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**AGENDA**  
**TOWN COUNCIL OF THE TOWN OF TARBORO, NC**  
**REGULAR MEETING HELD AT 7:00 PM, MONDAY, FEBRUARY 13,**  
**2023**  
**IN THE COUNCIL ROOM, TOWN HALL, TARBORO, NC**

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**1. MEETING CALLED TO ORDER BY THE MAYOR**

**PLEASE TURN CELL PHONES OFF**

**2. INVOCATION**

**3. PLEDGE OF ALLEGIANCE**

**4. APPROVAL OF AGENDA BY COUNCIL**

**5. PRESENTATION BY COUNCIL**

- (1) National FFA Week Proclamation

**6. REQUESTS AND PETITIONS OF CITIZENS**

(Five minute time limit per person)

**7. REPORTS OF BOARDS AND COMMISSIONS**

- (1) Presentation of 2021-2022 Audit Report by Mr. Keith Joyce from Joyce and Company, CPA

**8. TOWN MANAGERS RECOMMENDATIONS**

**Consent Items**

- (1) Approve minutes of the January 9, 2023 regular meeting.
- (2) Budget Transfers
- (3) Tax Collector's Report

**Action Items**

- (4) NCDOT - SpringFest & ECU Health Edgecombe Hospital's Blue Ribbon Kidz Day Event
- (5) Princeville Founders' Celebration Resolution & Parade Ordinance
- (6) Budget Amendment - Electric Reimbursements
- (7) Budget Amendment - Law Enforcement Grant
- (8) Resolution of Intent for Annexation
- (9) Appointment for February - Historic District Commission

**9. OTHER REPORTS**

- A. Town Manager
- B. Town Attorney

C. Council Members

**10. CLOSED SESSION**

(1) NCGS § 143-318.11(a)(5)

**11. ADJOURNMENT**



## PROCLAMATION NATIONAL FFA WEEK

February 18<sup>th</sup> – February 25<sup>th</sup>, 2023

**W**HEREAS, FFA is a national youth organization, founded in 1928 as “Future Farmers of America” and officially renamed “FFA” in 1988 to reflect the growing diversity and new opportunities in the industry of agriculture; and

**W**HEREAS, FFA and agricultural education programs ensure a steady supply of young professionals to meet the growing needs in the science, business, and technology of agriculture; and

**W**HEREAS, FFA and agricultural education programs provide a strong foundation for the youth of America and the future of the food, fiber, and natural resources systems; and

**W**HEREAS, the FFA motto – “Learning to Do, Doing to Learn, Earning to Live, Living to Serve” – gives direction and purpose to these students who take an active role in succeeding in agricultural education; and

**W**HEREAS, FFA promotes citizenship, volunteerism, patriotism, and cooperation; We also recognize FFA programs promote leadership, personal growth, and career success giving members the tools to achieve real-world success; and

**W**HEREAS, advisors, officers, members, and alumni of the North East Carolina Preparatory FFA Chapter should be commended for their dedication to creating future leaders in the agricultural and other fields in and around Tarboro, North Carolina.

**N**OW, THEREFORE, I, Tate Mayo, Mayor of The Town of Tarboro, North Carolina, do hereby designate the week of February 18<sup>th</sup> – 25<sup>th</sup>, 2023, as **National FFA Week**.



Witnessed this 13<sup>th</sup> day of February, 2023

\_\_\_\_\_, Mayor  
Town of Tarboro, North Carolina

# TOWN OF TARBORO, NORTH CAROLINA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR FISCAL YEAR  
ENDING JUNE 30, 2022



# **TOWN OF TARBORO, NORTH CAROLINA**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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

Prepared by:

**Anne Y. Mann  
Finance Director**

Member of the Government Finance Officers Association of the United States and Canada

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## **INTRODUCTORY SECTION**



# Town of Tarboro

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500 N Main Street, PO Box 220, Tarboro, NC 27886 (P) 252.641.4200 (F) 252.641.4286

December 21, 2022

To the Honorable Mayor, Town Council, and Town Manager:

State law requires that all general-purpose local governments annually publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Town of Tarboro for the fiscal year ended June 30, 2022.

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

The Town of Tarboro's financial statements have been audited by Joyce and Company, CPA, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Tarboro for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Tarboro's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town was part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Compliance section of this report.

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

## **Profile of the Government**

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The Town of Tarboro is located along the Tar River in the northeast part of North Carolina. It is the county seat of Edgecombe County. The Town was incorporated in 1760 and has a population of approximately 10,575. The Town of Tarboro takes pride in its Town Common, expansive Historic District, wide array of recreational activities, the revitalization of Main Street, and its many historic landmarks.

The Town operates under a Council/Manager form of government. The legislative body of the government of the Town is comprised of a Mayor and an eight-member Town Council. The Mayor is elected at-large on a non-partisan basis for a four-year term. The eight Council members are elected from wards on a non-partisan basis to four-year staggered terms. The governing body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the Town Manager. The Town Manager is responsible for carrying out the day-to-day operations of the Town and for appointing the heads of departments. A team of seven department heads assists the manager in operating the Town.

The Town operates electric, water and sewer, and storm water utilities, providing service to approximately 6,500 households and businesses within the Town and the surrounding area. We also provide a full range of municipal services, including police and fire protection, sanitation, street construction and maintenance, planning and zoning, building inspection, parks and recreation and recreational activities.



## **Budgetary Control**

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The annual budget serves as the foundation for the Town of Tarboro's financial planning and control. The Town has a formal operating budget process which begins in February each year with the Council Retreat and ends in May when the Town Council receives the recommended budget. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30, the close of the Town's fiscal year. Legal budgetary control for operating budgets is exercised at the fund and department level. The Town Manager may make transfers of appropriations within a fund. Transfers of appropriations between funds, however, require the approval of the Town Council. Formal budgetary integration and encumbrance accounting are employed as management control devices during the year. Budget to actual comparisons are provided in this report for each individual governmental fund and proprietary funds for which an appropriated annual budget has been adopted.

## **Local Economy**

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The Town of Tarboro continues to have a positive outlook despite the global pandemic and current national economic trends. Tarboro has seen continual, consistent progress on projects within our jurisdiction over the past few years, and this trend is anticipated to progress.

Together in partnership with Carolina Gateway Partnership, the Tarboro Edgecombe Chamber of Commerce, and the Edgecombe Community College Small Business Center alongside the Town's individual efforts, we have strengthened our business relationships within the community while also recruiting new business. The Town has worked extensively with Electricities to create a Key Accounts program that brings our staff together at regular intervals with our largest Electric Utility customers to bolster connections and strengthen partnerships. It is through relationships such as these that several local industries have recently chosen to expand operations and build additions.

Commercial business has expanded near the Highway 64 exit with the current construction of several well-known operations which will bring customers from both passing highway traffic as well as our retail trade area of over fifty-thousand residents within our surrounding rural area. These include Cookout, Tidal Wave Auto Salon, Main Street Family Urgent Care, Starbucks, and the recently completed Tractor Supply Company.

In following our Economic Development Strategic Five-Year Plan created in partnership with the North Carolina Department of Commerce, our Economic Vitality Board works directly with staff to determine downtown investment needs, incentives, and policies. Our Downtown Investment Showcase held this past fall has already generated the sale of several buildings which will be renovated for new businesses. Through the utilization of the Environmental Protection Agency Brownfields Grant, we have begun to analyze the riverfront as a local and tourist destination, and anticipate downtown revitalizations which will draw further

investment and thus sales tax revenue. These plans include a need for downtown housing which will complement the over two-hundred new construction houses which have been built since 2020 in other sections of town. The Residential Incentive Policy has been utilized to construct a new subdivision, which is nearing completion, where many of the homes have already been purchased.

The further development of local industry, commercial trade, and locally-owned businesses is a benefit to our citizens as employees, residents, and taxpayers. These expansions further our Town's goals of providing the highest standards in health, safety, and welfare of our citizens.

### **Financial Analysis of the Town**

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The Town is committed to budget and to expend available resources in a manner that will continue the improvement of the Town's fiscal condition and protecting and building reserves for future operating and capital needs.

The Town's annual operating budget balances projected revenues from taxes, fees and other sources of expenditures reflecting ongoing operations, strategic initiatives and other important investments. Town Council's established goals and objectives serve as the guide in decision making, along with the Town's shared values of excellent public service, excellent customer service, and innovation. Fiscal year 2023 focuses available resources on balancing the budget for existing services and projects, continued protection of the Town's fiscal condition, to ensure effective delivery of essential services, and continued planning and implementation of strategic initiative and investments designed to improve quality of life and economic development opportunities for all residents. The budget also provides for effectively maintaining and improving public infrastructure, including roadways, utility systems and public facilities and enabling implementation of recent planning activities.

#### **General Fund:**

For over ten years, the economy has been a major concern for the Town of Tarboro. The global pandemic and national economic outlook have only heightened those concerns. Despite this, during fiscal year 2022, the Town again saw an increase in General Fund revenues from sales taxes and other intergovernmental sources when compared to the prior year. This continued growth has helped to maintain personnel and operating costs without requiring property tax increases. Personnel and benefits are one of the largest operational costs to the Town. The budget for the fiscal year included a pay plan adjustment of three percent, as well as changes to the Classification and Pay Plan to bring salaries of Town staff up to competitive levels with comparable cities.

#### **Enterprise Fund:**

Rates for the electric, water and sewer, and storm water utilities all remained unchanged from the prior fiscal year. The Solid Waste Management fee however did increase to \$24.50 per month for residential

service. Town staff is continuing the implementation and installation of an Advanced Metering Infrastructure (AMI) system, a project with completion expected in 2023. This system provides functions that were not previously possible or had to be performed manually and is expected to create financial gain by reducing equipment and maintenance costs and enabling faster water leak detections and restoration of electric service during outages.

### **Awards and Acknowledgements**

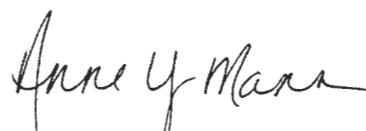
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**Certificate of Achievement for Excellence in Financial Reporting Program** - Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Tarboro for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the thirty-first consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. While still being reviewed by the GFOA as of the date of this letter, we believe that the report for June 30, 2021, as well as our current annual comprehensive financial report continue to meet the Certificate of Achievement Program's requirements. As such we expect certificates for each of these years.

