLEMENTARY INFORMATION

BERTIE COUNTY, NORTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST EIGHT FISCAL YEARS***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 551,871	\$ 640,734	\$ 675,011	\$ 500,459
Service cost	33,502	54,770	53,924	36,843
Interest on the total pension liability	23,318	14,226	12,888	16,079
Differences between expected and actual experience in the measurement of the total pension liability	(22,335)	(7,805)	(65,873)	(63,713)
Changes of assumptions or other inputs	17,418	(133,109)	(20,740)	199,819
Benefit payments	(21,704)	(16,945)	(14,476)	(14,476)
Ending balance of the total pension liability	<u>\$ 582,070</u>	<u>\$ 551,871</u>	<u>\$ 640,734</u>	<u>\$ 675,011</u>

Notes to the schedule:

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.
This schedule is intended to show ten years of information; additional years will be added as they become available.

2020	2019	2018	2017
\$ 463,820	\$ 462,633	\$ 475,161	\$ 457,728
33,158	37,612	29,088	26,421
16,620	14,390	18,062	16,082
(16,078)	(15,725)	(75,901)	-
17,415	(20,614)	30,699	(10,594)
(14,476)	(14,476)	(14,476)	(14,476)
<u>\$ 500,459</u>	<u>\$ 463,820</u>	<u>\$ 462,633</u>	<u>\$ 475,161</u>

BERTIE COUNTY, NORTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE
OF COVERED-EMPLOYEE PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST EIGHT FISCAL YEARS**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 582,070	\$ 551,871	\$ 640,734	\$ 675,011
Covered-employee payroll	1,237,458	1,346,731	1,297,930	1,309,035
Total pension liability as a percentage of covered-employee payroll	47.04%	40.98%	49.37%	51.57%

Notes to the schedule:

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

This schedule is intended to show ten years of information; additional years will be added as they become available.

2020	2019	2018	2017
\$ 500,459	\$ 463,820	\$ 462,633	\$ 475,161
1,206,025	1,221,743	1,140,114	1,049,983
41.50%	37.96%	40.58%	45.25%

BERTIE COUNTY, NORTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

	<u>2024</u>	<u>2023</u>	<u>2022</u>
County's proportion of the net pension liability (asset) (%)	0.11186%	0.12254%	0.11333%
County's proportion of the net pension liability (asset) (\$)	\$ 7,408,386	\$ 6,913,006	\$ 1,738,024
County's covered-employee payroll	\$ 8,532,306	\$ 8,377,004	\$ 8,022,976
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	86.83%	82.52%	21.66%
Plan fiduciary net position as a percentage of the total pension liability	82.49%	84.14%	95.51%

Notes to the schedule:

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

2021	2020	2019	2018	2017	2016	2015
0.12543%	0.12670%	0.13380%	0.13060%	0.11400%	0.10470%	0.0811%
\$ 4,482,148	\$ 3,460,078	\$ 3,174,194	\$ 1,995,817	\$ 2,420,311	\$ 469,977	\$ (478,284)
\$ 7,754,480	\$ 7,692,289	\$ 7,180,138	\$ 7,198,427	\$ 6,638,186	\$ 6,546,107	\$ 5,337,910
57.80%	44.98%	44.21%	27.73%	36.46%	7.18%	(8.96%)
88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%

BERTIE COUNTY, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF COUNTY'S CONTRIBUTIONS LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 1,112,512	\$ 1,035,391	\$ 959,663
Contributions in relation to the contractually required contribution	<u>1,112,512</u>	<u>1,035,391</u>	<u>959,663</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 8,570,077	\$ 8,532,306	\$ 8,377,004
Contributions as a percentage of covered-employee payroll	12.98%	12.13%	11.46%

2021	2020	2019	2018	2017	2016	2015
\$ 823,194	\$ 703,368	\$ 604,727	\$ 547,481	\$ 523,363	\$ 445,210	\$ 428,252
<u>823,194</u>	<u>703,368</u>	<u>604,727</u>	<u>547,481</u>	<u>523,363</u>	<u>445,210</u>	<u>428,252</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,022,976	\$ 7,754,480	\$ 7,692,289	\$ 7,180,138	\$ 7,198,427	\$ 6,638,186	\$ 6,546,107
10.26%	9.07%	7.86%	7.62%	7.27%	6.71%	6.54%

BERTIE COUNTY, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND LAST TEN FISCAL YEARS*

	<u>2024</u>	<u>2023</u>	<u>2022</u>
County's proportion of the net pension liability (asset) (%)	0.11281%	0.10074%	0.08651%
County's proportion of the net pension liability (asset) (\$)	\$ (13,556)	\$ (13,338)	\$ (16,621)
Plan fiduciary net position as a percentage of the total pension liability	135.74%	139.04%	156.53%

Notes to the schedule:

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

2021	2020	2019	2018	2017	2016	2015
0.08792%	0.09634%	0.11714%	0.12288%	0.11913%	0.11998%	0.12285%
\$ (20,150)	\$ (19,019)	\$ (19,402)	\$ (20,974)	\$ (22,273)	\$ (27,804)	\$ (27,841)
173.62%	164.11%	153.31%	153.77%	106.17%	197.29%	193.88%

BERTIE COUNTY, NORTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY'S CONTRIBUTIONS
REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND
LAST TEN FISCAL YEARS**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 965	\$ 1,007	\$ 1,154
Contributions in relation to the contractually required contribution	<u>965</u>	<u>1,007</u>	<u>1,154</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2021	2020	2019	2018	2017	2016	2015
\$ 1,038	\$ 936	\$ 916	\$ 1,002	\$ 1,068	\$ 973	\$ 960
1,038	936	916	1,002	1,068	973	960
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BERTIE COUNTY, NORTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
HEALTHCARE BENEFIT PLAN
LAST SEVEN FISCAL YEARS**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability				
Service cost	\$ 458,111	\$ 458,466	\$ 910,030	\$ 926,619
Interest	615,339	587,140	478,813	490,917
Differences between expected and actual experience	(847,392)	(82,182)	(3,161,307)	(68,791)
Changes of assumptions	(400,932)	(299,034)	(3,916,824)	(123,504)
Benefit payments	<u>(419,522)</u>	<u>(363,706)</u>	<u>(338,793)</u>	<u>(350,662)</u>
Net change in total OPEB liability	(594,396)	300,684	(6,028,081)	874,579
Total OPEB liability - beginning	16,608,363	16,307,679	22,335,760	21,461,181
Total OPEB liability - ending	<u>\$ 16,013,967</u>	<u>\$ 16,608,363</u>	<u>\$ 16,307,679</u>	<u>\$ 22,335,760</u>
Covered-employee payroll	\$ 3,541,963	\$ 4,747,795	\$ 4,747,795	\$ 5,421,133
County's OPEB liability as a percentage of its covered-employee payroll	452.12%	349.81%	343.48%	412.01%

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	3.89%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%

Notes to the schedule:

Bertie County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75 to pay related benefits.

This schedule is intended to show ten years of information; additional years will be added as they become available.

	2020	2019	2018
\$	859,320	\$ 737,297	\$ 787,570
	590,388	571,511	520,792
	335,773	81,065	111,283
	3,005,449	1,192,035	(937,941)
	(392,596)	(417,726)	(420,356)
	4,398,334	2,164,182	61,348
	17,062,847	14,898,665	14,837,317
\$	<u>21,461,181</u>	<u>\$ 17,062,847</u>	<u>\$ 14,898,665</u>
\$	5,421,133	\$ 4,875,577	\$ 4,875,577
	395.88%	349.97%	305.58%

GENERAL FUND

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes:			
Current year	\$ 12,768,585	\$ 11,813,987	\$ (954,598)
Prior year	390,025	1,099,039	709,014
Penalties and Interest	117,150	124,365	7,215
Total	13,275,760	13,037,391	(238,369)
Other Taxes and Licenses:			
Local 1 percent sales tax-article 39	470,640	780,949	310,309
Excise tax	122,000	72,441	(49,559)
Motor vehicle lease tax	60	15	(45)
Scrap tire disposal tax	30,000	32,543	2,543
Total	622,700	885,948	263,248
Unrestricted Intergovernmental Revenues:			
Wine and beer	55,000	57,122	2,122
Solid waste disposal tax	13,000	12,324	(676)
Payment in lieu of taxes	45,000	46,192	1,192
Local 1/2¢ sales tax-article 40	1,404,500	1,436,760	32,260
Local 1/2¢ sales tax-article 42	587,240	715,984	128,744
Local 1/2¢ sales tax-article 44	873,440	1,094,199	220,759
Local 1/4¢ sales tax-article 46	291,500	378,290	86,790
State DWI	1,000	812	(188)
Total	3,270,680	3,741,683	471,003
Restricted Intergovernmental Revenues:			
State and federal grants	246,031	349,656	103,625
Other grants	-	1,700	1,700
Court facilities fees	38,000	27,624	(10,376)
Profits for law enforcement	178,000	127,161	(50,839)
Aging office	296,325	213,528	(82,797)
Social services revenues	3,420,025	3,500,302	80,277
Total	4,178,381	4,219,971	41,590
Permits and fees:			
Register of deeds	75,000	61,712	(13,288)
Sheriff fees	22,500	16,030	(6,470)
Inspection fees	105,700	118,277	12,577
Tax collection fees	13,250	12,690	(560)
Franchise fees	10,000	2,002	(7,998)
Cultural Resources	2,600	1,969	(631)
Social Services	150	-	(150)
ABC taxes	1,025	41,470	40,445
Other Fees	10,950	10,726	(224)
Total	241,175	264,876	23,701

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues (Continued):			
Sales and Services:			
Jail fees	\$ 4,000	\$ 6,591	\$ 2,591
Landfill host fees	2,200,000	2,425,128	225,128
Emergency medical services fees	1,142,433	1,435,581	293,148
Non-emergency transport	819,238	580,868	(238,370)
Nutrition program income	15,000	5,666	(9,334)
Rental income	46,212	49,983	3,771
Other sales and services income	8,600	11,625	3,025
Total	4,235,483	4,515,442	279,959
Investment Earnings: Interest	100,000	316,500	216,500
Miscellaneous:			
Other taxes	3,600	4,307	707
Other revenues	40,060	42,153	2,093
Insurance claims reimbursement	98,252	110,770	12,518
Motor fuel refund	65,000	63,939	(1,061)
Indirect cost	159,139	159,139	-
Fines	-	105	105
Attorney fees - foreclosures	35,000	50,224	15,224
Total	401,051	430,637	29,586
Total revenues	26,325,230	27,412,448	1,087,218

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures:			
General Government			
Governing body			
Salaries and employee benefits	\$ 105,568	\$ 77,921	\$ 27,647
Other operating expenditures	<u>150,263</u>	<u>161,834</u>	<u>(11,571)</u>
Total	<u>255,831</u>	<u>239,755</u>	<u>16,076</u>
Administration			
Salaries and employee benefits	366,366	369,766	(3,400)
Other operating expenditures	<u>32,812</u>	<u>39,657</u>	<u>(6,845)</u>
Total	<u>399,178</u>	<u>409,423</u>	<u>(10,245)</u>
Tax administration			
Salaries and employee benefits	488,648	490,286	(1,638)
Other operating expenditures	<u>206,210</u>	<u>200,508</u>	<u>5,702</u>
Total	<u>694,858</u>	<u>690,794</u>	<u>4,064</u>
Information technology			
Salaries and employee benefits	190,572	151,838	38,734
Other operating expenditures	98,800	86,646	12,154
Capital outlay	<u>8,000</u>	<u>-</u>	<u>8,000</u>
Total	<u>297,372</u>	<u>238,484</u>	<u>58,888</u>
Legal			
Contracted services	<u>120,000</u>	<u>138,026</u>	<u>(18,026)</u>
Register of Deeds			
Salaries and employee benefits	213,330	158,871	54,459
Other operating expenditures	<u>169,789</u>	<u>128,890</u>	<u>40,899</u>
Total	<u>383,119</u>	<u>287,761</u>	<u>95,358</u>
Elections			
Salaries and employee benefits	193,624	208,440	(14,816)
Other operating expenditures	<u>81,762</u>	<u>84,894</u>	<u>(3,132)</u>
Total	<u>275,386</u>	<u>293,334</u>	<u>(17,948)</u>
Public Buildings			
Salaries and employee benefits	529,908	490,070	39,838
Other operating expenditures	438,230	394,423	43,807
Capital outlay	<u>138,188</u>	<u>123,810</u>	<u>14,378</u>
Total	<u>1,106,326</u>	<u>1,008,303</u>	<u>98,023</u>
Human Resources			
Salaries and employee benefits	75,468	76,484	(1,016)
Other operating expenditures	<u>18,495</u>	<u>16,415</u>	<u>2,080</u>
Total	<u>93,963</u>	<u>92,899</u>	<u>1,064</u>

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (Continued):			
General Government			
Finance			
Salaries and employee benefits	\$ 157,087	\$ 142,653	\$ 14,434
Other operating expenditures	206,105	313,093	(106,988)
Total	<u>363,192</u>	<u>455,746</u>	<u>(92,554)</u>
Court Facilities			
Other operating expenditures	65,500	34,381	31,119
Total	<u>65,500</u>	<u>34,381</u>	<u>31,119</u>
Appropriations			
Retiree health insurance	385,000	476,039	(91,039)
Total General Government	<u>4,439,725</u>	<u>4,364,945</u>	<u>74,780</u>
Public Safety			
Sheriff			
Salaries and employee benefits	2,115,619	802,210	1,313,409
Other operating expenditures	559,183	442,339	116,844
Capital outlay	276,140	390,693	(114,553)
Total	<u>2,950,942</u>	<u>1,635,242</u>	<u>1,315,700</u>
Communication			
Salaries and employee benefits	618,766	615,357	3,409
Other operating expenditures	57,268	30,997	26,271
Capital outlay	-	-	-
Total	<u>676,034</u>	<u>646,354</u>	<u>29,680</u>
Emergency management			
Salaries and employee benefits	129,570	95,754	33,816
Other operating expenditures	140,973	82,605	58,368
Capital outlay	123,000	65,946	57,054
Total	<u>393,543</u>	<u>244,305</u>	<u>149,238</u>
Emergency services			
Salaries and employee benefits	2,729,696	2,956,937	(227,241)
Other operating expenditures	635,708	498,418	137,290
Capital outlay	124,483	93,060	31,423
Total	<u>3,489,887</u>	<u>3,548,415</u>	<u>(58,528)</u>
Non-emergency transportation			
Salaries and employee benefits	619,168	532,829	86,339
Other operating expenditures	306,770	165,662	141,108
Capital outlay	57,855	-	57,855
Total	<u>983,793</u>	<u>698,491</u>	<u>285,302</u>

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued):			
Public Safety (Continued)			
Planning and inspections			
Salaries and employee benefits	\$ 313,093	\$ 295,477	\$ 17,616
Other operating expenditures	67,000	52,004	14,996
Total	399,093	388,984	10,109
Animal control			
Salaries and employee benefits	167,707	164,139	3,568
Other operating expenditures	45,140	29,125	16,015
Capital outlay	22,000	17,917	4,083
Total	234,847	211,181	23,666
Medical examiner			
Professional services	30,000	28,700	1,300
Appropriations			
Bertie-Martin Regional Jail	1,147,006	1,147,006	-
Total	1,147,006	1,147,006	-
Total Public Safety	10,305,145	8,548,678	1,756,467
Economic and Physical Development			
Economic development			
Salaries and employee benefits	112,848	76,010	36,838
Other operating expenditures	95,300	81,388	13,912
Total	208,148	157,398	50,750
Cooperative extension			
Salaries and employee benefits	244,761	184,248	60,513
Other operating expenditures	44,756	35,571	9,185
Capital outlay	11,600	6,552	5,048
Total	301,117	226,371	74,746
Soil conservation			
Salaries and employee benefits	97,320	94,483	2,837
Other operating expenditures	2,600	59,802	(57,202)
Total	99,920	154,285	(54,365)
Total Economic and Physical Development	609,185	538,054	71,131
Human Services			
Health department			
Administration	114,831	116,018	(1,187)
Veteran services			
Salaries and employee benefits	57,259	58,051	(792)
Other operating expenditures	3,350	3,171	179
Total	60,609	61,222	(613)

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued):			
Human Services (Continued)			
Aid to aging and nutrition			
Salaries and employee benefits	\$ 272,901	\$ 269,755	\$ 3,146
Other operating expenditures	<u>297,735</u>	<u>278,265</u>	<u>19,470</u>
Total	<u>570,636</u>	<u>548,020</u>	<u>22,616</u>
Appropriations			
Mental health	44,590	44,590	-
Mental health - ABC 5¢	4,800	4,800	-
Choanoke Public Transit Authority	10,000	10,000	-
Roxobel Festival	1,000	-	1,000
Black History Dinner	100	-	100
West Roanoke Miss Baptist	100	-	100
Greater Wynn's Grove	<u>500</u>	<u>-</u>	<u>500</u>
Total	<u>61,090</u>	<u>59,390</u>	<u>1,700</u>
Total Human Services	<u>807,166</u>	<u>784,650</u>	<u>22,516</u>
Environmental Protection			
Tire disposal	40,000	24,789	15,211
Convenience centers	488,356	488,356	-
Contracted services	<u>15,000</u>	<u>6,375</u>	<u>8,625</u>
Total Environmental Protection	<u>543,356</u>	<u>519,520</u>	<u>23,836</u>
Education			
Public schools current expense	3,319,171	3,404,093	(84,922)
Public schools capital outlay	375,000	353,341	21,659
Martin Community College current expense	59,275	59,275	-
Martin Community College capital outlay	31,500	31,500	-
Roanoke Chowan Community College current expense	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Total Education	<u>3,839,946</u>	<u>3,903,209</u>	<u>(63,263)</u>
Cultural and Recreational			
Parks and recreation			
Salaries and employee benefits	219,748	175,964	43,784
Other operating expenditures	147,800	102,729	45,071
Capital outlay	<u>69,350</u>	<u>75,019</u>	<u>(5,669)</u>
Total Cultural and Recreational	<u>436,898</u>	<u>353,712</u>	<u>83,186</u>
Social Services			
Administration			
Salaries and employee benefits	3,186,987	2,727,873	459,114
Other operating expenditures	<u>293,518</u>	<u>247,875</u>	<u>45,643</u>
Total	<u>3,480,505</u>	<u>2,975,748</u>	<u>504,757</u>

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued):			
Social Services (Continued)			
Programs			
Public assistance	\$ 7,700	\$ 6,547	\$ 1,153
SAA	219,507	188,379	31,128
State Foster care	90,755	77,965	12,790
Medicaid	46,460	25	46,435
Legal services	101,250	96,508	4,742
Chore services	41,111	39,191	1,920
Adoption assistance	34,300	16,973	17,327
Foster Child Adoption Incentive	29,338	3,099	26,239
Transport of patients and other	178,242	145,115	33,127
Work First	9,000	5,161	3,839
AFDC - Foster Care	62,901	63,687	(786)
AFDC - Local	1,000	-	1,000
Crisis Intervention	109,810	50,321	59,489
Aid to blind	2,135	-	2,135
Low Income Home Energy	174,581	87,190	87,391
DNA testing	36,133	34,920	1,213
Child support	489,364	488,364	1,000
Pandemic LIEAP	139,650	106,427	33,223
Links	2,768	-	2,768
Total	1,776,005	1,409,872	366,133
Total Social Services	5,256,510	4,385,620	870,890
Debt Services			
Principal retirement	1,232,512	72,473	1,160,039
Interest and fees	862,286	862,353	(67)
Lease Principal	-	352,915	(352,915)
Lease Interest	-	15,389	(15,389)
Total Debt Services	2,094,798	1,303,130	791,668
Special Appropriations			
Arts Council	3,000	3,000	-
Airport	20,000	20,000	-
Mideast Commission	5,886	5,886	-
Roanoke River Partners	5,000	5,000	-
Forest service	127,262	125,893	1,369
Historical group	15,000	15,000	-
Bertie County YMCA	20,000	20,000	-
Library	136,500	136,500	-
Juvenile detention	32,000	66,735	(34,735)
CADA	13,000	13,000	-
CBA task force	6,000	5,536	464
Roanoke River Basin	2,062	2,062	-
Windsor Area Chamber	8,000	8,000	-
Food Bank of Albemarle	2,500	2,500	-
Partnership for the Sounds	10,000	10,000	-
Rural general public transportation	35,870	35,870	-

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Expenditures (Continued):			
Special Appropriations (Continued)			
Highway 17 Association	\$ -	\$ 3,000	\$ (3,000)
Three Rivers Healthy Carolina	250	250	-
Children Matters	29,700	29,970	(270)
Humane Society	2,000	2,000	-
Vocation Jobs/Education	34,100	34,100	-
Second Chance Counts	29,700	29,970	(270)
Relay for Life	2,000	2,000	-
NAACP	500	500	-
Resolutions Teen Court	20,900	20,900	-
Aulander Harvest Fest Sponsorship	1,000	1,000	-
Total Special Appropriations	562,230	598,672	(36,442)
Total expenditures	28,894,959	25,300,190	3,594,769
Excess (deficiency) of revenues over (under) expenditures	(2,569,729)	2,112,258	4,681,987
Other financing sources (uses):			
Transfers from other funds	2,540,795	3,999,808	1,459,013
Transfers to other funds	(104,475)	(4,101,229)	(3,996,754)
Issuance of leases	-	455,714	455,714
Lease proceeds	-	28,194	28,194
Sale of capital assets	1,000	75,629	74,629
Total other financing sources, net	2,437,320	458,116	(1,979,204)
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(132,409)	2,570,374	2,702,783
Appropriated fund balance	132,409	-	(132,409)
Net change in fund balance	\$ -	2,570,374	\$ 2,570,374
Fund balance - beginning		5,017,491	
Fund balance - ending		\$ 7,587,865	

BERTIE COUNTY, NORTH CAROLINA

**REVALUATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures			
Current:			
Revaluation	\$ 80,000	\$ -	\$ 80,000
Total expenditures	<u>80,000</u>	<u>-</u>	<u>80,000</u>
Deficiency of revenues under expenditures	<u>(80,000)</u>	<u>-</u>	<u>80,000</u>
Other financing sources (uses)			
Transfers in - general fund	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Total other financing sources	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>80,000</u>	<u>\$ 80,000</u>
Fund balance, beginning		304,317	
Fund balance, ending		<u><u>\$ 384,317</u></u>	

BERTIE COUNTY, NORTH CAROLINA

CAPITAL RESERVE - SCHOOL FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	\$ 100	\$ 23,193	\$ 23,093
QSCB interest	734,499	368,120	(366,379)
Total revenues	734,599	391,313	(343,286)
Other financing sources (uses):			
Transfer in - general fund	150,000	1,998,377	1,848,377
Transfer out - general fund	(2,540,795)	(2,001,431)	539,364
Total other financing uses	(2,390,795)	(3,054)	2,387,741
Excess (deficiency) of revenues over (under) expenditures	(1,656,196)	388,259	2,044,455
Appropriated fund balance	1,656,196	-	(1,656,196)
Excess of revenues and appropriated fund balances over other financing uses	\$ -	388,259	\$ 388,259
Fund balance, beginning		18,753	
Adjustment - error correction (Note 17)		1,668,312	
Fund balance, beginning, as adjusted		1,687,065	
Fund balance, ending		\$ 2,075,324	

NONMAJOR GOVERNMENTAL FUNDS

BERTIE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2024

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets:			
Cash and cash equivalents	\$ 504,308	\$ 300,073	\$ 804,381
Restricted cash	867,212	-	867,212
Accounts receivable, net	108,978	429,098	538,076
Total assets	1,480,498	729,171	2,209,669
Liabilities and Fund Balances:			
Current liabilities:			
Accounts payable	28,788	32,233	61,021
Advance from other governments	-	2,923	2,923
Due to other funds	104,850	857,525	962,375
Total liabilities	133,638	892,681	1,026,319
Fund Balances:			
Restricted:			
Public safety	476,876	-	476,876
Economic and physical development	856,183	297,150	1,153,333
Human services	268	-	268
Environmental protection	13,533	-	13,533
Unassigned	-	(460,660)	(460,660)
Total fund balances	1,346,860	(163,510)	1,183,350
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,480,498	\$ 729,171	\$ 2,209,669