**Acknowledgments** – The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor, Town Council, and Town Manager for their continuing support for maintaining the highest standards of professionalism in the management of the Town of Tarboro.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Anne Y. Mann". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Anne Y. Mann  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Tarboro  
North Carolina**

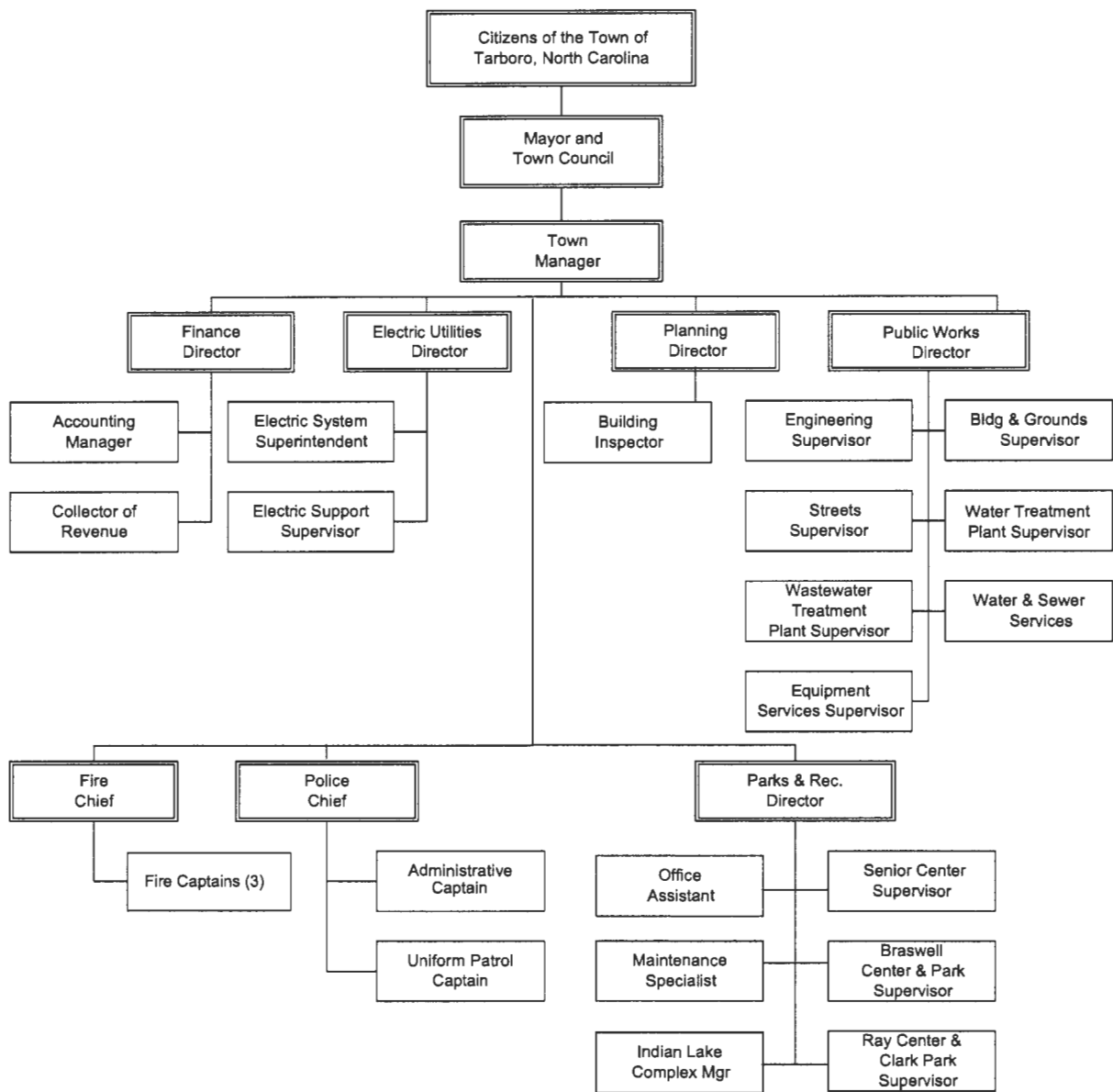
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# Organizational Chart



# Principal Officials

## ELECTED OFFICIALS

<u>Title</u>	<u>Name</u>	<u>Total Length of Service</u>	<u>Term Expires</u> <sup>1</sup>
Mayor	Bryan T Mayo, Jr	3 Years	December, 2025
Councilman Ward 1	Othar Woodard	9 Years	December, 2025
Councilman Ward 2	Leo Taylor	7 Years	December, 2023
Councilman Ward 3	Stephen Burnette	9 Years	December, 2025
Councilman Ward 4	C B Brown	7 Years	December, 2023
Councilman Ward 5	John Jenkins	21 Years	December, 2025
Councilman Ward 6	Deborah Jordan	11 Years	December, 2023
Councilman Ward 7	Sabrina Bynum	6 Years	December, 2025
Councilman Ward 8	Alfred Braxton	1 Year	December, 2023

<sup>1</sup> The Mayor serves a four-year term. Councilmen serve four-year staggered terms.

## APPOINTED OFFICIALS

<u>Title</u>	<u>Name</u>	<u>Length of Time In This Position</u>	<u>Length of Employment With The Town of Tarboro</u>
Town Manager	Troy Lewis	6 Years	22 Years
Finance Director	Anne Y Mann	8 Years	8 Years
Police Chief	Jesse Webb	6 Years	28 Years
Public Works Director	Michael J Nichols	3 Years	22 Years
Electric Utilities Director	Charles Dickson	1 Years	15 Years
Fire Chief	Lee R Bell	3 Years	20 Years
Recreation Director	Travis Stigge	8 Years	8 Years
Planning Director	Catherine Grimm	7 Years	7 Years

## **FINANCIAL SECTION**

104 Brady Court, Cary, North Carolina 27511  
Phone 919-466-0946 Fax 919-466-0947

## **Independent Auditor's Report**

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

### **Report on the Audit of Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Tarboro, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, 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, each major fund, and the aggregate remaining fund information of the Town of Tarboro as of June 30, 2022, and the respective changes in financial position, and cash flows where applicable thereof and the respective budgetary comparison for the General Fund and major, annually budgeted special revenue funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Tarboro 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 Audit of the Financial Statements**

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

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



## **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 of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Governmental Auditing Standards, will always detect material misstatement when it exists. The risk of not detecting 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 *Governmental Auditing Standards* we

- exercised professional judgement and maintained professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Tarboro'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Tarboro's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 12 through 22, the Law Enforcement Officers' Special Separation Allowance's Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages 67 through 68, the Other Postemployment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios on page 71, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions on pages 69 through 70 be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist 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 Town of Tarboro's basic financial statements. The combining and individual fund statements, budgetary schedules, other schedules, statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules and Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.


### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory information and the statistical sections 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 December 21, 2022, on our consideration of the Town of Tarboro's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of that report is 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 Town of Tarboro'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 Town of Tarboro's internal control over financial reporting and compliance.

  
Joyce and Company, CPA  
Cary, North Carolina

December 21, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



## TOWN OF TARBORO

### Management's Discussion and Analysis

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

#### Financial Highlights

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- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$30,330,879 (*net position*). The net position of the governmental activities decreased by \$375,641, and the net position of the business-type activities decreased by \$2,059,761, from current year activities.
- The government's total net position decreased by \$2,435,402, from current year activities due in large part to Other Post-employment Benefits, Law Enforcement Officers' Special Separation Allowance, Local Government Employees' Retirement expenses and the annual depreciation expense.
- Prior period adjustments resulted in an increase in net position in the amount of \$100,637. For governmental activities there was an increase of \$759,457, and for business-type activities there was a decrease of \$658,820, from these adjustments.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$6,223,357, an increase of \$854,471 in comparison with the prior year. Approximately 64.5 percent of this total amount, or \$4,014,606, is non-spendable, restricted, or assigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,378,383 or 21.3 percent of total General Fund expenditures for the fiscal year.
- As of the close of the current fiscal year, the Town's business-type funds reported combined ending net position of \$35,630,161, a total decrease of \$2,718,581.

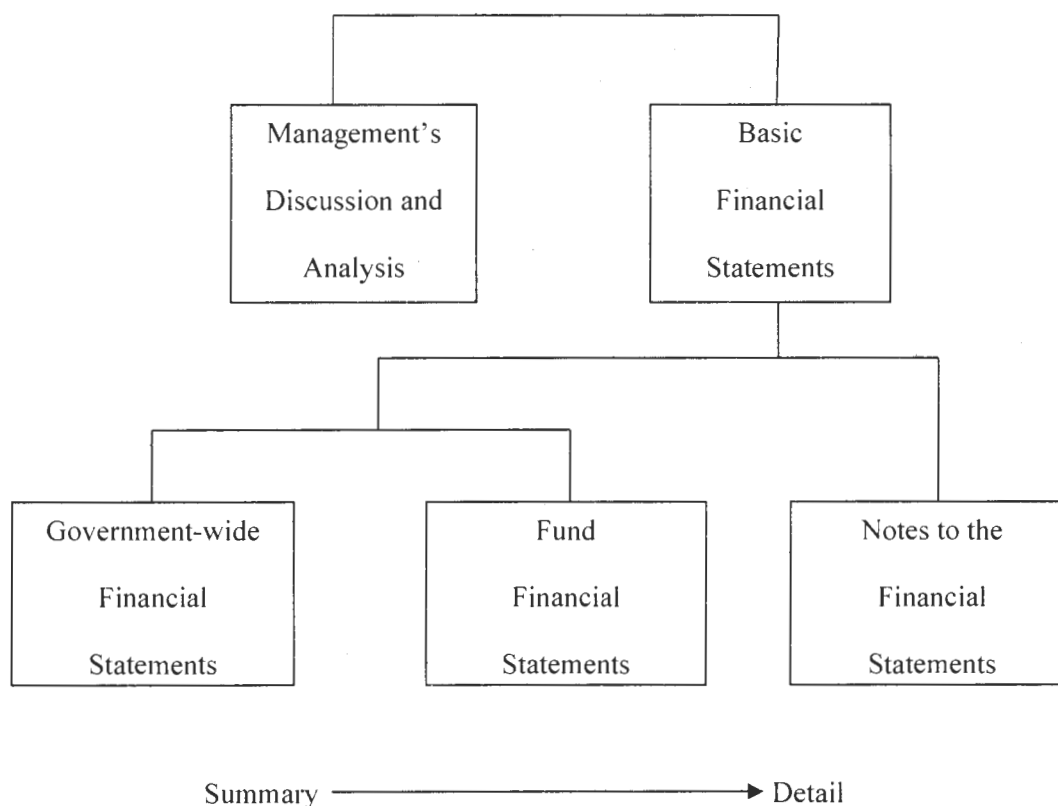
## Overview of the Financial Statements

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

### *Required Components of Annual Financial Report*

**Figure 1**



## Basic Financial Statements

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

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is

provided to show details about the Town's individual funds. Budgetary information required by the General Statutes can also be found in this part of the statements.