BERTIE COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2024**

	Special Revenue Funds				
	Emergency Telephone System Fund	Affordable Teacher Housing Fund	OSBM Settlement Fund	Fire Districts Fund	Representative Payee Fund
Assets:					
Cash and investments	\$ 357,670	\$ -	\$ -	\$ 132,905	\$ -
Restricted cash	-	-	866,944	-	268
Accounts receivable (net)	-	104,850	-	-	-
Total assets	<u>357,670</u>	<u>104,850</u>	<u>866,944</u>	<u>132,905</u>	<u>268</u>
Liabilities:					
Accounts payable	13,699	-	10,761	-	-
Unearned revenue	-	-	-	-	-
Due to other funds	-	104,850	-	-	-
Total liabilities	<u>13,699</u>	<u>104,850</u>	<u>10,761</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit):					
Restricted					
Public safety	343,971	-	-	132,905	-
Economic and physical development	-	-	856,183	-	-
Human services	-	-	-	-	268
Environmental protection	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>343,971</u>	<u>-</u>	<u>856,183</u>	<u>132,905</u>	<u>268</u>
Total liabilities and fund balances	<u>\$ 357,670</u>	<u>\$ 104,850</u>	<u>\$ 866,944</u>	<u>\$ 132,905</u>	<u>\$ 268</u>

Special Revenue Funds

Pest Management Fund	Fines and Forfeitures Fund	Tornado Donations Fund	SLFRF/ARP Fund	Total Nonmajor Special Revenue Funds
\$ 13,533	200	\$ -	\$ -	\$ 504,308
-	-	-	-	867,212
-	4,128	-	-	108,978
<u>13,533</u>	<u>4,328</u>	<u>-</u>	<u>-</u>	<u>1,480,498</u>
-	4,328	-	-	28,788
-	-	-	-	-
-	-	-	-	104,850
<u>-</u>	<u>4,328</u>	<u>-</u>	<u>-</u>	<u>133,638</u>
-	-	-	-	476,876
-	-	-	-	856,183
-	-	-	-	268
13,533	-	-	-	13,533
-	-	-	-	-
<u>13,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,346,860</u>
<u>\$ 13,533</u>	<u>\$ 4,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,480,498</u>

BERTIE COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2024**

	Capital Project Funds					
	Library Co-Op Extension Building Fund	Library Co-Op Construction	Water Access - Phase 1 Fund	EMS Building Fund	Disaster Recovery 17 Project Fund	Animal Shelter Project Fund
Assets:						
Cash and investments	\$ 20,282	\$ 26,607	\$ -	\$ 48,589	\$ -	\$ 201,672
Restricted cash	-	-	-	-	-	-
Accounts receivable (net)	-	-	375,303	-	-	-
Total assets	<u>20,282</u>	<u>26,607</u>	<u>375,303</u>	<u>48,589</u>	<u>-</u>	<u>201,672</u>
Liabilities:						
Accounts payable	-	-	6,938	-	-	-
Unearned revenue	-	-	-	-	-	-
Due to other funds	-	-	824,636	-	2,914	-
Total liabilities	<u>-</u>	<u>-</u>	<u>831,574</u>	<u>-</u>	<u>2,914</u>	<u>-</u>
Fund Balances (Deficit):						
Restricted						
Public safety	-	-	-	-	-	-
Economic and physical development	20,282	26,607	-	48,589	-	201,672
Human services	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-
Unassigned	-	-	(456,271)	-	(2,914)	-
Total fund balances (deficit)	<u>20,282</u>	<u>26,607</u>	<u>(456,271)</u>	<u>48,589</u>	<u>(2,914)</u>	<u>201,672</u>
Total liabilities and fund balances	<u>\$ 20,282</u>	<u>\$ 26,607</u>	<u>\$ 375,303</u>	<u>\$ 48,589</u>	<u>\$ -</u>	<u>\$ 201,672</u>

Capital Project Funds

Capital Projects - Schools Fund	CRDS Fund	WC IV IMP Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 2,923	\$ -	\$ -	\$ 300,073	\$ 804,381
-	-	-	-	867,212
-	28,500	25,295	429,098	538,076
<u>2,923</u>	<u>28,500</u>	<u>25,295</u>	<u>729,171</u>	<u>2,209,669</u>
-	-	25,295	32,233	61,021
2,923	-	-	2,923	2,923
-	29,375	600	857,525	962,375
<u>2,923</u>	<u>29,375</u>	<u>25,895</u>	<u>892,681</u>	<u>1,026,319</u>
-	-	-	-	476,876
-	-	-	297,150	1,153,333
-	-	-	-	268
-	-	-	-	13,533
-	(875)	(600)	(460,660)	(460,660)
-	(875)	(600)	(163,510)	1,183,350
<u>\$ 2,923</u>	<u>\$ 28,500</u>	<u>\$ 25,295</u>	<u>\$ 729,171</u>	<u>\$ 2,209,669</u>

BERTIE COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES JUNE 30, 2024

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental revenues	\$ 2,785,398	\$ 342,784	\$ 3,128,182
Interest earned	85,766	-	85,766
Total revenues	2,871,164	342,784	3,213,948
Expenditures:			
Current:			
Public safety	462,094	225,417	687,511
General government	2,285,445	-	2,285,445
Economic and physical development	30,873	420,511	451,384
Total expenditures	2,778,412	645,928	3,424,340
Net change in fund balance	92,752	(303,144)	(210,392)
Fund balances:			
Beginning of year	1,371,155	353,321	1,724,476
Change in reporting entity (Note 17)	(117,047)	(142,405)	(259,452)
Error corrections (Note 17)	-	(71,282)	(71,282)
Beginning of year, as adjusted	1,254,108	139,634	1,393,742
End of year, June 30	\$ 1,346,860	\$ (163,510)	\$ 1,183,350

BERTIE COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Special Revenue Funds</u>				
	<u>Emergency Telephone System Fund</u>	<u>Affordable Teacher Housing Fund</u>	<u>OSBM Settlement Fund</u>	<u>Fire Districts Fund</u>	<u>Representative Payee Fund</u>
Revenues:					
Intergovernmental revenues	\$ 96,516	\$ 526,450	\$ -	\$ 478,405	\$ 250
Interest earned	-	-	-	-	-
Total revenues	<u>96,516</u>	<u>526,450</u>	<u>-</u>	<u>478,405</u>	<u>250</u>
Expenditures:					
Current:					
Public safety	102,515	-	-	345,500	6,072
General government	-	526,450	-	-	-
Economic and physical development	-	-	30,873	-	-
Total expenditures	<u>102,515</u>	<u>526,450</u>	<u>30,873</u>	<u>345,500</u>	<u>6,072</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,999)</u>	<u>-</u>	<u>(30,873)</u>	<u>132,905</u>	<u>(5,822)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances (deficit)	<u>(5,999)</u>	<u>-</u>	<u>(30,873)</u>	<u>132,905</u>	<u>(5,822)</u>
Fund balances, beginning as previously reported	349,970	-	887,056	-	6,090
Change in reporting entity (Note 17)	-	-	-	-	-
Error correction (Note 17)	-	-	-	-	-
Fund balances, beginning as adjusted	<u>349,970</u>	<u>-</u>	<u>887,056</u>	<u>-</u>	<u>6,090</u>
Fund balances (deficit), ending	<u>\$ 343,971</u>	<u>\$ -</u>	<u>\$ 856,183</u>	<u>\$ 132,905</u>	<u>\$ 268</u>

Special Revenue Funds

Pest Management Fund	Fines and Forfeitures Fund	SLFRF/ARP Fund	<i>(Previously Nonmajor)</i>		Total Nonmajor Special Revenue Funds
			Department of Public Safety Fund	Opioid Settlement Fund	
\$ 10,548	\$ 80,551	\$ 1,592,678	\$ -	\$ -	\$ 2,785,398
-	-	85,766	-	-	85,766
<u>10,548</u>	<u>80,551</u>	<u>1,678,444</u>	<u>-</u>	<u>-</u>	<u>2,871,164</u>
8,007	-	-	-	-	462,094
-	80,551	1,678,444	-	-	2,285,445
-	-	-	-	-	30,873
<u>8,007</u>	<u>80,551</u>	<u>1,678,444</u>	<u>-</u>	<u>-</u>	<u>2,778,412</u>
2,541	-	-	-	-	92,752
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>2,541</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,752</u>
10,992	-	-	601	116,446	1,371,155
-	-	-	(601)	(116,446)	(117,047)
-	-	-	-	-	-
<u>10,992</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,254,108</u>
<u>\$ 13,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,346,860</u>

BERTIE COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2024**

	Capital Project Funds					
	Library Co-Op Extension Building Fund	Library Co-Op Construction	Water Access - Phase 1 Fund	EMS Building Fund	Disaster Recovery 17 Project Fund	Animal Shelter Project Fund
Revenues:						
Intergovernmental revenues	\$ -	\$ -	\$ 118,842	\$ -	\$ -	\$ -
Interest earned	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>118,842</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:						
Current:						
Public safety	-	-	-	-	-	-
General government	-	-	-	-	-	-
Economic and physical development	-	-	361,426	-	-	59,085
Total expenditures	<u>-</u>	<u>-</u>	<u>361,426</u>	<u>-</u>	<u>-</u>	<u>59,085</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(242,584)</u>	<u>-</u>	<u>-</u>	<u>(59,085)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances (deficit)	<u>-</u>	<u>-</u>	<u>(242,584)</u>	<u>-</u>	<u>-</u>	<u>(59,085)</u>
Fund balances (deficit), beginning as previously reported	20,282	26,607	-	48,589	(2,914)	260,757
Change in reporting entity (Note 17)	-	-	(142,405)	-	-	-
Error correction (Note 17)	-	-	(71,282)	-	-	-
Fund balances (deficit), beginning as adjusted	<u>20,282</u>	<u>26,607</u>	<u>(213,687)</u>	<u>48,589</u>	<u>(2,914)</u>	<u>260,757</u>
Fund balances (deficit), ending	<u>\$ 20,282</u>	<u>\$ 26,607</u>	<u>\$ (456,271)</u>	<u>\$ 48,589</u>	<u>\$ (2,914)</u>	<u>\$ 201,672</u>

Capital Project Funds

Capital Projects - Schools Fund	CRDS Fund	WC IV IMP Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ -	\$ 28,500	\$ 195,442	\$ 342,784	\$ 3,128,182
-	-	-	-	85,766
-	28,500	195,442	342,784	3,213,948
-	29,375	196,042	225,417	687,511
-	-	-	-	2,285,445
-	-	-	420,511	451,384
-	29,375	196,042	645,928	3,424,340
-	(875)	(600)	(303,144)	(210,392)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(875)	(600)	(303,144)	(210,392)
-	-	-	353,321	1,724,476
-	-	-	(142,405)	(259,452)
-	-	-	(71,282)	(71,282)
-	-	-	139,634	1,393,742
\$ -	\$ (875)	\$ (600)	\$ (163,510)	\$ 1,183,350

MAJOR FUNDS BUDGET SCHEDULES

BERTIE COUNTY, 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, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental revenues	<u>\$ 5,225,516</u>	<u>\$ 96,516</u>	<u>\$ (5,129,000)</u>
Total revenues	<u>5,225,516</u>	<u>96,516</u>	<u>(5,129,000)</u>
Expenditures			
Current:			
Public safety	<u>5,225,516</u>	<u>102,515</u>	<u>5,123,001</u>
Total expenditures	<u>5,225,516</u>	<u>102,515</u>	<u>5,123,001</u>
Net change in fund balances	<u>\$ -</u>	<u>(5,999)</u>	<u>\$ (5,999)</u>
Fund balance, beginning		<u>349,970</u>	
Fund balance, ending		<u>\$ 343,971</u>	

BERTIE COUNTY, NORTH CAROLINA

**AFFORDABLE TEACHER HOUSING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental revenues	\$ 676,800	\$ 526,450	\$ (150,350)
Total revenues	<u>676,800</u>	<u>526,450</u>	<u>(150,350)</u>
Expenditures			
Current:			
General government	676,800	526,450	150,350
Total expenditures	<u>676,800</u>	<u>526,450</u>	<u>150,350</u>
Net change in fund balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning		-	
Fund balance, ending		<u>\$ -</u>	

BERTIE COUNTY, NORTH CAROLINA

OSBM SETTLEMENT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Interest earned	\$ 184,000	\$ -	\$ (184,000)
Intergovernmental revenues	1,650,000	-	(1,650,000)
Miscellaneous	<u>110,000</u>	<u>-</u>	<u>(110,000)</u>
Total revenues	<u>1,944,000</u>	<u>-</u>	<u>(1,944,000)</u>
Expenditures			
Current:			
Economic and physical development	<u>5,470,000</u>	<u>30,873</u>	<u>5,439,127</u>
Total expenditures	<u>5,470,000</u>	<u>30,873</u>	<u>5,439,127</u>
Deficiency of revenues under expenditures	(3,526,000)	(30,873)	3,495,127
Other financing sources (uses)			
Transfers In	226,000	-	(226,000)
Proceeds from issuance of lease	<u>3,300,000</u>	<u>-</u>	<u>(3,300,000)</u>
Total other financing sources	<u>3,526,000</u>	<u>-</u>	<u>(3,526,000)</u>
Net change in fund balances	<u>\$ -</u>	(30,873)	<u>\$ (30,873)</u>
Fund balance, beginning		887,056	
Fund balance, ending		<u>\$ 856,183</u>	

BERTIE COUNTY, NORTH CAROLINA

**FIRE DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental revenues	\$ 360,000	\$ 478,405	\$ 118,405
Total revenues	<u>360,000</u>	<u>478,405</u>	<u>118,405</u>
Expenditures			
Current:			
Public safety	360,000	345,500	14,500
Total expenditures	<u>360,000</u>	<u>345,500</u>	<u>14,500</u>
Net change in fund balances	<u>\$ -</u>	132,905	<u>\$ 132,905</u>
Fund balance, beginning		-	
Fund balance, ending		<u>\$ 132,905</u>	

BERTIE COUNTY, NORTH CAROLINA

**REPRESENTATIVE PAYEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental revenues	\$ -	\$ 250	\$ 250
Total revenues	<u>-</u>	<u>250</u>	<u>250</u>
Expenditures			
Current:			
Human services	-	6,072	(6,072)
Total expenditures	<u>-</u>	<u>6,072</u>	<u>(6,072)</u>
Net change in fund balances	<u>\$ -</u>	<u>(5,822)</u>	<u>\$ (5,822)</u>
Fund balance, beginning		<u>6,090</u>	
Fund balance, ending		<u>\$ 268</u>	

BERTIE COUNTY, NORTH CAROLINA

**PEST MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental revenues	\$ -	\$ 10,548	\$ 10,548
Total revenues	<u>-</u>	<u>10,548</u>	<u>10,548</u>
Expenditures			
Current:			
Environmental protection	-	8,007	(8,007)
Total expenditures	<u>-</u>	<u>8,007</u>	<u>(8,007)</u>
Net change in fund balances	<u>\$ -</u>	2,541	<u>\$ 2,541</u>
Fund balance, beginning		10,992	
Fund balance, ending		<u>\$ 13,533</u>	

BERTIE COUNTY, NORTH CAROLINA

**FINES AND FORFEITURES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental revenues	\$ 70,000	\$ 80,551	\$ 10,551
Total revenues	<u>70,000</u>	<u>80,551</u>	<u>10,551</u>
Expenditures			
Current:			
General government	70,000	80,551	(10,551)
Total expenditures	<u>70,000</u>	<u>80,551</u>	<u>(10,551)</u>
Net change in fund balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning		-	
Fund balance, ending		<u>\$ -</u>	

BERTIE COUNTY, NORTH CAROLINA

**SLFRF/ARP PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
Restricted intergovernmental	\$ 6,721,203	\$ 1,502,591	\$ 1,592,678	\$ 3,095,269	\$ (3,625,934)
Interest earned	85,766	-	85,766	85,766	-
Miscellaneous	59,500	-	-	-	(59,500)
Total revenues	<u>6,866,469</u>	<u>1,502,591</u>	<u>1,678,444</u>	<u>3,181,035</u>	<u>(3,685,434)</u>
Expenditures					
General government	6,866,469	1,502,591	1,678,444	3,181,035	3,685,434
Total expenditures	<u>6,866,469</u>	<u>1,502,591</u>	<u>1,678,444</u>	<u>3,181,035</u>	<u>3,685,434</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			-		
Fund balance, ending			<u>\$ -</u>		

BERTIE COUNTY, NORTH CAROLINA

**LIBRARY/CO-OP EXTENSION BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
Interest earned	\$ 10,630	\$ -	\$ -	\$ -	\$ (10,630)
Golden Leaf grant	500,000	176,061	-	176,061	(323,939)
Donations	120,000	136,387	-	136,387	16,387
Total revenues	<u>630,630</u>	<u>312,448</u>	<u>-</u>	<u>312,448</u>	<u>(318,182)</u>
Expenditures					
Economic and physical development	1,630,630	292,166	-	292,166	1,338,464
Total expenditures	<u>1,630,630</u>	<u>292,166</u>	<u>-</u>	<u>292,166</u>	<u>1,338,464</u>
Other financing sources (uses)					
Proceeds from issuance of debt	1,000,000	-	-	-	1,000,000
Total other financing sources	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 20,282</u>	<u>-</u>	<u>\$ 20,282</u>	<u>\$ 20,282</u>
Fund balance, beginning			20,282		
Fund balance, ending			<u>\$ 20,282</u>		

BERTIE COUNTY, NORTH CAROLINA

**LIBRARY/CO-OP EXTENSION BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
Golden Leaf grant	\$ 4,125,768	\$ 2,136,327	\$ -	\$ 2,136,327	\$ (1,989,441)
Donations	420,282	-	-	-	(420,282)
FCS grant	15,000	2,004,442	-	2,004,442	1,989,442
Miscellaneous	898,353	27,019	-	27,019	(871,334)
Total revenues	<u>5,459,403</u>	<u>4,167,788</u>	<u>-</u>	<u>4,167,788</u>	<u>(1,291,615)</u>
Expenditures					
Economic and physical development	5,579,403	4,261,181	-	4,261,181	1,318,222
Total expenditures	<u>5,579,403</u>	<u>4,261,181</u>	<u>-</u>	<u>4,261,181</u>	<u>1,318,222</u>
Other financing sources (uses)					
Transfer from general fund	120,000	120,000	-	120,000	-
Total other financing sources	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 26,607</u>	<u>-</u>	<u>\$ 26,607</u>	<u>\$ 26,607</u>
Fund balance, beginning			26,607		
Fund balance, ending			<u>\$ 26,607</u>		

BERTIE COUNTY, NORTH CAROLINA

**WATER ACCESS - PHASE 1 FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Revenues:					
Restricted intergovernmental:					
Federal and State grants	\$ 1,932,196	\$ 1,065,804	\$ 118,842	\$ 1,184,646	\$ (747,550)
Total revenues	<u>1,932,196</u>	<u>1,065,804</u>	<u>118,842</u>	<u>1,184,646</u>	<u>(747,550)</u>
Expenditures:					
Economic and physical development	2,751,280	1,260,709	361,426	1,622,135	1,129,145
Total expenditures	<u>2,751,280</u>	<u>1,260,709</u>	<u>361,426</u>	<u>1,622,135</u>	<u>1,129,145</u>
Other financing sources (uses):					
Transfer from general fund	819,084	52,500	-	52,500	(766,584)
Total other financing sources	<u>819,084</u>	<u>52,500</u>	<u>-</u>	<u>52,500</u>	<u>(766,584)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (142,405)</u>	<u>(242,584)</u>	<u>\$ (384,989)</u>	<u>\$ (384,989)</u>
Fund deficit, beginning			(142,405)		
Adjustment - error correction (Note 17)			<u>(71,282)</u>		
Fund deficit, beginning, restated			<u>(213,687)</u>		
Fund deficit, ending			<u>\$ (456,271)</u>		

BERTIE COUNTY, NORTH CAROLINA

**EMS BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues					
Interest earned	\$ 714,815	\$ -	\$ -	\$ -	\$ (714,815)
Intergovernmental revenues	704,299	801,877	-	801,877	97,578
Miscellaneous	225,890	-	-	-	(225,890)
Total revenues	<u>1,645,004</u>	<u>801,877</u>	<u>-</u>	<u>801,877</u>	<u>(843,127)</u>
Expenditures					
Economic and physical development	11,595,004	697,767	-	697,767	10,897,237
Total expenditures	<u>11,595,004</u>	<u>697,767</u>	<u>-</u>	<u>697,767</u>	<u>10,897,237</u>
Other financing sources (uses)					
Transfer to E911 fund	-	(55,521)	-	(55,521)	(55,521)
Proceeds from issuance of lease	9,950,000	-	-	-	(9,950,000)
Total other financing sources (uses)	<u>9,950,000</u>	<u>(55,521)</u>	<u>-</u>	<u>(55,521)</u>	<u>(10,005,521)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 48,589</u>	<u>-</u>	<u>\$ 48,589</u>	<u>\$ 48,589</u>
Fund balance, beginning			48,589		
Fund balance, ending			<u>\$ 48,589</u>		

BERTIE COUNTY, NORTH CAROLINA

**DISASTER RECOVERY 17 PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
State grant	\$ 918,367	\$ 81,633	\$ -	\$ 81,633	\$ (836,734)
Total revenues	<u>918,367</u>	<u>81,633</u>	<u>-</u>	<u>81,633</u>	<u>(836,734)</u>
Expenditures					
Economic and physical development	915,453	84,547	-	84,547	830,906
Total expenditures	<u>915,453</u>	<u>84,547</u>	<u>-</u>	<u>84,547</u>	<u>830,906</u>
Appropriated fund balance	<u>2,914</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,914</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (2,914)</u>		<u>\$ (2,914)</u>	<u>\$ (2,914)</u>
Fund deficit, beginning			(2,914)		
Fund deficit, ending			<u>\$ (2,914)</u>		

PROPRIETARY FUNDS

BERTIE COUNTY, NORTH CAROLINA

**ANIMAL SHELTER - CAPITAL PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Expenditures					
Engineering	\$ 100,000	\$ 39,243	\$ 24,185	\$ 63,428	\$ 36,572
Construction	200,000	-	34,900	34,900	165,100
Contracted services	26,228	-	-	-	26,228
Capital outlay	31,272	-	-	-	31,272
Total expenditures	<u>357,500</u>	<u>39,243</u>	<u>59,085</u>	<u>98,328</u>	<u>259,172</u>
Other financing sources (uses)					
Transfer from general fund	357,500	300,000	-	300,000	57,500
Total other financing sources	<u>357,500</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>	<u>57,500</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 260,757</u>	<u>(59,085)</u>	<u>\$ 201,672</u>	<u>\$ 201,672</u>
Fund balance, beginning			<u>260,757</u>		
Fund balance, ending			<u>\$ 201,672</u>		

BERTIE COUNTY, NORTH CAROLINA

**CAPITAL PROJECTS - SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
Restricted intergovernmental:					
State grants	\$ 500,000	\$ 2,923	\$ -	\$ 2,923	\$ (497,077)
Total revenues	<u>500,000</u>	<u>2,923</u>	<u>-</u>	<u>2,923</u>	<u>(497,077)</u>
Expenditures:					
Engineering	495,000	-	-	-	495,000
Administration	5,000	-	-	-	5,000
Total expenditures	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,923</u>	<u>-</u>	<u>\$ 2,923</u>	<u>\$ 2,923</u>
Fund balance, beginning			-		
Fund balance, ending			<u>\$ -</u>		

BERTIE COUNTY, NORTH CAROLINA

CRDS FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
Restricted intergovernmental					
State grants	\$ 1,145,000	\$ 16,500	\$ 28,500	\$ 45,000	\$ (1,100,000)
Total revenues	<u>1,145,000</u>	<u>16,500</u>	<u>28,500</u>	<u>45,000</u>	<u>(1,100,000)</u>
Expenditures					
Engineering	1,195,000	16,500	29,375	45,875	1,149,125
Total expenditures	<u>1,195,000</u>	<u>16,500</u>	<u>29,375</u>	<u>45,875</u>	<u>1,149,125</u>
Net change in fund balance	(50,000)	-	(875)	(875)	49,125
Other financing sources (uses):					
Transfer from general fund	50,000	-	-	-	(50,000)
Total other financing sources (uses)	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(875)</u>	<u>\$ (875)</u>	<u>\$ (875)</u>
Fund balance, beginning			-		
Fund deficit, ending			<u>\$ (875)</u>		