### **Government-wide Financial Statements**

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

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

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes and State and federal grant funds finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include the water and sewer, electric and solid waste services offered by the Town of Tarboro.

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

### **Fund Financial Statements**

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The fund financial statements provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Tarboro, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of the Town of Tarboro can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town of Tarboro adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final

budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

**Proprietary Funds** – The Town of Tarboro maintains four enterprise funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Tarboro uses enterprise funds to account for its water and sewer activity, for its electric operations, for solid waste operations, and for stormwater activities. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

## **Notes to the Financial Statements and Other Information**

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**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 begin on page 36 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town of Tarboro's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 67 of this report.

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

## Government-Wide Financial Analysis

**Net Position** – Government-wide financial statements can provide an excellent overall view of the Town's transactions for the year and its financial condition at year end. In particular, comparing current year amounts with the previous year's figures can highlight areas in which the Town's finances are improving or deteriorating.

The following (Figure 2) reflects condensed information on the Town's net position.

**Figure 2:**

### Town of Tarboro Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current and other assets	\$ 8,667,529	\$ 6,207,300	\$ 20,120,970	\$ 20,751,490	\$ 28,788,499	\$ 26,958,790
Capital assets	9,358,907	9,636,165	26,885,480	29,047,734	36,244,387	38,683,899
<b>Total Assets</b>	<b>18,026,436</b>	<b>15,843,465</b>	<b>47,006,450</b>	<b>49,799,224</b>	<b>65,032,886</b>	<b>65,642,689</b>
<b>Deferred outflows of resources</b>	<b>5,555,719</b>	<b>5,841,543</b>	<b>2,267,794</b>	<b>2,239,736</b>	<b>7,823,513</b>	<b>8,081,279</b>
<b>Liabilities</b>						
Long-term liabilities						
outstanding	22,483,428	25,327,192	8,825,743	10,571,611	31,309,171	35,898,803
Other liabilities	537,006	503,546	2,346,415	2,427,530	2,883,421	2,931,076
<b>Total Liabilities</b>	<b>23,020,434</b>	<b>25,830,738</b>	<b>11,172,158</b>	<b>12,999,141</b>	<b>34,192,592</b>	<b>38,829,879</b>
<b>Deferred inflows of resources</b>	<b>5,861,003</b>	<b>1,537,368</b>	<b>2,471,925</b>	<b>691,077</b>	<b>8,332,928</b>	<b>2,228,445</b>
<b>Net Position:</b>						
Net invested in capital assets	9,358,907	9,636,165	26,538,955	28,671,731	35,897,862	38,307,896
Restricted	3,221,891	3,152,996	-	-	3,221,891	3,152,996
Unrestricted	(17,880,080)	(18,472,259)	9,091,206	9,677,011	(8,788,874)	(8,795,248)
<b>Total net position</b>	<b>\$ (5,299,282)</b>	<b>\$ (5,683,098)</b>	<b>\$ 35,630,161</b>	<b>\$ 38,348,742</b>	<b>\$ 30,330,879</b>	<b>\$ 32,665,644</b>

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town exceeded liabilities and deferred inflows by \$30,330,879 as of June 30, 2022.

As is the case for many entities, the largest portion of net position reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment less any related debt still outstanding that was issued to acquire those assets). These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the Town's net investment in its capital assets is reduced by the outstanding related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to pay these related liabilities. An additional portion of the Town's net position, \$3,221,891, represents resources that are subject to external restrictions on how they may be used.



**Changes in Net Position** – The Town’s total revenues and expenditures for governmental and business-type activities, and their effect on the Town’s net position as of June 30, are reflected in the following (Figure 3).

**Figure 3:**

**Town of Tarboro  
Changes in Net Position**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 938,366	\$ 301,601	\$ 27,715,608	\$ 26,317,242	\$ 28,653,974	\$ 26,618,843
Grants & contributions:			-	-		
Operating	1,258,828	896,139	1,105,173	1,208,131	2,364,001	2,104,270
Capital	186,780	80,000	-	-	186,780	80,000
General revenues:						
Property taxes	3,913,519	3,894,743	-	-	3,913,519	3,894,743
Other taxes	210,747	203,038	-	-	210,747	203,038
Other	4,263,303	4,541,272	186,314	303,643	4,449,617	4,844,915
Total revenues	10,771,543	9,916,793	29,007,095	27,829,016	39,778,638	37,745,809
<b>Expenses:</b>						
General government	4,475,975	4,458,812	-	-	4,475,975	4,458,812
Public safety	5,636,181	6,007,014	-	-	5,636,181	6,007,014
Transportation	950,287	1,226,384	-	-	950,287	1,226,384
Culture & recreation	1,886,041	1,707,862	-	-	1,886,041	1,707,862
Electric	-	-	22,494,362	21,035,041	22,494,362	21,035,041
Water & sewer	-	-	5,055,977	5,176,190	5,055,977	5,176,190
Solid waste	-	-	1,249,878	1,207,869	1,249,878	1,207,869
Stormwater	-	-	465,339	481,568	465,339	481,568
Total expenses	12,948,484	13,400,072	29,265,556	27,900,668	42,214,040	41,300,740
Increase (decrease) in net position before transfers	(2,176,941)	(3,483,279)	(258,461)	(71,652)	(2,435,402)	(3,554,931)
Transfers	1,801,300	1,715,000	(1,801,300)	(1,715,000)	-	-
Increase (decrease) in net position	(375,641)	(1,768,279)	(2,059,761)	(1,786,652)	(2,435,402)	(3,554,931)
Net position, July 1	(5,683,098)	(3,914,819)	38,348,742	40,135,394	32,665,644	36,220,575
Prior period adjustment	759,457	-	(658,820)	-	100,637	-
Net position, June 30	\$ (5,299,282)	\$ (5,683,098)	\$ 35,630,161	\$ 38,348,742	\$ 30,330,879	\$ 32,665,644

**Governmental Activities** – Governmental activities increased the Town’s net position by \$383,816 from the prior year. Key elements of the current year governmental activities change in net position are as follows:

- Total revenues for governmental activities increased by \$854,750 when compared to the prior year, including a \$469,469 increase in operating and capital grant funding and capital contributions. This increase is primarily attributable to the American Rescue Plan Act.
- The Town’s overall pension expense for the year decreased in response to a reduced liability and strong market returns. While the insurance expenses related to both operations and employee benefits continue to rise.
- Unrestricted intergovernmental, which includes items such as sales and franchise taxes, reflected continued growth in the Town’s economy showing an increase of \$291,290 over fiscal year 2021.
- Increases were reflected in expenses for General Government and Cultural and Recreational in the amounts of \$17,163 and \$178,179, respectively. While Public Safety and Transportation expenses decreased by \$370,833 and \$276,097, respectively.

**Business-type activities** - Business-type activities decreased the Town’s net position by \$2,718,581 from operations. Key elements of the current year’s activities are as follows:

- As the COVID related restrictions lifted and day to day operations for businesses and industries returned to more normal operations, the enterprise funds felt the effects.
- Total revenues for business-type activities increased by \$1,178,079 as compared to the prior year, including an investment income increase of \$57,999. In response, total expenses for business-type activities also increased as the costs of wholesale power purchases and water treatment operations increased proportionately to the increased revenues. The total increase in expenses was \$1,364,888 when compared to the prior year.
- As in the governmental funds, the pension expense for the year decreased in response to a reduced liability and strong market returns.
- The net change in position for all business-type activities for the current fiscal year was a decrease of \$2,718,581. The changes in net position for Electric, Water and Sewer, Solid Waste, and Stormwater were \$(1,937,365); (\$878,435); (5,022) and \$102,241, respectively.
- The business-type activities transferred net funds to the governmental funds totaling \$1,801,300. This is an increase of \$86,300 compared to the prior year.

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

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

**Governmental Funds** – The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town’s financing requirements. Specifically, unassigned fund balance can be a useful means of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town’s combined governmental funds reported combined ending fund balances of \$6,223,357, an increase of \$854,471 in comparison with the prior year, including

a prior period adjustment. The unassigned fund balance is available for spending at the government's discretion. Due to restrictions related to long-term receivables and those mandated by grantor agencies, the total unassigned fund balance for the governmental funds is \$2,208,751. Fund balance is classified into four other categories: non-spendable, restricted, committed, and assigned. Please refer to note E.12 on pages 42 and 43 for information about fund balance categories. The current year fund balance that is non-spendable is \$156,286. The current year fund balance that has been restricted is \$3,221,891. The current year fund balance that has been assigned is \$636,429, and it is designated for subsequent year's expenditures.

The General Fund is part of the governmental funds and is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,378,383, while total fund balance reached \$6,238,916. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21.3% of total General Fund expenditures, while total fund balance represents 55.8% of that same amount.

As of the end of the current year, the Town's governmental funds reported combined ending fund balances of \$6,223,357, up \$854,471 in comparison with the prior year. Included in this change in fund balance is an increase in fund balance in the General Fund of \$524,451 and an increase of \$330,020 in Non-Major Governmental Funds. The General Fund increase can be attributed to the previously mentioned increase in sales tax distributions and management's continued diligence in managing operational costs. The remaining non-major governmental funds reported a combined decrease. Levels of fund balance in Special Revenue funds and Capital Projects funds will vary as their projects transition through various project completion phases.