BERTIE COUNTY, NORTH CAROLINA

**WD IV IMP FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Positive (Negative)</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues					
Restricted intergovernmental	\$ 5,609,611	\$ 148,903	\$ 195,442	\$ 344,345	\$ (5,265,266)
Miscellaneous	1,839	-	-	-	(1,839)
Total revenues	<u>5,611,450</u>	<u>148,903</u>	<u>195,442</u>	<u>344,345</u>	<u>(5,267,105)</u>
Expenditures					
Engineering	781,409	148,903	196,042	344,945	436,464
Construction	4,817,202	-	-	-	4,817,202
Capital outlay	11,000	-	-	-	11,000
Total expenditures	<u>5,609,611</u>	<u>148,903</u>	<u>196,042</u>	<u>344,945</u>	<u>5,264,666</u>
Excess (deficiency) of revenues over (under) expenditures	1,839	-	(600)	(600)	(2,439)
Other financing sources (uses)					
Transfer to other funds	<u>(1,839)</u>	-	-	-	(1,839)
Total other financing uses	<u>(1,839)</u>	-	-	-	(1,839)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(600)</u>	<u>\$ (600)</u>	<u>\$ (600)</u>
Fund balance, beginning			-		
Fund deficit, ending			<u>\$ (600)</u>		

BERTIE COUNTY, NORTH CAROLINA

**REGIONAL WATER DISTRICT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating revenues:			
Charges for services			
Sewage and garbage collection fees	\$ 7,000	\$ 4,698	\$ (2,302)
Tap fees	55,000	52,700	(2,300)
Service fees	200	125	(75)
Connection fees	16,000	16,150	150
Reconnection fees	20,000	5,325	(14,675)
Penalties	42,000	16,501	(25,499)
Sale of water	2,540,000	2,769,657	229,657
Miscellaneous revenue - insurance	8,920	8,920	-
Other operating revenue	1,500	2,276	776
Total operating revenues	<u>2,690,620</u>	<u>2,876,352</u>	<u>185,732</u>
Nonoperating revenues:			
Investment earnings	6,000	-	(6,000)
Total nonoperating revenues	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
Total revenues	<u>2,696,620</u>	<u>2,876,352</u>	<u>179,732</u>
Administration expenditures:			
Salaries and employment benefits	538,342	487,624	50,718
Other administration expenditures	1,233,955	1,012,072	221,883
Total administration expenditures	<u>1,772,297</u>	<u>1,499,696</u>	<u>272,601</u>
Operating expenditures:			
Repairs and maintenance	52,557	7,078	45,479
Total operating expenditures	<u>52,557</u>	<u>7,078</u>	<u>45,479</u>
Debt service:			
Principal	351,486	650,314	(298,828)
Interest	513,000	349,841	163,159
Total debt services	<u>864,486</u>	<u>1,000,155</u>	<u>(135,669)</u>
Total expenditures	<u>2,689,340</u>	<u>2,506,929</u>	<u>182,411</u>
Excess of revenues over expenditures	<u>7,280</u>	<u>369,423</u>	<u>(362,143)</u>
Other financing sources (uses):			
Appropriated fund balance	7,280	-	(7,280)
Total other financing sources	<u>7,280</u>	<u>-</u>	<u>(7,280)</u>
Excess of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ 369,423</u>	<u>\$ (369,423)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues over expenditures		\$ 369,423	
Reconciling items:			
Depreciation and amortization		(909,171)	
Debt principal		674,051	
Decrease in deferred outflows of resources - pensions and OPEB		(39,874)	
Increase in net pension liability		(29,723)	
Decrease in deferred inflows of resources - pensions and OPEB		11,176	
Decrease in total OPEB liability		35,664	
Increase in accrued vacation payable		(2,175)	
Change in net position		<u>\$ 109,371</u>	

BERTIE COUNTY, NORTH CAROLINA

**DRINKING WATER STATE REVOLVING LOAN FUND - SCADA
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental	\$ 353,671	\$ 11,211	\$ -	\$ 11,211	\$ (342,460)
Total revenues	<u>353,671</u>	<u>11,211</u>	<u>-</u>	<u>11,211</u>	<u>(342,460)</u>
Expenditures:					
Construction	1,156,858	835,974	-	835,974	320,884
Engineering	400,055	345,358	-	345,358	54,697
Acquisition	5,000	-	-	-	5,000
Administration	1,947	-	-	-	1,947
Legal	21,932	374	-	374	21,558
Inspections	21,350	-	-	-	21,350
Miscellaneous	55,029	25,921	-	25,921	29,108
Contingency	1,695	-	-	-	1,695
Total expenditures	<u>1,663,866</u>	<u>1,207,627</u>	<u>-</u>	<u>1,207,627</u>	<u>456,239</u>
Deficiency of revenues under expenditures	(1,310,195)	(1,196,416)	-	(1,196,416)	113,779
Other financing sources (uses):					
NC DWSRR loan	1,283,408	1,132,878	-	1,132,878	(150,530)
Transfer from water	26,787	26,787	-	26,787	-
Total other financing sources	<u>1,310,195</u>	<u>1,159,665</u>	<u>-</u>	<u>1,159,665</u>	<u>(150,530)</u>
Deficiency of revenues and other financing sources under expenditures	<u>\$ -</u>	<u>\$ (36,751)</u>	<u>\$ -</u>	<u>\$ (36,751)</u>	<u>\$ (36,751)</u>

BERTIE COUNTY, NORTH CAROLINA

**USDA RURAL DEVELOPMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)**

FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
State grants	\$ 4,274,000	\$ 1,074,000	\$ -	\$ 1,074,000	\$ (3,200,000)
Tax refunds	50,291	50,290	-	50,290	(1)
Total revenues	<u>4,324,291</u>	<u>1,124,290</u>	<u>-</u>	<u>1,124,290</u>	<u>(3,200,001)</u>
Expenditures:					
Construction	5,315,618	2,597,797	-	2,597,797	2,717,821
Engineering	659,760	436,957	-	436,957	222,803
Inspections	171,132	-	-	-	171,132
Acquisition	14,396	-	-	-	14,396
Administration	19,801	6,366	-	6,366	13,435
Legal	21,905	4,177	-	4,177	17,728
Miscellaneous	54,611	22,881	-	22,881	31,730
Contingency	2,038	-	-	-	2,038
Interest	31,562	31,561	-	31,561	1
Capital outlay	11,000	-	-	-	11,000
Total expenditures	<u>6,301,823</u>	<u>3,099,739</u>	<u>-</u>	<u>3,099,739</u>	<u>3,202,084</u>
Deficiency of revenues under expenditures	(1,977,532)	(1,975,449)	-	(1,975,449)	2,083
Other financing sources (uses):					
NC DWSRR loan	1,717,000	1,714,179	-	1,714,179	(2,821)
Transfer from water	293,985	293,985	-	293,985	-
Transfer to water	(33,453)	-	-	-	33,453
Interest earned on investment	-	347	-	347	347
Total other financing sources	<u>1,977,532</u>	<u>2,008,511</u>	<u>-</u>	<u>2,008,511</u>	<u>30,979</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 33,062</u>	<u>\$ -</u>	<u>\$ 33,062</u>	<u>\$ 33,062</u>

BERTIE COUNTY, NORTH CAROLINA

**DEPARTMENT OF COMMERCE RURAL CENTER FUND - KELFORD
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
State grants	\$ 339,800	\$ 72,263	\$ -	\$ 72,263	\$ (267,537)
Tax refunds	-	1,052	-	1,052	1,052
Total revenues	<u>339,800</u>	<u>73,315</u>	<u>-</u>	<u>73,315</u>	<u>(266,485)</u>
Expenditures:					
Construction	167,926	131,781	-	131,781	36,145
Engineering	29,400	29,400	-	29,400	-
Transportation	213,176	-	-	-	213,176
Miscellaneous	54,756	394	-	394	54,362
Total expenditures	<u>465,258</u>	<u>161,575</u>	<u>-</u>	<u>161,575</u>	<u>303,683</u>
Deficiency of revenues under expenditures	(125,458)	(88,260)	-	(88,260)	37,198
Other financing sources (uses):					
Transfer from water	125,458	81,483	-	81,483	(43,975)
Total other financing sources	<u>125,458</u>	<u>81,483</u>	<u>-</u>	<u>81,483</u>	<u>(43,975)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (6,777)</u>	<u>\$ -</u>	<u>\$ (6,777)</u>	<u>\$ (6,777)</u>

BERTIE COUNTY, NORTH CAROLINA

**DRINKING WATER STATE REVOLVING FUND - ROXOBEL MERGER
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
State grants	\$ 500,000	\$ 255,447	\$ -	\$ 255,447	\$ (244,553)
Tax refunds/local funds	-	24,772	-	24,772	24,772
Total revenues	<u>500,000</u>	<u>280,219</u>	<u>-</u>	<u>280,219</u>	<u>(219,781)</u>
Expenditures:					
Construction	1,517,461	1,415,945	-	1,415,945	101,516
Engineering	396,350	388,500	-	388,500	7,850
Acquisition	16,278	16,278	-	16,278	-
Legal	6,376	6,376	-	6,376	-
Miscellaneous	39,895	39,895	-	39,895	-
Total expenditures	<u>1,976,360</u>	<u>1,866,994</u>	<u>-</u>	<u>1,866,994</u>	<u>109,366</u>
Deficiency of revenues under expenditures	(1,476,360)	(1,586,775)	-	(1,586,775)	(110,415)
Other financing sources (uses):					
NC DWSRR loan	1,437,608	1,437,608	-	1,437,608	-
Transfer from water	38,752	38,752	-	38,752	-
Total other financing sources	<u>1,476,360</u>	<u>1,476,360</u>	<u>-</u>	<u>1,476,360</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (110,415)</u>	<u>\$ -</u>	<u>\$ (110,415)</u>	<u>\$ (110,415)</u>

BERTIE COUNTY, NORTH CAROLINA

**ASSET INVENTORY - PHASE II FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
State grants - H-AIA-D-2017-0062-2347- 536919	\$ 150,000	\$ 95,694	\$ -	\$ 95,694	\$ (54,306)
Total revenues	<u>150,000</u>	<u>95,694</u>	<u>-</u>	<u>95,694</u>	<u>(54,306)</u>
Expenditures:					
Engineering	155,250	109,463	-	109,463	45,787
Administration	2,250	1,263	-	1,263	987
Total expenditures	<u>157,500</u>	<u>110,726</u>	<u>-</u>	<u>110,726</u>	<u>46,774</u>
Deficiency of revenues under expenditures	(7,500)	(15,032)	-	(15,032)	(7,532)
Other financing sources (uses):					
Transfer from water	7,500	7,500	-	7,500	-
Total other financing sources	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (7,532)</u>	<u>\$ -</u>	<u>\$ (7,532)</u>	<u>\$ (7,532)</u>

BERTIE COUNTY, NORTH CAROLINA

**ASSET INVENTORY - PHASE III FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
State grants	\$ 150,000	\$ 160,622	\$ -	\$ 160,622	\$ 10,622
Total revenues	<u>150,000</u>	<u>160,622</u>	<u>-</u>	<u>160,622</u>	<u>10,622</u>
Expenditures:					
Engineering	155,250	165,872	-	165,872	(10,622)
Administration	2,250	2,250	-	2,250	-
Total expenditures	<u>157,500</u>	<u>168,122</u>	<u>-</u>	<u>168,122</u>	<u>(10,622)</u>
Deficiency of revenues under expenditures	(7,500)	(7,500)	-	(7,500)	-
Other financing sources (uses):					
Transfer from water	7,500	7,500	-	7,500	-
Total other financing sources	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BERTIE COUNTY, NORTH CAROLINA

**ASSET INVENTORY - PHASE IV FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)**

FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
State grants	\$ 5,444,087	\$ 88,800	\$ -	\$ 88,800	\$ (5,355,287)
Miscellaneous	41,000	-	-	-	(41,000)
Total revenues	<u>5,485,087</u>	<u>88,800</u>	<u>-</u>	<u>88,800</u>	<u>(5,396,287)</u>
Expenditures:					
Construction	4,464,457	-	-	-	4,464,457
Engineering	320,908	91,908	-	91,908	229,000
Inspections	113,902	-	-	-	113,902
Acquisition	23,945	-	-	-	23,945
Administration	7,500	1,332	-	1,332	6,168
Capital outlay	20,000	-	-	-	20,000
Legal	40,000	-	-	-	40,000
Interest	207,000	-	-	-	207,000
Miscellaneous	6,712	-	-	-	6,712
Contingency	285,103	-	-	-	285,103
Total expenditures	<u>5,489,527</u>	<u>93,240</u>	<u>-</u>	<u>93,240</u>	<u>5,396,287</u>
Deficiency of revenues under expenditures	(4,440)	(4,440)	-	(4,440)	-
Other financing sources (uses):					
Transfer from water	4,440	4,440	-	4,440	-
Total other financing sources	<u>4,440</u>	<u>4,440</u>	<u>-</u>	<u>4,440</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