**General Fund Budgetary Highlights** – During the fiscal year, the Town revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

There were several reasons that the Town revised its budget throughout the year. The budget revenues increased as the Town received several small grants and contributions. Although expenditures were kept well below the budgeted amounts during the year, there were amendments made to the budget for unexpected capital outlay expenditures.

The actual revenues for the General Fund were more than the budget amount by \$497,824. Ad valorem tax revenues were slightly lower than budgeted. Intergovernmental revenues again saw a notable increase from the prior year and exceeded the budgeted amount by \$463,783, mostly due to a conservative projection based on an uncertain economy. Permits and fees along with sales and service revenues were also ahead of projections mainly due to the Town's return to more normal operations after the prior year's facility closures and other programming reductions due to COVID-19. Investment earnings were \$11,386 more than budgeted due to conservative budgeting and a strengthening economy.

The actual operating expenses for the General Fund were less than the budget amount by \$1,108,131. The most significant savings were realized due to funds appropriated to projects that were unspent at fiscal year-end along with initiatives to reduce spending at the onset of COVID-19 that remained in place for much of the fiscal year. General Government departments had operating expenditures less than the budget of \$375,443. There were budget savings within public safety with expenditures less than the budget by \$323,927. Amounts budgeted but unspent for transportation and cultural and recreational items were \$200,887 and \$207,874, respectively. Of these amounts, \$421,771 was re-appropriated to fiscal year 2023 for project completions.

**Proprietary Funds** – The Town of Tarboro’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. Net position at the end of the year amounted to \$25,950,777 for the Electric Fund, \$8,512,950 for the Water and Sewer Fund, \$371,331 for the Solid Waste Fund, and \$795,103 for the Stormwater Fund. The change in net position for all four funds was \$(1,937,365); (\$878,435); (5,022) and \$102,241, respectively for a total net change of (\$2,718,581).

As mentioned numerous times previously, the COVID-19 pandemic had wide effects on all operations of the Town of Tarboro, including the proprietary funds. Electric Fund operating revenues and expenditures remained in line with fiscal year 2021 numbers as a result of continued decreased business operations during the year due to the pandemic. The Water & Sewer Fund also reflect operating revenues and non-personnel operating expenses in line with the prior year for similar reasons. The remaining proprietary funds, Solid Waste and Stormwater, are not consumption based, and therefore are not impacted by decreased business operations to the extent that the consumption based utilities are.

### **Capital Asset and Debt Administration**

**Capital assets** – The Town of Tarboro’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, totals \$36,244,387 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, distribution system and vehicles.

Major capital asset transactions during the year were limited and include the following:

#### **Governmental Funds:**

##### **Additions**

- Courthouse Square Project - \$193,738
- Fire Training Facility - \$127,589
- Tractor – \$34,776
- Police Software Upgrade – \$45,308
- Hilma Circle Project – \$75,700

##### **Disposals**

- Vehicles - \$79,068
- UPS for 911 – \$24,272

#### **Proprietary Funds:**

##### **Additions**

- AMI System Implementation Project - \$40,579
- Service Trucks (3) – \$155,926
- Colony Woods Stormwater Project - \$100,000

**Town of Tarboro, North Carolina**  
**Capital Assets**  
**Figure 8**

	Governmental	Business-type	Total	
	Activities	Activities		
	2022	2022	2022	2021
Land	\$ 1,919,166	\$ 1,285,932	\$ 3,205,098	\$ 3,195,125
Buildings & Other				
Improvements	2,940,660	266,565	3,207,225	3,173,173
Infrastructure	3,111,512	-	3,111,512	3,318,565
Substations, Lines,				
Equipment	-	14,351,580	14,351,580	15,655,943
Plant & Distribution				
Systems	-	8,831,015	8,831,015	9,892,516
Equipment	1,192,138	2,150,388	3,342,526	3,448,577
Construction				
in progress	195,431	-	195,431	-
 Total Capital Assets (net of accumulated depreciation)	 \$ 9,358,907	 \$ 26,885,480	 \$ 36,244,387	 \$ 38,683,899

Additional information on the Town's Capital Assets can be found in Note I, Detail Notes on All Funds, Section A.4, beginning on page 46 of this report.

**Long-term Debt.** As of June 30, 2022, the Town of Tarboro had no bonded debt.

North Carolina General Statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town is \$76,335,005.

Additional information regarding the Town's long-term debt can be found in Note I, Detail Notes on All Funds, Section 7, beginning on page 62 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

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The following are key economic indicators of the Town. These factors have been considered when preparing the budget for fiscal year ending June 30, 2023.

- The unemployment rate for Edgecombe County was 7.5% as reported by the NC Department of Commerce at June 30, 2022. This is a 0.7% decrease in the unemployment rate compared to the prior year but remains higher than the national average by 1.5%
- The Town experienced a year of positive growth in revenues from property tax and intergovernmental sources. Total property tax revenues exceeded prior year figures, and this growth is expected to continue for the coming year as residential construction numbers continue to improve.
- Commercial business has expanded near the Highway 64 interchange with the current construction of several well-known operations which will bring customers from both passing highway traffic as well as our retail trade area of over fifty-thousand residents within our surrounding rural area.

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

**Governmental Activities:** The COVID-19 pandemic and its economic impacts continued to be at the forefront during the Town's budget process for the 2022-2023 fiscal year. The Town has always strived to budget conservatively, but during this time of crisis, difficult choices had to be made when preparing and adopting this budget. Due to the uncertainty of the impact on the Town's revenues, as well as the impact on the overall state and national economy, capital outlay was limited to essential needs, critical infrastructure, and completion of ongoing projects that could not be delayed.

The governmental fund's primary revenue sources are property taxes and intergovernmental revenues. There was no change in the property tax rate of \$0.41 per \$100 valuation for the fiscal year ending June 30, 2023. The Town's budget contains several revenue sources that are dependent on the general economy. Among these are sales taxes, property taxes, interest income, and permit fees. The General Fund continues to have no bonded indebtedness, and the Town pay plan was adjusted by a 5% market adjustment for FY 2022-2023.

**Business-type Activities:** Electric rates and the Stormwater fees remained unchanged for FY 2022-2023. Due to rising costs of operations including materials, equipment, and third-party landfill contracts, both the Water and Sewer rates and the Solid Waste fee were increased for the 2023 fiscal year. The Town's enterprise funds make the customers the top priority, and all efforts are made to provide the most reliable services at the lowest costs possible.

## **Requests for Information**

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This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Town of Tarboro, P. O. Box 220, Tarboro, NC 27886. One can also call (252) 641-4212, visit our website [www.tarboro-nc.com](http://www.tarboro-nc.com) or send an email to [annemann@tarboro-nc.com](mailto:annemann@tarboro-nc.com) for more information.

## **BASIC FINANCIAL STATEMENTS**

**Town of Tarboro, North Carolina**  
**Statement of Net Position**  
**June 30, 2022**

**Exhibit 1**  
**Page 1 of 2**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Current assets:			
Cash and cash equivalents	\$ 5,490,125	\$ 14,236,326	\$ 19,726,451
Restricted cash	871,235	653,510	1,524,745
Taxes receivables (net)	391,597	-	391,597
Accrued interest receivable	5,975	15,065	21,040
Accounts receivable (net)	101,909	3,556,334	3,658,243
Due from other governments	1,628,929	120,946	1,749,875
Prepaid items	49,668	34,740	84,408
Inventories	106,618	1,504,049	1,610,667
Lease receivable	21,473	-	21,473
Total current assets	<u>8,667,529</u>	<u>20,120,970</u>	<u>28,788,499</u>
Non-current assets:			
Capital assets:			
Land and non-depreciable improvements	2,114,597	1,285,932	3,400,529
Other capital assets, net	7,244,310	25,599,548	32,843,858
Total non-current assets	<u>9,358,907</u>	<u>26,885,480</u>	<u>36,244,387</u>
<b>Total assets</b>	<u>18,026,436</u>	<u>47,006,450</u>	<u>65,032,886</u>
<b>Deferred Outflows of Resources:</b>			
Pension deferrals	2,021,071	1,155,352	3,176,423
OPEB deferrals	3,534,648	1,112,442	4,647,090
<b>Total deferred outflows of resources</b>	<u>5,555,719</u>	<u>2,267,794</u>	<u>7,823,513</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	445,210	1,631,011	2,076,221
Payable from restricted assets	4,966	653,510	658,476
Compensated absences - current	86,830	32,416	119,246
Current portions of notes payable	-	29,478	29,478
Total current liabilities	<u>537,006</u>	<u>2,346,415</u>	<u>2,883,421</u>
Long-term liabilities:			
Compensated absences	636,750	237,716	874,466
Net pension liability - LGERS	1,186,113	636,566	1,822,679
Total pension liability - LEO	1,857,307	-	1,857,307
Total OPEB liability	18,803,258	7,634,414	26,437,672
Due in more than one year	-	317,047	317,047
Total long-term liabilities	<u>22,483,428</u>	<u>8,825,743</u>	<u>31,309,171</u>
<b>Total liabilities</b>	<u>23,020,434</u>	<u>11,172,158</u>	<u>34,192,592</u>

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



**Town of Tarboro, North Carolina**  
**Statement of Net Position**  
**June 30, 2022**

**Exhibit 1**  
**Page 2 of 2**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Deferred Inflows of Resources:</b>			
Prepaid taxes	13,550	-	13,550
Grants	1,520,642	230,839	1,751,481
Leases	14,033	-	14,033
OPEB deferrals	2,628,986	934,981	3,563,967
Pension deferrals	1,683,792	1,306,105	2,989,897
<b>Total deferred inflows of resources</b>	<b>5,861,003</b>	<b>2,471,925</b>	<b>8,332,928</b>
<b>Net Position:</b>			
Net investment in capital assets	9,358,907	26,538,955	35,897,862
Restricted for:			
Stabilization by State statute	2,196,583	-	2,196,583
Public safety	154,073	-	154,073
Streets	871,235	-	871,235
Unrestricted	(17,880,080)	9,091,206	(8,788,874)
<b>Total net position</b>	<b>\$ (5,299,282)</b>	<b>\$ 35,630,161</b>	<b>\$ 30,330,879</b>

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

**Town of Tarboro, North Carolina**  
**Statement of Activities**  
**For the Year Ended June 30, 2022**

**Exhibit 2**  
**Page 1 of 2**

		Program Revenues		
		Charges for	Operating	Capital Grants
	Expenses	Services	Grants and	and
			Contributions	Contributions
<b>Functions/Programs</b>				
<b>Primary government:</b>				
Governmental Activities:				
General government	\$ 4,475,975	\$ 761,884	\$ 705,714	\$ -
Public safety	5,636,181	-	117,309	186,780
Transportation	950,287	-	346,528	-
Cultural and Recreational	1,886,041	176,482	89,277	-
<b>Total governmental activities</b>	<b>12,948,484</b>	<b>938,366</b>	<b>1,258,828</b>	<b>186,780</b>
<b>Business-type activities:</b>				
Electric	22,494,362	21,861,293	1,043,893	-
Water and Sewer	5,055,977	4,057,482	53,224	-
Solid waste	1,249,878	1,230,968	8,056	-
Stormwater	465,339	565,865	-	-
<b>Total business-type activities</b>	<b>29,265,556</b>	<b>27,715,608</b>	<b>1,105,173</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 42,214,040</b>	<b>\$ 28,653,974</b>	<b>\$ 2,364,001</b>	<b>\$ 186,780</b>

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

**Town of Tarboro, North Carolina**  
**Statement of Activities**  
**For the Year Ended June 30, 2022**

**Exhibit 2**  
**Page 2 of 2**

	<b>Net (Expense) Revenue and Changes in Net Position Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Functions/Programs</b>			
<b>Primary government:</b>			
Governmental Activities:			
General government	\$ (3,008,377)	\$ -	\$ (3,008,377)
Public safety	(5,332,092)	-	(5,332,092)
Transportation	(603,759)	-	(603,759)
Cultural and Recreational	(1,620,282)	-	(1,620,282)
<b>Total governmental activities</b>	<b>(10,564,510)</b>	<b>-</b>	<b>(10,564,510)</b>
<b>Business-type activities:</b>			
Electric	-	410,824	410,824
Water and Sewer	-	(945,271)	(945,271)
Solid waste	-	(10,854)	(10,854)
Stormwater	-	100,526	100,526
<b>Total business-type activities</b>	<b>-</b>	<b>(444,775)</b>	<b>(444,775)</b>
<b>Total primary government</b>	<b>(10,564,510)</b>	<b>(444,775)</b>	<b>(11,009,285)</b>
 General revenues:			
Taxes:			
Property taxes, levied for general purposes	3,913,519	-	3,913,519
Other taxes and licenses	210,747	-	210,747
Grants and contributions not restricted to specific programs	4,157,114	-	4,157,114
Unrestricted investment earnings	20,058	69,728	89,786
Miscellaneous	86,131	116,586	202,717
<b>Total general revenues</b>	<b>8,387,569</b>	<b>186,314</b>	<b>8,573,883</b>
Transfers	1,801,300	(1,801,300)	-
<b>Total general revenues and transfers</b>	<b>10,188,869</b>	<b>(1,614,986)</b>	<b>8,573,883</b>
 <b>Change in net position</b>	<b>(375,641)</b>	<b>(2,059,761)</b>	<b>(2,435,402)</b>
 <b>Net position, beginning (as previously reported)</b>	<b>(5,683,098)</b>	<b>38,348,742</b>	<b>32,665,644</b>
<b>Prior period adjustment</b>	<b>759,457</b>	<b>(658,820)</b>	<b>100,637</b>
<b>Net position, beginning (restated)</b>	<b>(4,923,641)</b>	<b>37,689,922</b>	<b>32,766,281</b>
<b>Net position, ending</b>	<b>\$ (5,299,282)</b>	<b>\$ 35,630,161</b>	<b>\$ 30,330,879</b>

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

**Town of Tarboro, North Carolina**  
**Balance Sheets**  
**Governmental Funds**  
**June 30, 2022**

**Exhibit 3**  
**Page 1 of 2**

	<b>Major Fund</b>		<b>Non-Major</b>	<b>Total</b>
	<b>General Fund</b>	<b>ARP Funding</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 3,421,277	\$ 1,520,642	\$ 548,206	\$ 5,490,125
Restricted cash and cash equivalents	871,235	-	-	871,235
Receivables, net:				
Taxes	391,597	-	-	391,597
Accounts	101,712	-	-	101,712
Accrued interest receivable	5,975	-	197	6,172
Due from other governments	1,258,554	-	370,375	1,628,929
Lease receivable	21,473	-	-	21,473
Prepays	49,668	-	-	49,668
Inventories	106,618	-	-	106,618
Total assets	<u>\$ 6,228,109</u>	<u>\$ 1,520,642</u>	<u>\$ 918,778</u>	<u>\$ 8,667,529</u>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 387,944	\$ -	\$ 57,266	\$ 445,210
Payable from restricted assets	4,966	-	-	4,966
Due to other funds	(877,071)	-	877,071	-
Total liabilities	<u>(484,161)</u>	<u>-</u>	<u>934,337</u>	<u>450,176</u>
<b>Deferred Inflows of Resources:</b>				
Property taxes receivable	352,627	-	-	352,627
Special assessments, net	93,144	-	-	93,144
Prepaid taxes	13,550	-	-	13,550
Lease receivable	14,033	-	-	14,033
Deferred grants	-	1,520,642	-	1,520,642
Total deferred inflows of resources	<u>473,354</u>	<u>1,520,642</u>	<u>-</u>	<u>1,993,996</u>
<b>Fund Balances:</b>				
Non-spendable:				
Inventories	106,618	-	-	106,618
Prepays	49,668	-	-	49,668
Restricted:				
Stabilization by State statute	2,196,583	-	-	2,196,583
Public safety	-	-	154,073	154,073
Streets	871,235	-	-	871,235
Assigned:				
Subsequent year's expenditures	636,429	-	-	636,429
Unassigned	2,378,383	-	(169,632)	2,208,751
Total fund balances	<u>6,238,916</u>	<u>-</u>	<u>(15,559)</u>	<u>6,223,357</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,228,109</u>	<u>\$ 1,520,642</u>	<u>\$ 918,778</u>	<u>\$ 8,667,529</u>

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

**Town of Tarboro, North Carolina**  
**Balance Sheets**  
**Governmental Funds**  
**June 30, 2022**

**Exhibit 3**  
**Page 2 of 2**

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

Total Fund Balance, Governmental Funds		\$ 6,223,357
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Gross capital assets at historical cost	\$ 75,708,829	
Accumulated depreciation	<u>(66,349,922)</u>	9,358,907
Earned revenues considered deferred inflows of resources in fund statements.		445,771
Deferred outflows of resources related to pensions are not reported in the funds.		2,021,071
Deferred outflows of resources related to OPEB are not reported in the funds.		3,534,648
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds:		
Net pension liability - LGERS		(1,186,113)
Total pension liability - LEO		(1,857,307)
OPEB liability		(18,803,258)
Other long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		(723,580)
Deferred inflows of resources related to pensions are not reported in the funds.		(1,683,792)
Deferred inflows of resources related to OPEB are not reported in the funds		(2,628,986)
Net position of governmental activities		<u><u>\$ (5,299,282)</u></u>

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

**Town of Tarboro, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2022**

Exhibit 4  
Page 1 of 2

	<b>Major Funds</b>		<b>Non-Major</b>	<b>Total</b>
	<b>General Fund</b>	<b>ARP Funding</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>Revenues:</b>				
Ad valorem taxes	\$ 3,855,630	\$ -	\$ -	\$ 3,855,630
Other taxes and licenses	210,747	-	-	210,747
Unrestricted intergovernmental	4,157,114	-	-	4,157,114
Restricted intergovernmental	460,109	186,780	798,719	1,445,608
Permits and fees	122,062	-	-	122,062
Sales and services	263,804	-	-	263,804
Investment earnings	19,386	-	672	20,058
Miscellaneous	93,757	-	42	93,799
Charges for services	552,500	-	-	552,500
Total revenues	<u>9,735,109</u>	<u>186,780</u>	<u>799,433</u>	<u>10,721,322</u>
<b>Expenditures:</b>				
Current:				
General government	2,977,009	-	705,789	3,682,798
Public safety	5,217,074	-	77,600	5,294,674
Transportation	753,782	-	-	753,782
Cultural and Recreational	1,645,604	-	-	1,645,604
Capital outlay	596,349	186,780	8,651	791,780
Total expenditures	<u>11,189,818</u>	<u>186,780</u>	<u>792,040</u>	<u>12,168,638</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,454,709)</u>	<u>-</u>	<u>7,393</u>	<u>(1,447,316)</u>
<b>Other Financing Sources (Uses):</b>				
Loss on sale of inventory	(694)	-	-	(694)
Transfers to other funds	(76,048)	-	-	(76,048)
Transfers from other funds	1,801,300	-	76,048	1,877,348
Total other financing sources (uses)	<u>1,724,558</u>	<u>-</u>	<u>76,048</u>	<u>1,800,606</u>
Net change in fund balance	<u>269,849</u>	<u>-</u>	<u>83,441</u>	<u>353,290</u>
Fund balances, beginning (as originally stated)	5,714,465	-	(345,579)	5,368,886
Prior period adjustment	254,602	-	246,579	501,181
Fund balances, beginning (as restated)	5,969,067	-	(99,000)	5,870,067
Fund balances, ending	<u>\$ 6,238,916</u>	<u>\$ -</u>	<u>\$ (15,559)</u>	<u>\$ 6,223,357</u>

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

**Town of Tarboro, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2022**

**Exhibit 4**  
**Page 2 of 2**

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

Net changes in fund balances - total governmental funds		\$ 353,290
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlay expenditures which were capitalized	791,780	
Depreciation expense for governmental assets	<u>(1,327,314)</u>	(535,534)
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities.		546,091
Benefit payments paid and administrative expense for the LEOSA are not included on the Statement of Activities.		77,818
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities.		401,537
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in unavailable revenue for tax revenues		57,889
Change in unavailable revenue		(6,974)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(113,005)	
Pension expense	(616,050)	
OPEB expense	<u>(540,703)</u>	(1,269,758)
Total changes in net position of governmental activities		<u><u>\$ (375,641)</u></u>