INTERNAL SERVICE FUND

BERTIE COUNTY, NORTH CAROLINA

**BERTIE TELEPHONE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Operating revenues:			
User charges	\$ 62,000	\$ 65,560	\$ 3,560
Total revenues	<u>62,000</u>	<u>65,560</u>	<u>3,560</u>
Expenditures			
Operating:			
Administration	<u>86,475</u>	<u>35,835</u>	<u>50,640</u>
Total expenditures	<u>86,475</u>	<u>35,835</u>	<u>50,640</u>
Excess (deficiency) of revenues over (under) expenditures	(24,475)	29,725	54,200
Other financing sources (uses):			
Transfer in	<u>24,475</u>	<u>24,475</u>	<u>-</u>
Total other financing sources	<u>24,475</u>	<u>24,475</u>	<u>-</u>
Change in net position	<u>\$ -</u>	54,200	<u>\$ 54,200</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Depreciation		(12,223)	
Change in net position		<u>\$ 41,977</u>	

OTHER SCHEDULES

BERTIE COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF AD VALOREM TAXES RECEIVABLE JUNE 30, 2024

Fiscal Year	Uncollected Balance July 1, 2023	Additions	Collections And Credits	Uncollected Balance June 30, 2024
2023-2024	\$ -	\$ 13,027,976	\$ 12,708,584	\$ 319,392
2022-2023	289,092	-	170,215	118,877
2021-2022	94,984	-	44,488	50,496
2020-2021	42,667	-	12,504	30,163
2019-2020	30,327	-	9,097	21,230
2018-2019	24,110	-	6,126	17,984
2017-2018	21,444	-	5,897	15,547
2016-2017	14,456	-	3,022	11,434
2015-2016	12,585	-	2,837	9,748
2014-2015	9,016	-	2,551	6,465
2013-2014	7,391	-	7,391	-
TOTALS	\$ 546,072	\$ 13,027,976	\$ 12,972,712	601,336
Less: Allowance for uncollectible accounts:				
General Fund				(122,356)
Ad valorem taxes receivable, net:				
General Fund				\$ 478,980
<u>Reconciliation with Revenues</u>				
Ad valorem taxes - General Fund				\$ 13,037,391
Reconciling items:				
Interest collected				(124,365)
Penalties collected				80,551
Miscellaneous adjustments				(20,865)
Total Collections and Credits				\$ 12,972,712

BERTIE COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY COUNTY-WIDE LEVY FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	County-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxes at current year's rate	\$1,529,404,598	0.00865	\$ 13,229,350	\$ 11,510,955	\$ 1,722,483
Total	<u>1,529,404,598</u>		<u>13,229,350</u>	<u>11,510,955</u>	<u>1,722,483</u>
Discoveries:					
Current year taxes	-	0.00865	135,834	135,834	-
Total discoveries	<u>-</u>		<u>135,834</u>	<u>135,834</u>	<u>-</u>
Releases	(38,983,584)	0.00865	(337,208)	(337,208)	
Total property valuation	<u>\$1,490,421,014</u>				
Net levy			13,027,976	11,309,581	1,722,483
Current year's taxes collected			12,708,584	10,990,189	1,722,483
Uncollected taxes at June 30, 2024			\$ 319,392	\$ 319,392	\$ -
Current levy collection percentage			<u>97.55%</u>	<u>97.18%</u>	<u>100.00%</u>

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF TEN LARGEST TAXPAYERS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Taxpayer	Type of Business	2024 Assessed Valuation	Percentage of Total Assessed Valuation
Perdue Foods LLC	Agriculture	\$ 59,971,681	4.02 %
Weyerhaeuser Co.	Real Estate	20,314,072	1.36
Avoca LLC	Agriculture	18,891,527	1.27
Occano Land and Development LLC	Real Estate	18,762,185	1.26
Republic Services LLC	Environmental	16,022,883	1.08
Roseburg Resources Co	Forestry	10,784,419	0.72
Colonial Eagle Solar LLC	Environmental	71,543,070	4.80
Green Gas USA LLC	Environmental	6,450,467	0.43
Valley Proteins Inc.	Agriculture	6,390,338	0.43
W D Byrum Logging Inc	Forestry	4,385,781	0.29
Total		<u>\$ 233,516,423</u>	<u>15.67 %</u>

COMPLIANCE SECTION



Independent Auditor's 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 Members of the Board of Commissioners
Bertie County, North Carolina
Windsor, North Carolina**

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Bertie County, North Carolina** (the "County") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated April, 15, 2026. Our report includes a reference to other auditors who audited the financial statements of the Bertie County ABC Board, as described in our report on Bertie County's financial statements. The financial statements of Bertie County ABC Board were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal controls over financial reporting or compliance and other matters associated with the Bertie County ABC Board or that are reported on separately by those auditors who audited the financial statements of the Bertie County ABC Board.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002, 2024-005 and 2024-006 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as items 2024-003 and 2024-004.

Bertie County, North Carolina's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Raleigh, North Carolina
April 15, 2026



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with Applicable Sections of the OMB Uniform Guidance and the State Single Audit Implementation Act

**To the Members of the Board of Commissioners
Bertie County, North Carolina
Windsor, North Carolina**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Bertie County, North Carolina's** (the "County") 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's major federal programs for the year ended June 30, 2024. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibility for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-007 and 2024-008 to be significant deficiencies.

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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



Raleigh, North Carolina
April 15, 2026



Independent Auditor's Report on Compliance for Each Major State Program and Report on Internal Control over Compliance in Accordance with Applicable Sections of the OMB Uniform Guidance and the State Single Audit Implementation Act

**To the Members of the Board of Commissioners
Bertie County, North Carolina
Windsor, North Carolina**

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the **Bertie County, North Carolina's** (the "County") 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 County, that could have a direct and material effect on each of the County's state programs for the year ended June 30, 2024. The County's major state program are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major state program for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibility for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-007 to be significant deficiencies.

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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



Raleigh, North Carolina
April 15, 2026

BERTIE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Agency or Pass-through Grantor Number	Expenditures		Payments to Subrecipients All
			Federal	State	
FEDERAL AWARDS					
U.S. Department of Agriculture:					
Passed through North Carolina Department of Health and Human Services:					
Supplemental Nutrition Assistance Program (SNAP):					
SNAP Administration Matching Grants for the Supplemental Nutrition Assistance Program	10.561	215NC406S2514	\$ 408,268	\$ -	\$ -
COVID-19 - FNS ARPA Funds	10.561	215NC406S2514	12,408	-	-
Supplemental Nutrition Assistance Program Cluster			<u>420,676</u>	<u>-</u>	<u>-</u>
Rural Business-Cooperative Service Agency:					
Rural Business Development Grant			2,513	-	-
Tall Glass of Water Phase I	10.351	38-008-774141588	<u>423,189</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Agriculture					
U.S. Department of Justice:					
Patrick Leahy Bulletproof Vest Partnership Program	16.607	N/A	13,198	-	-
Total U.S. Department of Justice			<u>13,198</u>	<u>-</u>	<u>-</u>
U.S. Department of Treasury:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	1,678,445	-	-
Local Assistance and Tribal Consistency Fund	21.032	N/A	82,182	-	-
Passed through North Carolina Department of Environmental Quality:					
Local Assistance and Tribal Consistency Fund	21.032	VUR-D-ARP-0042	195,442	-	-
Total U.S. Department of Treasury			<u>1,956,069</u>	<u>-</u>	<u>-</u>
U.S. Department of Health and Human Services					
Passed through Mid-East Commission Area Agency on Aging:					
Aging:					
Special Programs for the Aging - Title III Part B					
Grants for Supportive Services and Senior Centers	93.044	N/A	101,764	6,551	-
Special Programs for the Aging - Title III Part C					
Nutrition Services	93.045	N/A	91,222	5,366	-
Total Aging Cluster			<u>192,986</u>	<u>11,917</u>	<u>-</u>
TANF - Work First	93.558	2301NCTANF	204,007	-	-
Foster Care and Adoption:					
IV-E Adoption Subsidy	93.658	2301NCFOST	5,835	(77)	-
Adoption Assistance	93.659	N/A	(72,669)	-	-
Total Foster Care and Adoption Cluster			<u>(66,834)</u>	<u>(77)</u>	<u>-</u>
Child Support Enforcement	93.563	2301NCCES	542,091	-	-
Low-income Home Energy Assistance Program:					
Administration	93.568	2301NCLIEA	30,564	-	-
COVID-19 - LIHWAP ARP Admin	93.568	2301NCLIEA	4,217	-	-
COVID-19 - LIHWAP ARP	93.568	2301NCLIEA	25,512	-	-
Crisis Intervention Payments	93.568	2301NCLIEA	26,378	-	-
Total Low-income Home Energy Assistance Grant			<u>86,671</u>	<u>-</u>	<u>-</u>
Child Care Development Mandatory and Matching Funds - Administration	93.596	2301NCCCDF	45,943	-	-
Marylee Allen Promoting Safe and Stable Families Program	93.556	2301NCFPSS	6,992	-	-
Stephanie Tubbs Jones Child Welfare Services Program:					
Permanency Planning - Families for Kids	93.645	2301NCCWSS	5,698	-	-
John H. Chafee Foster Care Program for Success Transition to Adulthood	93.674	2301NCC1LP	456	114	-
Social Service Block Grant:					
Administration	93.667	2301NCSOSR	190,101	-	-
State In-home Service Fund	93.667	2301NCSOSR	38,101	1,739	-
State Adult Day Care	93.667	2301NCSOSR	10,961	-	-
Total Social Service Block Grant			<u>239,163</u>	<u>1,739</u>	<u>-</u>
Medicaid:					
Medical Assistance Program	93.778	XIX-MAP23	1,114,618	53,171	-
Total Medicaid Cluster			<u>1,114,618</u>	<u>53,171</u>	<u>-</u>
Children's Health Insurance Program - N.C. Health Choice	93.767	CHIP23	68,690	1,041	-
Total U.S. Department of Health and Human Services			<u>2,440,481</u>	<u>67,905</u>	<u>-</u>

(Continued)

BERTIE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Agency or Pass-through Grantor Number	Expenditures		Payments to Subrecipients All
			Federal	State	
FEDERAL AWARDS (CONTINUED)					
U.S. Department of Homeland Security					
Passed through N.C. Dept. of Public Safety:					
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Isaias	97.036	N/A	\$ 25,126	\$ 8,375	\$ -
Emergency Management Performance Grant	97.042	N/A	20,625	-	-
Total U.S. Department of Homeland Security			<u>45,751</u>	<u>8,375</u>	<u>-</u>
TOTAL FEDERAL AWARDS			<u>4,878,688</u>	<u>76,280</u>	<u>-</u>
STATE AWARDS					
North Carolina Department of Administration					
Veterans Service			-	2,174	-
Total North Carolina Department of Administration			<u>-</u>	<u>2,174</u>	<u>-</u>
North Carolina Department of Environmental Quality					
<u>Division of Coastal Management:</u>					
Beach Access - Tall Glass of Water			-	2,128	-
N.C. Resilient Coastal Communities Program			-	28,500	-
Total Division of Coastal Management			<u>-</u>	<u>30,628</u>	<u>-</u>
Total North Carolina Department of Environmental Quality			<u>-</u>	<u>30,628</u>	<u>-</u>
North Carolina Department of Health and Human Services					
<u>Division of Social Services:</u>					
State Foster Home			-	(1,200)	-
State Foster Home Fund (SFHF) Maximization			-	(4,230)	-
Child Welfare Services			-	2,756	-
Extended Foster Care Maximization Non IV-E Programs			-	8,609	-
Total Division of Social Services			<u>-</u>	<u>5,935</u>	<u>-</u>
Passed through Mid-East Commission Area Agency on Aging:					
Senior General Purpose Grant			-	4,065	-
Total North Carolina Department of Health and Human Services			<u>-</u>	<u>10,000</u>	<u>-</u>
North Carolina Department of Insurance					
SHIP Grant			-	12,386	-
Total North Carolina Department of Insurance			<u>-</u>	<u>12,386</u>	<u>-</u>
North Carolina Department of Natural and Cultural Resources					
<u>Division of Parks and Recreation:</u>					
Parks and Recreation Trust Fund (PARTF)		2021-922	-	32,005	-
Total North Carolina Department of Natural and Cultural Resources			<u>-</u>	<u>32,005</u>	<u>-</u>
North Carolina Department of Agriculture and Consumer Services					
<u>Division of Soil & Water Conservation Commission:</u>					
Streamflow Rehabilitation Assistance Program			-	35,000	-
Total North Carolina Department of Agriculture and Consumer Services			<u>-</u>	<u>35,000</u>	<u>-</u>
North Carolina Office of State Budget and Management					
Register of Deeds Grant			-	2,000	-
State Capital and Infrastructure Fund Directed Grant			-	30,873	-
Total North Carolina Office of State Budget and Management			<u>-</u>	<u>32,873</u>	<u>-</u>
North Carolina Department of Justice					
Passed through Office of Attorney General					
Environmental Enhancement Grant		BERTI-020-CR TGOW	-	104,499	-
Total North Carolina Department of Justice			<u>-</u>	<u>104,499</u>	<u>-</u>
North Carolina Department of Public Safety					
Juvenile Crime Prevention Programs			-	110,000	110,000
Bertie County Sheriff's Office		BERTIECO 2021-2023	-	88,520	-
Total North Carolina Department of Public Safety			<u>-</u>	<u>198,520</u>	<u>110,000</u>
North Carolina Department of Transportation					
NCDOT ROAP/SMAP Cluster					
ROAP Elderly and Disabled Transportation Assistance Program		DOT-16CL	-	62,855	-
ROAP Rural General Public Program		DOT-16CL	-	26,755	-
ROAP Work First Transitional - Employment		DOT-16CL	-	9,115	-
Total ROAP Cluster			<u>-</u>	<u>98,725</u>	<u>-</u>
Total North Carolina Department of Transportation			<u>-</u>	<u>98,725</u>	<u>-</u>
TOTAL STATE AWARDS			<u>-</u>	<u>556,810</u>	<u>110,000</u>
TOTAL FEDERAL AND STATE AWARDS			<u>\$ 4,878,688</u>	<u>\$ 633,090</u>	<u>\$ 110,000</u>

BERTIE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024**

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 Bertie County (the "County") under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. The information in this SEFSA is presented in accordance with the requirements of Title 2 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. Because the SEFSA presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

Note 2: Summary of Significant Accounting Policies

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

Note 3: Indirect Cost Rate

The County has elected not to use the ten percent de Minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4: Cluster of Programs

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

Note 5: Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from Federal and State monies. 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.

<u>Program Title</u>	<u>AL No.</u>	<u>Federal</u>	<u>State</u>
Special Supplemental Nutrition	10.557	\$ 145,954	\$ -
Temporary Assistance for Needy Families	93.558	46,889	-
Adoption Assistance	93.659	-	18,349
Medical Assistance Program	93.778	46,600,031	20,322,286
Children's Health Insurance Program	93.767	352	100
Pandemic Emergency Assistance	93.558	(7)	-
Child Welfare Services Adoption	N/A	(72,917)	191,929
State/County Special Assistance	N/A	-	201,981

BERTIE COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? Yes No

Significant deficiency(ies) 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 deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for major federal programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
93.778	Medicaid Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ARPA)

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? No

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION I

SUMMARY OF AUDIT RESULTS (CONTINUED)

State Awards

Internal control over major state programs:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for
major state programs?

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with the State Single Audit Implementation Act?

Yes No

Auditee qualified as low-risk state auditee?

No

Identification of major State programs:

Program Name

Medicaid Assistance Program (Medicaid)

Juvenile Crime Prevention

Environmental Enhancement Grant

Other major state program includes Medical Assistance Program (Medicaid) which has a state match on the federal program. Therefore, this program has been included in the major programs above.

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION II

FINANCIAL STATEMENT FINDINGS AND RESPONSES

2024-001 Restatement of Prior Year Balances – Repeat

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of the County in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to timely detect material misstatements in the County's financial statements for the year ended June 30, 2023.

Context/Cause: During our audit for the year ended June 30, 2024, material misstatements in the opening balances of the County were identified and thus audit adjustments were required as follows:

- A restatement was required for governmental activities to record the final payment related to the Qualified Zone Academy Bond (QZAB). The net effect of this prior period adjustment increased the beginning net position for governmental activities by \$358,100, representing the recognition of the final debt obligation settlement.
- An error in recording the opioid settlement revenue in the governmental activities that should have been recognized in the previous year in the amount of \$1,447,162.
- A restatement was required for governmental activities to correct the reporting of principal payments for the Qualified School Construction Bonds (QSCB) for Fiscal Years 2022 and 2023 that are not due until maturity of the bond. The net effect of these prior period adjustments decreased the beginning net position for the governmental activities by \$539,557 and \$1,105,670, respectively, to properly account for the reduction in principal balances.
- A restatement was required for governmental activities to rectify various errors identified on the fund-level. The net effect of these prior period adjustments impacted the beginning fund balance as follows:
 - An increase of \$1,668,312 to the General fund to record the cash related to the QSCB.
 - An increase of \$60,184 related to revenue received within the availability period in the Opioid Settlement fund.
 - A decrease of \$71,282 related to the overstatement of accounts receivable in the Water Access – Phase 1 fund.

Effects: As a result of the issues identified above, material audit adjustments were required to correct previously reported balances of the County. Restatements to beginning net position of the County totaled \$1,817,249. Restatements to the beginning fund balance of the General fund was \$1,668,312, the Opioid Settlement fund was \$60,184, and the Water Access – Phase 1 fund was \$71,282.

Recommendation: We recommend the County carefully review the financial statements and the applicable reporting requirements under GAAP to ensure that all information and financial data is properly reported.

Auditee's Response: We concur with the finding and have taken steps to more carefully align applicable reporting requirements with presentation in the financial statements in accordance with GAAP.

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2024-002 General Financial Reporting - Repeat

Criteria: Internal controls should be in place to ensure that the financial statements properly report the revenue of the County and that the related balance sheet accounts are properly stated as of the point in time the financial statements are prepared, in accordance with generally accepted accounting principles (GAAP).

Condition: Material audit adjustments were required to properly report general account balances of the County as of and for the fiscal year ended June 30, 2024.

Context: During our audit for the fiscal year ended June 30, 2024, audit adjustments were required to correct material misstatements in the reporting of the County's general account balances. The nature and magnitude of these adjustments are as follows:

- An entry was needed to accrue \$13,129 for a check written in the Emergency Telephone System fund that was improperly excluded from accounts payable.
- An entry was needed in the Regional Water District fund to properly record the current year activity for leases in the amount of \$175,688. Proceeds, capital outlay, and principal payments were recorded as other financing sources/uses, when lease activity should be recorded as balance sheet movements in proprietary funds. The respective right-to-use lease asset and liability needed to be adjusted to actual amounts based on the current year activity.
- Entries were needed in the Municipal Tax fund totaling \$52,871 to properly report this fund under GASB 84, *Fiduciary Activities*, as subtractions did not equal the respective additions in this fund, leaving a fund balance before adjustments were made.

Cause: A lack of a comprehensive year-end closing checklist and a secondary review process for complex transactions, specifically regarding lease accounting (GASB 87) and fiduciary fund reporting (GASB 84).

Effects: Total audit adjustments of \$241,688 were needed to correct errors in the County's financial statements as of and for the year ended June 30, 2024.

Recommendation: We recommend the County implement a formal month-end and year-end closing procedure that includes a detailed review of all material and manual journal entries. Specifically, entries for lease accounting, fiduciary funds, and accounts payable.

Auditee's Response: We will take necessary steps in the future so the financial statements properly present the financial position and results of the County, in accordance with GAAP.

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION II

FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2024-003 Non-compliance with Bonding Requirements per G.S. 159-29, Section 9 of Session Law 2022-53

Criteria: Effective January 1, 2023, the fidelity bond requirements of G.S. 159-29 have been rewritten by Section 9 of Session Law 2022-53. A person may not be appointed as a finance officer or assume the duties for which a bond is required if the person is unable to obtain the bond required by G.S. 159-29. Under the revised statute, the bond for the finance officer “may not be less than the greater of the following: (1) Fifty thousand dollars (\$50,000). (2) An amount equal to ten percent (10%) of the unit’s annually budgeted funds, up to one million dollars (\$1,000,000)”.

Condition: The amount for which the County’s designated finance officer was bonded for the fiscal year ended June 30, 2024, was not in compliance with the requirements of G.S. 159-29, as noted above.

Context/Cause: During our audit for the fiscal year ended June 30, 2024, we reviewed the County’s bonding of the Finance Director, noting it is for \$50,000. Per review of the County’s annually budgeted funds, ten percent of the annual budgeted funds is greater than one million dollars, and therefore the Finance Director’s bonded amount should have been \$1,000,000 as required by G.S. 159-29.

Effects: As a result of the current bond amount (\$50,000) being less than the \$1,000,000 required, the County was not in compliance with State law.

Recommendation: We recommend the County work with its insurance company and/or other bonding agencies, as necessary, to assist with obtaining the appropriate amount of coverage so that the County is in compliance with the requirements of G.S. 159-29.

Auditee’s Response: We concur with the finding. The Finance Director is currently bonded for \$1,000,000.

2024-004 Non-compliance with Adoption of Budgets – Repeat

Criteria: North Carolina General Statutes §159-8 states: “Each local government and public authority shall operate under an annual balanced budget ordinance adopted and administered in accordance with this Article. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations.”

Condition: The County did not comply with General Statutes §159-8 for certain of its special revenue funds for the fiscal year ended June 30, 2024.

Context/Cause: During our audit for the fiscal year ended June 30, 2024, we noted the County did not adopt a budget for the Pest Management Fund which is a special revenue fund. This fund was previously reported as an agency fund prior to the implementation of GASB Statement No. 84, *Fiduciary Activities*, and therefore did not previously require an annual adopted budget. It is noted that the County also did not adopt a budget for the Representative Payee fund; however, per General Statutes §159-13, this fund is not required to adopt an annual budget ordinance because “these restricted funds belong to and are used for the support of minor children and certain adults.”

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2024-004 Non-compliance with Adoption of Budgets - Repeat (Continued)

Effects: As a result of not adopting a budget for the Pest Management Fund, the County was not in compliance with General Statutes §159-8.

Recommendation: We recommend the County adopt budgets for these special revenue funds going forward.

Auditee's Response: We concur with the finding and anticipate adopting budgets for these special revenue funds in subsequent years.

2024-005 Untimely Bank Reconciliations

Criteria: Internal controls should be in place to ensure a complete monthly bank reconciliation is performed for all County accounts. As a part of this reconciliation process, the County should ensure that the carrying value of cash and investments, as recorded in the internal Central Depository Fund, agrees with the amount of cash and investments reported across all of the County's funds for external financial reporting purposes.

Condition: We noted the County's main operating bank account was not reconciled properly in a timely manner. Internal controls were not sufficient to detect material misstatements in the reporting of cash balances.

Cause: The finance department experienced significant staff turnover during the second half of the year. The remaining staff did not have sufficient capacity to maintain the reconciliation schedule, and there was a lack of cross-training for backup personnel to assume these duties.

Effect: Failure to reconcile bank accounts in a timely manner increases the risk of financial misstatements, impacting the accuracy of financial reporting.

Recommendation: We recommend the County implement the necessary controls and procedures to ensure that all bank accounts are reconciled in a timely manner and all accounts, and the associated activities are properly reported. Additionally, we recommend the County cross-train employees to ensure continuity should the County experience turnover in the finance department.

Auditee's Response: We concur with the finding. We have contracted with a third-party accounting firm to bring all reconciliations current and provide training to our existing staff. We are fully compliant as of this response.

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION II

FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2024-006 Lack of Segregation of Duties over Manual Journal Entries

Criteria: Internal controls should be in place to ensure that no single individual has control over all phases of a financial transaction. Proper controls require that manual adjustments to the financial records be subject to independent review and approval to ensure accuracy, validity, and completeness.

Condition: During our review of the internal control environment, we noted that the Finance Director currently has the authority to both prepare and post manual journal entries to the General Ledger without a secondary level of review or documented approval.

Cause: The current financial workflow was designed or evolved to allow for end-to-end processing by a single senior official, likely to prioritize administrative efficiency over rigorous internal oversight.