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

**Town of Tarboro, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2022**

**Exhibit 5**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Positive / (Negative)</b>
<b>Revenues:</b>				
Ad valorem taxes	\$ 3,882,250	\$ 3,882,250	\$ 3,855,630	\$ (26,620)
Other taxes and licenses	234,500	234,500	210,747	(23,753)
Unrestricted intergovernmental	3,740,000	3,740,000	4,157,114	417,114
Restricted intergovernmental	392,000	413,440	460,109	46,669
Permits and fees	115,150	115,150	122,062	6,912
Sales and services	203,000	218,000	263,804	45,804
Investment earnings	8,000	8,000	19,386	11,386
Miscellaneous	70,000	73,445	93,757	20,312
Charges for services	552,500	552,500	552,500	-
Total revenues	<u>9,197,400</u>	<u>9,237,285</u>	<u>9,735,109</u>	<u>497,824</u>
<b>Expenditures:</b>				
Current:				
General government	3,295,238	3,471,442	3,095,999	375,443
Public Safety	5,580,925	5,771,653	5,447,726	323,927
Transportation	980,620	1,155,000	954,113	200,887
Cultural and Recreational	1,849,730	1,899,854	1,691,980	207,874
Total expenditures	<u>11,706,513</u>	<u>12,297,949</u>	<u>11,189,818</u>	<u>1,108,131</u>
Revenues over (under) expenditures	<u>(2,509,113)</u>	<u>(3,060,664)</u>	<u>(1,454,709)</u>	<u>1,605,955</u>
Other financing sources (uses):				
Appropriated fund balance	707,813	1,259,364	-	(1,259,364)
Loss on sale of inventory	-	-	(694)	(694)
Transfers to other funds	-	-	(76,048)	(76,048)
Transfers from other funds	1,801,300	1,801,300	1,801,300	-
Total other financing sources (uses)	<u>2,509,113</u>	<u>3,060,664</u>	<u>1,724,558</u>	<u>(1,336,106)</u>
Revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>269,849</u>	<u>\$ 269,849</u>
Fund balances, beginning (as originally stated)			5,714,465	
Prior period adjustment			254,602	
Fund balances, beginning (as restated)			<u>5,969,067</u>	
Fund balances, ending			<u>\$ 6,238,916</u>	

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



**Town of Tarboro, North Carolina**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2022**

**Exhibit 6**

	<b>Electric Fund</b>	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Stormwater Fund</b>	<b>Total</b>
<b>Assets:</b>					
Current assets:					
Cash and investments	\$ 11,382,838	\$ 2,058,303	\$ 475,118	\$ 320,067	\$ 14,236,326
Restricted cash	599,960	53,550	-	-	653,510
Accounts receivable (net)	2,691,890	594,749	173,691	96,004	3,556,334
Accrued interest receivable	12,054	2,171	504	336	15,065
Sales tax receivable	56,706	51,831	9,820	2,589	120,946
Prepaid items	21,756	12,984	-	-	34,740
Inventories	1,422,755	81,294	-	-	1,504,049
Total current assets	<u>16,187,959</u>	<u>2,854,882</u>	<u>659,133</u>	<u>418,996</u>	<u>20,120,970</u>
Noncurrent assets:					
Capital assets:					
Land, non-depreciable improvements,	858,368	427,564	-	-	1,285,932
Other capital assets, net of	15,324,918	9,728,106	141,111	405,413	25,599,548
Capital assets (net)	<u>16,183,286</u>	<u>10,155,670</u>	<u>141,111</u>	<u>405,413</u>	<u>26,885,480</u>
Net pension asset	-	-	-	29,774	29,774
Total noncurrent assets	<u>16,183,286</u>	<u>10,155,670</u>	<u>141,111</u>	<u>435,187</u>	<u>26,915,254</u>
Total assets	<u>32,371,245</u>	<u>13,010,552</u>	<u>800,244</u>	<u>854,183</u>	<u>47,036,224</u>
<b>Deferred Outflows of Resources:</b>					
Pension deferrals	502,405	486,527	124,796	41,624	1,155,352
OPEB deferrals	512,331	600,111	-	-	1,112,442
Total deferred outflows of resources	<u>1,014,736</u>	<u>1,086,638</u>	<u>124,796</u>	<u>41,624</u>	<u>2,267,794</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued	1,438,887	106,603	73,296	12,225	1,631,011
Payable from restricted assets	599,960	53,550	-	-	653,510
Compensated absences - current	15,230	12,474	3,081	1,631	32,416
Current portion of long-term debt	-	29,478	-	-	29,478
Total current liabilities	<u>2,054,077</u>	<u>202,105</u>	<u>76,377</u>	<u>13,856</u>	<u>2,346,415</u>
Non-current liabilities:					
Compensated absences	111,690	91,477	22,590	11,959	237,716
Net pension liability	288,126	309,225	68,989	-	666,340
Total OPEB liability	3,751,660	3,668,572	214,182	-	7,634,414
Non-current portion of long-term debt	-	317,047	-	-	317,047
Total non-current liabilities	<u>4,151,476</u>	<u>4,386,321</u>	<u>305,761</u>	<u>11,959</u>	<u>8,855,517</u>
Total liabilities	<u>6,205,553</u>	<u>4,588,426</u>	<u>382,138</u>	<u>25,815</u>	<u>11,201,932</u>
<b>Deferred Inflows of Resources:</b>					
OPEB deferrals	429,377	470,493	35,111	-	934,981
Deferred revenues	230,839	-	-	-	230,839
Pension deferrals	569,435	525,321	136,460	74,889	1,306,105
Total deferred inflows of resources	<u>1,229,651</u>	<u>995,814</u>	<u>171,571</u>	<u>74,889</u>	<u>2,471,925</u>
<b>Net Position:</b>					
Net investment in capital assets	16,183,286	9,809,145	141,111	405,413	26,538,955
Unrestricted	9,767,491	(1,296,195)	230,220	389,690	9,091,206
Total net position	<u>\$ 25,950,777</u>	<u>\$ 8,512,950</u>	<u>\$ 371,331</u>	<u>\$ 795,103</u>	<u>\$ 35,630,161</u>

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

**Town of Tarboro, North Carolina**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2022**

**Exhibit 7**

	<b>Electric Fund</b>	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Stormwater Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>					
Charges for services	\$ 21,861,293	\$ 4,017,788	\$ 1,230,968	\$ 565,865	\$ 27,675,914
Water and sewer taps	-	39,694	-	-	39,694
Other operating revenues	1,043,893	53,224	8,056	-	1,105,173
<b>Total operating revenues</b>	<u>22,905,186</u>	<u>4,110,706</u>	<u>1,239,024</u>	<u>565,865</u>	<u>28,820,781</u>
<b>Operating Expenses:</b>					
Administration	3,151,863	2,854,024	1,225,681	98,536	7,330,104
Load management	186,819	-	-	-	186,819
Electric operations	606,822	-	-	-	606,822
Electric power purchases	16,928,740	-	-	-	16,928,740
Water treatment and distribution	-	598,197	-	-	598,197
Waste collection and treatment	-	515,912	-	-	515,912
Stormwater collection	-	-	-	327,139	327,139
Depreciation	1,620,118	1,087,844	24,197	39,664	2,771,823
<b>Total operating expenses</b>	<u>22,494,362</u>	<u>5,055,977</u>	<u>1,249,878</u>	<u>465,339</u>	<u>29,265,556</u>
<b>Operating income (loss)</b>	<u>410,824</u>	<u>(945,271)</u>	<u>(10,854)</u>	<u>100,526</u>	<u>(444,775)</u>
<b>Non-Operating Revenues (Expenses):</b>					
Investment earnings	55,711	10,225	2,212	1,580	69,728
Other non-operating revenues	56,220	56,611	3,620	135	116,586
<b>Total non-operating revenues</b>	<u>111,931</u>	<u>66,836</u>	<u>5,832</u>	<u>1,715</u>	<u>186,314</u>
<b>Income (loss) before contributions</b>	<u>522,755</u>	<u>(878,435)</u>	<u>(5,022)</u>	<u>102,241</u>	<u>(258,461)</u>
Transfers from (to) other funds	<u>(1,801,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,801,300)</u>
<b>Change in net position</b>	<u>(1,278,545)</u>	<u>(878,435)</u>	<u>(5,022)</u>	<u>102,241</u>	<u>(2,059,761)</u>
<b>Total net position, beginning (as previously reported)</b>	<u>27,888,142</u>	<u>9,391,385</u>	<u>376,353</u>	<u>692,862</u>	<u>38,348,742</u>
<b>Prior period adjustment</b>	<u>(658,820)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(658,820)</u>
<b>Total net position, beginning (as restated)</b>	<u>27,229,322</u>	<u>9,391,385</u>	<u>376,353</u>	<u>692,862</u>	<u>37,689,922</u>
<b>Total net position, ending</b>	<u>\$ 25,950,777</u>	<u>\$ 8,512,950</u>	<u>\$ 371,331</u>	<u>\$ 795,103</u>	<u>\$ 35,630,161</u>

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

**Town of Tarboro, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2022**

**Exhibit 8**

	<b>Electric Fund</b>	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Stormwater Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 22,963,828	\$ 4,119,682	\$ 1,217,789	\$ 565,493	\$ 28,866,792
Cash paid for goods and services	(18,799,904)	(1,667,699)	(610,310)	(97,312)	(21,175,225)
Cash paid to or on behalf of employees for services	(2,346,564)	(2,319,660)	(610,462)	(343,279)	(5,619,965)
Net customer deposits	55,174	5,845	-	-	61,019
Net cash provided (used) by operating activities	1,872,534	138,168	(2,983)	124,902	2,132,621
<b>Cash Flows from Noncapital Financing Activities:</b>					
Transfers to other funds	(1,801,300)	-	-	-	(1,801,300)
Other noncapital financing activities	56,221	56,610	3,620	134	116,585
Net cash provided (used) by noncapital financing activities	(1,745,079)	56,610	3,620	134	(1,684,715)
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition and construction of capital assets	(346,406)	(114,959)	-	(148,203)	(609,568)
Principal paid on bonds and installment purchases	-	(29,478)	-	-	(29,478)
Net cash provided (used) by capital and related financing activities	(346,406)	(144,437)	-	(148,203)	(639,046)
<b>Cash Flows from Investing Activities:</b>					
Interest and dividends	55,711	10,225	2,212	1,580	69,728
Net cash provided (used) by investing activities	55,711	10,225	2,212	1,580	69,728
Net increase (decrease) in cash and	(163,240)	60,566	2,849	(21,587)	(121,412)
Balances, beginning	12,146,038	2,051,287	472,269	341,654	15,011,248
Balances, ending	<u>\$ 11,982,798</u>	<u>\$ 2,111,853</u>	<u>\$ 475,118</u>	<u>\$ 320,067</u>	<u>\$ 14,889,836</u>

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

**Town of Tarboro, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2022**

**Exhibit 8**

	<u>Electric Fund</u>	<u>Water and Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities					
Operating income (loss)	\$ 410,824	\$ (945,271)	\$ (10,854)	\$ 100,526	\$ (444,775)
Adjustments to reconcile operating income					
Depreciation	1,620,118	1,087,844	24,197	39,664	2,771,823
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(36,983)	8,976	(21,235)	(372)	(49,614)
(Increase) decrease in prepaid items	(21,756)	(12,984)	-	-	(34,740)
(Increase) decrease in inventory	(62,647)	(2,711)	-	-	(65,358)
Increase (decrease) in accounts payable and accrued liabilities	(149,512)	3,539	7,474	(5,399)	(143,898)
Increase (decrease) in customer deposits	55,174	5,845	-	-	61,019
Increase (decrease) in compensated absences	(1,623)	13,518	5,217	(2,420)	14,692
(Increase) decrease in deferred outflows of resources - pensions	(49,615)	(45,797)	(11,958)	(6,615)	(113,985)
(Increase) decrease in deferred outflows of resources - OPEB	35,037	45,843	5,047	-	85,927
Increase (decrease) in net pension liability	(565,284)	(521,799)	(136,248)	(75,371)	(1,298,702)
Increase (decrease) in deferred inflows of resources - pensions	561,671	518,465	135,377	74,889	1,290,402
Increase (decrease) in deferred inflows of resources - OPEB	203,998	190,823	-	-	394,821
Increase (decrease) in deferred inflows of resources - Deferred revenue	95,625	-	-	-	95,625
Increase (decrease) in OPEB liability	(222,493)	(208,123)	-	-	(430,616)
Total adjustments	<u>1,461,710</u>	<u>1,083,439</u>	<u>7,871</u>	<u>24,376</u>	<u>2,577,396</u>
Net cash provided by operating activities	<u>\$ 1,872,534</u>	<u>\$ 138,168</u>	<u>\$ (2,983)</u>	<u>\$ 124,902</u>	<u>\$ 2,132,621</u>

**Noncash investing, capital, and financing activities:**

None.

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

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

**I. Summary of Significant Accounting Policies**

The accounting policies of the Town of Tarboro (the Town) conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

The Town is a municipal corporation, which is governed by an elected mayor and an eight-member council. Generally accepted accounting principles require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Governmental Accounting Standards Board Statement No. 14 have been considered and there are no agencies or entities in which should be presented as component units of the Town.

**B. Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities; however, interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

*Fund Financial Statements:* The fund financial statements provide information about the Town's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

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

The Town reports the following major governmental funds:

**General Fund.** The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, federal and state grants, and various other taxes and licenses. The primary expenditures are for general government, public safety, public works, and cultural and recreational services.

**ARP Fund.** This fund is used to account for American Rescue Plan Coronavirus State and Local Fiscal Recovery funds (ARP Funds) received by the Town and transfers made to other funds for eligible expenditures.

The Town reports the following non-major governmental funds:

**Emergency Telephone System Special Revenue Fund.** This fund is used to account for 911 revenues received by the State 911 Board to enhance the State's 911 emergency telephone system.

**Law Enforcement Special Revenue Fund.** This fund is used to account for drug forfeiture revenues received by the State to enhance law enforcement efforts related to illegal drug operations.

**Employee Relief Fund.** This fund is used to account for donations received after Hurricane Matthew.

**Disaster Relief Fund.** This fund is used to account for the grant and insurance revenues received after Hurricane Matthew that are restricted for use for a particular purpose.

**Disaster Recovery Project Fund.** This fund is used to account for disaster recovery funds including Hazard Mitigation and Community Development Block Grants.

**Essential Single-Family Rehabilitation Loan Pool Fund.** This fund is used to account for Essential Single-Family Rehabilitation Loan Pool Funds.

**Parks and Recreation Trust Fund Grant Fund.** This fund is used to account for Parks and Recreation Trust Fund Grant Funds.

**NC DOT CMAQ Fund.** This fund is used to account for Pedestrian Connectivity Funds.

**Grant Project Fund.** This fund is used to account for activity related to an EPA program to check previous industrial sites for contamination and mitigate those issues.

The Town reports the following major enterprise funds:

**Electric Fund.** This fund is used to account for the Town's electric operations.

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

**Solid Waste Fund.** This fund is used to account for the Town's solid waste operations.

**Stormwater Fund.** This fund is used to account for the Town's storm water operations.

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

**C. Measurement Focus and Basis of Accounting**

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

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

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

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

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

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

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

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town because the tax is levied by Edgecombe County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

**D. Budgetary Data**

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, special revenue funds, and enterprise funds. All annual appropriations lapse at the fiscal-year end. Project ordinances are adopted for the Capital Projects Funds and the Enterprise Capital Projects Fund. The enterprise fund projects are consolidated with their respective operating fund for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multi-year funds. Budgetary control is exercised in all funds. Appropriations are made at the departmental (functional) level and can be amended as necessary by the governing board. The Town Manager is authorized to transfer appropriations within a fund; however, any revisions that alter total expenditures must be approved by the governing board. Budgeted amounts presented in the financial statements represent the amended budget ordinance as of June 30, 2022.

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

**1. Deposits and Investments**

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

State law [G.S. 159-30(c)] authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The Town's investments are reported at fair value. The NCCMT Government Portfolio, which consists of an SEC-registered mutual fund (the Government Portfolio), is authorized by G.S. 159-30(c)(8). The Government Portfolio, which invests in treasuries and government agencies, is a money market mutual fund (2a7) and maintains an AAAm rating from S&P and AAAmf by Moody's Investor Service. It is reported at fair value. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.



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

**2. Cash and Cash Equivalents**

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income and considers all cash and investments to be cash and cash equivalents.

**3. Restricted Assets**

Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill funds are classified as restricted cash because it can be expended only for the purpose of maintaining, repairing, constructing, reconstructing, or widening of local streets per G.S. 136-41.1 through 136-41.4.

**4. Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2021.

**5. Allowances for Doubtful Accounts**

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

**6. Lease Receivable**

The Town's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line bases over the term of the lease.

**7. Inventory and Prepaid Items**

The inventories of the Town are valued at cost (first-in, first-out), which approximates market. The Town's General Fund inventory consists of expendable supplies that are recorded as expenditures as used rather than when purchased.

The inventories of the Town's enterprise funds consists of materials and supplies held for subsequent use. The cost of these inventories is expensed when consumed rather than when purchased.

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

**8. Capital Assets**

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are as follows: Land, \$5,000; Buildings, improvements,

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

substations, lines, and other plant and distribution systems, \$5,000; infrastructure, \$5,000; furniture and equipment, \$5,000; and vehicles, \$5,000. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. General infrastructure assets acquired prior to July 1, 2003, consist of the road network and water and sewer assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported as estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives to the cost of the assets:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	25-50
Buildings	50
Improvements	30
Machinery and Equipment	5-10
Utility Work Vehicles	10
Passenger Vehicles	5

**9. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has two items that meet this criterion, pension deferrals for the 2022 fiscal year and OPEB deferrals for the 2022 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has several items that meet this criterion for this category – prepaid taxes, special assessments, property taxes receivable, unearned grant revenues, lease receivables, OPEB deferrals and pension deferrals.

**10. Long-Term Obligations**

In the government-wide financial statements, and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. In the fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing sources.

**11. Compensated Absences**

The vacation policy of the Town provides for the accumulation of earned vacation leave with such leave being fully vested when earned. For employees hired on or after July 1, 2000, the maximum accumulation allowed is 240 hours (340 hours for fire fighters). For employees hired before that date the maximum accumulation is 480 hours (680 hours for fire fighters). For the Town's government-wide and proprietary funds, an

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

expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The portion of that time is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Town's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town does not have an obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

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

### **Net Position**

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

### **Fund Balances**

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

The governmental fund types classify fund balances as follows:

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

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

Prepays – portion of fund balance that is not an available resource because it represents certain payments to vendors applicable to future accounting periods and is, therefore, not a spendable resource.

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

Restricted for Stabilization by State Statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB

**Town of Tarboro, North Carolina**  
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guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as non-spendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

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

Restricted for Public Safety – portion of fund balance that is restricted by revenue source for certain emergency telephone system and law enforcement expenditures.

Assigned Fund Balance – The portion of fund balance that the Town of Tarboro intends to use for specific purposes. The Town's governing body has the authority to assign fund balance to a specific purpose. The governing body authorizes the assignment of fund balance by the approval of a budget appropriation.

Subsequent Year's Expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

Unassigned Fund Balance – The portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that reports a positive Unassigned Fund Balance.

The Town 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-Town funds, and Town 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 Town.

**13. Defined Benefit Cost-Sharing Plans**

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

**F. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are allowance for doubtful accounts and depreciation lives.

**Town of Tarboro, North Carolina  
Notes to the Financial Statements  
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**Detail Notes on All Funds**

**A. Assets**

**1. Deposits**

All the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town's agents in the Town's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agents in its name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for under-collateralization. This risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has adopted a formal policy regarding custodial credit risk for deposits and also relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2022, the Town's deposits had a carrying amount of \$6,048,054 and a bank balance of \$6,317,650. Of the bank balance, \$500,000 was covered by federal depository insurance, and the remainder was covered by collateral held under the Pooling Method. At June 30, 2022 the Town's petty cash fund totaled \$3,875.

**2. Investments**

At June 30, 2022, the Town's investment balances were as follows:

<b>Investment by Type</b>	<b>Valuation Measurement Method</b>	<b>Book Value at 6/30/22</b>	<b>Maturity</b>	<b>Rating</b>
NC Capital Management Trust – Government Portfolio	Fair Value Level 1	\$15,199,267	N/A	AAAm

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

*Interest Rate Risk.* The Town has no formal investment policy regarding interest rate risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's internal cash management plan limits at least half of the Town's investment portfolio to maturities of less than 121 days.