Effect: The lack of independent review creates a significant opportunity for errors - whether intentional or unintentional - to remain undetected.

Recommendation: We recommend the County implement a formal policy requiring all manual journal entries to be reviewed and approved by an individual other than the preparer.

- **Documentation:** Evidence of this review should be maintained via an electronic system audit trail or a physical signature on a journal entry cover sheet.
- **Supporting Evidence:** Approvers should verify the entry against supporting documentation (e.g., invoices, bank statements, or worksheets) before posting to the General Ledger.
- **Thresholds:** If staffing is limited, the County may consider a tiered approach where entries above a certain dollar threshold require higher-level executive approval.

Auditee's Response: We concur with the finding and recommendation regarding the segregation of duties for manual journal entries.

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION III

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2024-007 Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles - Repeat

Information on the federal program: Medicaid Cluster (Medicaid), Assistance Listing Number 93.778, U.S. Department of Health and Human Services, passed through the N.C. Department of Health and Human Services (NCDHHS), Division of Social Services

Criteria: Per the NCDHHS policy manual, salaries, wages, and fringe benefits of Department of Social Service employees hired under the state merit system are allowable. Salaries shall be allocated to programs by time distribution methods and supported by payroll and attendance records for individuals.

Condition: Employee's time is tracked through the use of day sheets in which employees track their time by service code in 6-minute increments. Day sheets are used to complete weekly timesheets which are approved by supervisors. We noted two out of twenty-three daysheets selected for Medicaid had more program minutes than what was reported on the employee's approved time sheet.

Context/Cause: The day sheets included more program time than was included on the employee's approved timesheet. We noted the above condition in two out of twenty-three day sheets selected for Medicaid.

Effects: Inaccurate reporting of time coded to programs could affect the total federal and state reimbursement for the program.

Recommendation: We recommend that the County implements a review control over weekly timesheets to ensure the timesheets include all program time coded on the daysheets.

Auditee's Response: We concur with the finding.

BERTIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

SECTION III

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

2024-008 Significant Deficiency over Reporting

Information on the federal program: COVID-19 – Coronavirus State and Local Fiscal Recovery Funds (SLFRF), Assistance Listing Number 21.027, U.S. Department of the Treasury

Criteria: The 2 CFR § 200.303 requires that non-Federal entities establish and maintain effective internal control over the Federal award that provides reasonable assurance that the entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Additionally, the SLFRF Compliance and Reporting Guidance requires recipients to maintain records and financial documents for a period of five years after all funds have been expended or returned to Treasury, which includes documentation of the reports submitted.

Condition: During our testing of the quarterly Project and Expenditure (P&E) reports submitted to the U.S. Department of the Treasury, the County was unable to provide documentation or audit logs from the Treasury Portal demonstrating the internal review and approval process. Specifically, the County could not provide evidence of:

- The identity of the individual who prepared the report.
- The identity of the supervisor/official who reviewed and authorized the submission.
- The specific date and time the reports were submitted.

Due to significant staff turnover, the login credentials and historical "submission confirmation" records were not maintained or accessible for the audit period.

Context/Cause: The County experienced turnover in key administrative positions responsible for ARPA grant management. The departing staff did not transition portal access or download the "Submission Summary" reports prior to their departure, and the County did not have a secondary process to archive these records outside of the portal.

Effects: Without evidence of a formal review and approval process, there is an increased risk that inaccurate or unauthorized financial data could be reported to the Federal government. This lack of documentation constitutes a significant deficiency in internal controls over the reporting compliance requirement.

Recommendation: The County should strengthen its internal controls over Federal reporting by archiving submissions, utilizing formal approval logs, and implementing succession planning.

Auditee's Response: We concur with the finding

SECTION IV

STATE AWARD FINDINGS AND QUESTIONED COSTS

Finding 2024-007, as listed in Section III Federal Award Findings and Questioned Costs, is also considered to be a state award finding.

BERTIE COUNTY, NORTH CAROLINA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2024

2023-001 Restatement of Prior Year Balances

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of the County in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to timely detect material misstatements in the County's financial statements for the year ended June 30, 2022.

Current Status: Repeat. See current year finding 2024-001.

2023-002 Revenue Recognition

Criteria: Internal controls should be in place to ensure that amounts reported as revenues and related accounts are appropriate, properly valued, and recorded in the proper period in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to detect material misstatements in the reporting of the County's revenues and related balances.

Current Status: Resolved.

2023-003 Financial Close and Maintenance of General Ledger Accounts

Criteria: Internal controls should be in place to ensure that financial statements properly present the financial position and results of the County in accordance with generally accepted accounting principles.

Condition: The County's reviews and manual adjustments were not sufficient to prevent, or detect and correct, material misstatements in the County's financial statements submitted for audit. The nature and magnitude of these misstatements are discussed below.

Current Status: Repeat. See current year finding 2024-002.

2023-004 Adoption of Budgets

Criteria: North Carolina General Statutes §159-8 states: "Each local government and public authority shall operate under an annual balanced budget ordinance adopted and administered in accordance with this Article. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations."

Condition: The County did not comply with General Statutes §159-8 for certain of its special revenue funds for the fiscal year ended June 30, 2023.

Current Status: Repeat. See current year finding 2024-004.

BERTIE COUNTY, NORTH CAROLINA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2024

2023-005 Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles

Criteria: Per the NCDHHS policy manual, salaries, wages, and fringe benefits of Department of Social Service employees hired under the state merit system are allowable. Salaries shall be allocated to programs by time distribution methods and supported by payroll and attendance records for individuals.

Condition: Employee's time is tracked through the use of day sheets in which employees track their time by service code in 6-minute increments. Day sheets are used to complete weekly timesheets which are approved by supervisors. We noted two out of twenty-three daysheets selected for Medicaid had more program minutes than what was reported on the employee's approved time sheet.

Current Status: Repeat. See current year finding 2024-007.

2023-006 Significant Deficiency over Eligibility

Criteria: Per the Medicaid and NCHC Eligibility Review Document, the County DSS should send the DMA-5097, Request for Information, to the non-custodial parent after application approval. The beneficiary is allowed 12 calendar days to provide information. The casefile must contain information on the non-custodial parent. If no information is provided on the non-custodial parent, case should terminate by date shown on timely notice.

Condition: Each casefile should contain information on the non-custodial parent, requested by the County DSS after the approval of the application. We noted one casefile that did not have information for one of the children.

Current Status: Resolved. This is no longer a requirement for Medicaid eligibility.



Bertie County Finance Department

Corrective Action Plan

For the Fiscal Year Ended June 30, 2024

II. Financial Statement Findings and Responses

Finding: 2024-001: Restatement of Prior Year Balances (Repeat)

Name of Contact Person: Willie Mack Carawan, Jr., Finance Director

Corrective Action/Management's Response: This finding is primarily the result of turnover and lack of key personnel. Bertie County has worked to attract and retain highly skilled staff to ensure they are appropriately trained, and that new and updated accounting processes and procedures are in place. In May 2024, the finance director position was filled. The Board went further and during the FY 2025 budget, created an assistant finance director position to help meet the financial challenges the county is facing. With the addition of the assistant finance director and being fully staffed, these measures will ensure that Bertie County carefully reviews the financial statements and the applicable reporting requirements under GAAP to ensure that all information and financial data is properly reported.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, adjustments were made to correct previously reported balances as of and for the year ended June 30, 2024.

Finding: 2024-002: General Financial Reporting (Repeat)

Name of Contact Person: Willie Mack Carawan, Jr., Finance Director

Corrective Action/Management's Response: This finding is primarily the result of turnover and lack of key personnel. Bertie County has worked to attract and retain highly skilled staff to ensure they are appropriately trained, and that new and updated accounting processes and procedures are in place. During the FY 2025 budget, the Bertie County Board of Commissioners created an assistant finance director position to help meet the financial challenges the county is facing. With the addition of the assistant finance director and being fully staffed, these measures will ensure that Bertie County carefully reviews the financial statements and the applicable reporting requirements under GAAP to ensure that all information and financial data is properly reported. As an added measure, the county has an agreement with an outside agency for guidance in meeting these requirements.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, management began reviewing financial procedures in an effort to improve accountability for the year ending June 30, 2025.

Finding: 2024-003: Non-compliance with Bonding Requirement per G.S. 159-29, Section 9 of Session Law 2022-53

Name of Contact Person: Willie Mack Carawan, Jr., Finance Director

Corrective Action/Management's Response: Bertie County was unaware of the change in the bonding requirements. Upon being made aware, the county contacted its bonding agent to make the necessary changes and increased to meet the statute.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, the county began updating the bond for the new finance director to have in place at the beginning of FY 2025.

Finding: 2024-004: Non-Compliance with Adoption of Budgets (Repeat)

Name of Contact Person: Willie Mack Carawan, Jr., Finance Director

Corrective Action/Management's Response: This finding is primarily a result of the need for clearer understanding of GASB rules and regulations to ensure compliance. Bertie County has worked to update its processes and procedures addressing the adoption and review of special revenue funds to ensure that these special revenue funds are budgeted appropriately moving forward.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, special revenue funds were created as of and for the year ended June 30, 2024.

Finding: 2024-005: Untimely Bank Reconciliations

Name of Contact Person: Willie Mack Carawan, Jr., Finance Director

Corrective Action/Management's Response: This finding is primarily the result of turnover and lack of key personnel. Bertie County has worked to attract and retain highly skilled staff to ensure they are appropriately trained, and that new and updated accounting processes and procedures are in place. In May 2024, the finance director position was filled. The Board went further during the FY 2025 budget, and created an assistant finance director position to help meet the financial challenges the county is facing. With the addition of the assistant finance director and being fully staffed, these measures will ensure that Bertie County carefully reviews the financial statements in a timely manner. As an added measure, the county an agreement with an outside agency for guidance in meeting these requirements.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, the county began working with an outside agency to identify and resolve any unreconciled bank items for the year ending June 30, 2024.

Finding: 2024-006: Lack of Segregation of Duties over Manual Journal Entries

Name of Contact Person: Willie Mack Carawan, Jr., Finance Director

Corrective Action/Management's Response: This finding is primarily the result of turnover and lack of key personnel. Bertie County has worked to attract and retain highly skilled staff to ensure they are appropriately trained, and that accounting processes and procedures are followed. In May 2024, the finance director position was filled. The Board went further during the FY 2025 budget, and created an assistant finance director position to help meet the financial challenges the county was facing. During this time the County did not have the staff or time to follow our standard operating procedures of having one person prepare, another process and another to review and signoff. With the addition of the assistant finance director and being fully staffed, we will be able to adhere to our operating procedures moving forward.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, the county began working with an outside agency to identify and resolve any unreconciled bank items for the year ending June 30, 2024.

III and IV Federal and State Findings and Responses

Finding: 2024-007: Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles (Repeat)

Name of Contact Person: Yolanda White, Director of Bertie County Department of Social Services

Corrective Action/Management's Response: DSS agrees that there were some discrepancies found in two out of twenty-three employee day sheets vs. timesheets resulting in more program time reported on the day sheets than the approved timesheets.

Supervisors are responsible for ensuring that time reported on an employee day sheets match the timesheets. Bertie County DSS utilizes an Excel spreadsheet provided by Bertie County Government that is completed by each employee monthly to report time worked. As it is the Supervisor's responsibility to verify and approve the accuracy of employee day sheets, the Supervisor is expected to reconcile time reported on employee day sheets to time reported on employee timesheets.

Plan of Action:

- Provide employees training on how to complete their Day Sheets
- Reiterate the importance of employees reporting the same amount of time on the day sheet vs. the timesheet.
- Communicate with Supervisors the importance of reconciling employee day sheets vs. timesheets.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, management began working with staff on the importance of tracking their time and the procedures they need to follow to ensure the compliance with federal and state guidelines for the year ending June 30, 2024 while continuing training staff in FY 2025 to ensure compliance.

Finding: 2024-008: Significant Deficiency over Reporting

Name of Contact Person: Willie Mack Carawan, Jr., Finance Director

Corrective Action/Management's Response: This finding is primarily the result of turnover / transition / reporting access of key personnel. Management is working with staff member to establish contact with reporting agencies and to gain the necessary access for reporting purposes, as well as reporting requirements.

Proposed Completion Date: As soon as the discrepancy was identified by the auditor, management began working with staff to list their points of contact in the likelihood they are not available to meet reporting requirements for the year ending June 30, 2024.