**Town of Tarboro, North Carolina**  
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*Credit Risk.* The Town limits investments to provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The Town's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAm by Standard & Poor's and AAAm-mf by Moody's Investors Service as of June 30, 2022.

**3. Receivables - Allowances for Doubtful Accounts**

The amounts presented in the Balance Sheet and the Statement of Net Position for the year ended June 30, 2022 are net of the following allowances for doubtful accounts:

	<u>June 30, 2022</u>
General Fund:	
Taxes receivable	\$ 11,082
Accounts receivable	543,158
Total General Fund	<u>554,240</u>
Enterprise Fund:	
Electric	131,519
Water and Sewer Fund	10,834
Solid Waste Fund	3,353
Storm Water Fund	1,542
Total Enterprise Funds	<u>147,248</u>
Total Allowance Doubtful Accounts	<u>\$ 701,488</u>

Due from other governments consists of the following:

Local option sales tax	\$ 831,880
Sales taxes	206,231
Video programming	37,300
Franchise taxes	215,752
Grants	444,692
911 charges	7,615
Miscellaneous	6,405
	<u>\$ 1,749,875</u>

**Town of Tarboro, North Carolina**  
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**Lease Receivable**

In January 2022, the Town entered into a lease to rent 62 acres of land for \$120 per acre for year for a period of three years with rent paid annually to the Town. The lease receivable is measured at the present value of the future minimum lease payments expected to be received during the term of the lease at a discount rate of 4.0% which is the Town's incremental borrowing rate. In fiscal year 2022 the Town recognized \$7,440 of lease revenue under the lease.

**4. Capital Assets**

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

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental activities:</b>				
Capital assets not being depreciated				
Land	\$ 1,919,166	\$ -	\$ -	\$ 1,919,166
Construction in Progress	-	195,431	-	195,431
Total capital assets not being depreciated	1,919,166	195,431	-	2,114,597
Capital assets being depreciated				
Buildings & Improvements	10,502,512	235,597	-	10,738,109
Infrastructure - streets	50,967,258	173,030	-	51,140,288
Infrastructure - sidewalk	661,067	-	-	661,067
Equipment	10,970,476	187,721	103,430	11,054,767
Total capital assets being depreciated	73,101,313	596,348	103,430	73,594,231
Less accumulated depreciation for				
Buildings & Improvements	7,541,587	255,862	-	7,797,449
Infrastructure - streets	47,506,857	623,934	-	48,130,791
Infrastructure - sidewalk	554,600	4,452	-	559,052
Equipment	9,522,993	443,066	103,430	9,862,629
Total accumulated depreciation	65,126,037	1,327,314	103,430	66,349,921
Total capital assets being depreciated, net	7,975,276			7,244,310
Governmental activity capital assets, net	\$ 9,894,442			\$ 9,358,907

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

General government	\$ 19,995
Public safety	343,189
Transportation	825,753
Cultural and recreational	138,377
	<u>\$ 1,327,314</u>

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

<b>Business-type Activities:</b>	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Electric Fund</b>				
Capital assets not being depreciated:				
Land	\$ 858,368	\$ -	\$ -	\$ 858,368
Construction in progress	-	-	-	-
Total	<u>858,368</u>	<u>-</u>	<u>-</u>	<u>858,368</u>
Capital assets being depreciated:				
Substation, lines, & related equipment	53,282,824	222,683	-	53,505,507
Office & maintenance equipment	4,907,639	123,723	48,590	4,982,772
Total	<u>58,190,463</u>	<u>346,406</u>	<u>48,590</u>	<u>58,488,279</u>
Less accumulated depreciation:				
Substation, lines, & related equipment	37,743,075	1,410,852	-	39,153,927
Office & maintenance equipment	3,848,758	209,266	48,590	4,009,434
Total	<u>41,591,833</u>	<u>\$ 1,620,118</u>	<u>\$ 48,590</u>	<u>43,163,361</u>
Total capital assets being depreciated, net	<u>16,598,630</u>			<u>15,324,918</u>
Electric Fund capital assets, net	<u>\$ 17,456,998</u>			<u>\$ 16,183,286</u>
<b>Water &amp; Sewer Fund</b>				
Capital assets not being depreciated:				
Land	\$ 427,564	\$ -	\$ -	\$ 427,564
Construction in progress	-	-	-	-
Total	<u>427,564</u>	<u>-</u>	<u>-</u>	<u>427,564</u>
Capital assets being depreciated:				
Plant & distribution system	37,881,391	66,847	-	37,948,238
Buildings	45,935	-	-	45,935
Equipment	4,205,291	48,112	19,100	4,234,303
Total	<u>42,132,617</u>	<u>114,959</u>	<u>19,100</u>	<u>42,228,476</u>
Less accumulated depreciation:				
Plant & distribution system	28,251,765	865,458	-	29,117,223
Buildings	191	2,297	-	2,488
Equipment	3,179,570	220,189	19,100	3,380,659
Total	<u>31,431,526</u>	<u>\$ 1,087,944</u>	<u>\$ 19,100</u>	<u>32,500,370</u>
Total capital assets being depreciated, net	<u>10,701,091</u>			<u>9,728,106</u>
Water & Sewer Fund capital assets, net	<u>\$ 11,128,655</u>			<u>\$ 10,155,670</u>



**Town of Tarboro, North Carolina**  
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<b>Business-type Activities (continued):</b>	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
<b>Solid Waste Fund</b>				
Capital assets being depreciated:				
Buildings	\$ 43,324	\$ -	\$ -	\$ 43,324
Maintenance equipment	1,199,458	-	-	1,199,458
Total	1,242,782	-	-	1,242,782
Less accumulated depreciation:				
Buildings	20,808	2,072		22,880
Maintenance equipment	1,056,666	22,125		1,078,791
Total	1,077,474	\$ 24,197	\$ -	1,101,671
Total capital assets being depreciated, net	165,308			141,111
Solid Waste Fund capital assets, net	\$ 165,308			\$ 141,111
<b>Stormwater Fund</b>				
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total	-	-	-	-
Capital assets being depreciated:				
Buildings	\$ 131,358	\$ 100,000	\$ -	\$ 231,358
Maintenance equipment	239,039	48,203	-	287,242
Total	370,397	148,203	-	518,600
Less accumulated depreciation:				
Buildings	16,180	12,504		28,684
Maintenance equipment	57,344	27,159		84,503
Total	73,524	\$ 39,663	\$ -	113,187
Total capital assets being depreciated, net	296,873			405,413
Stormwater Fund capital assets, net	296,873			405,413
Business-type activities capital assets, net	\$ 29,047,834			\$ 26,885,480

**Town of Tarboro, North Carolina  
Notes to the Financial Statements  
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**Liabilities**

**1. Pension Plan and Postemployment Obligations**

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

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

**Benefits Provided.** LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with 5 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 5 years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with 5 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 5 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 monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

**Contributions.** Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The Town employees

**Town of Tarboro, North Carolina  
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are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town's contractually required contribution rate for the year ended June 30, 2022 was 13.04% of compensation for law enforcement officers and 12.14% 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 Town were \$977,876 for the year ended June 30, 2022.

***Refunds of Contributions*** – Town employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By State law, refunds to member with at least 5 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 the refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

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

At June 30, 2022, the Town reported a liability of \$1,822,679 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021, utilizing updated procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2021 (measurement date), the Town's proportion was .11885%, which was a decrease of .01328% from its proportion measured as of June 30, 2020.

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

For the year ended June 30, 2022, the Town recognized pension expense of \$698,148. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 579,860	\$ -
Changes of assumptions	1,145,108	-
Net difference between projected and actual earnings on pension plan investments	-	2,604,061
Changes in proportion and differences between employer contributions and proportionate share of contributions	39,697	319,217
Employer contributions subsequent to the measurement date	977,876	-
Total	<u>\$ 2,742,541</u>	<u>\$ 2,923,278</u>

\$977,876 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2023	(121,607)
2024	(267,271)
2025	(769,735)
	<u>\$ (1,158,613)</u>

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

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, inflation and productivity factor
Investment rate of return	7.00 percent, net pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

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 yield 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 of risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

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

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

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

**Town of Tarboro, North Carolina**  
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**Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate.** The following presents the Town's proportionate share of the net pension asset calculated using the discount rate of 6.50 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	<b>1% Decrease (5.50%)</b>	<b>Discount Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
Town's proportionate share of the net pension liability (asset)	\$7,075,488	\$1,822,679	\$(2,500,077)

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

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

- 1. Plan Description.** The Town of Tarboro administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the Town's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed 5 or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

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

Inactive Members Currently Receiving Benefits	8
Active Members	29
Total	<u>37</u>

**Summary of Significant Accounting Policies:**

**Basis of Accounting.** The Town has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the criteria which are outlined in GASB 73.

**Town of Tarboro, North Carolina**  
**Notes to the Financial Statements**  
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**2. Actuarial Assumptions**

The entry age actuarial cost method was used in the December 31, 2020 valuation. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 7.75 percent, inflation and productivity factor
Discount rate	2.25 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2020.

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

**3. Contributions**

The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The Town paid \$144,983, as benefits came due for the reporting period.

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

At June 30, 2022, the Town reported a total pension liability of \$1,857,307. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2021 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the Town recognized pension expense of \$229,197.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 88,201	\$ 21,755
Changes of assumptions	267,863	44,864
Town benefit payments and plan administrative expenses made subsequent to the measurement date	77,818	-
Total	<u>\$ 433,882</u>	<u>\$ 66,619</u>

**Town of Tarboro, North Carolina**  
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\$77,818 paid as benefits came due subsequent to the measurement date have been reported as deferred outflows of resources. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2023	\$ 103,525
2024	95,466
2025	84,013
2026	6,441
	<u>\$ 289,445</u>

***Sensitivity of the Town's total pension liability to changes in the discount rate.***

The following represents the Town's total pension liability calculated using the discount rate of 2.25 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	<b>1% Decrease (1.25%)</b>	<b>Discount Rate (2.25%)</b>	<b>1% Increase (3.25%)</b>
Town's proportionate share of the net pension liability (asset)	<u>\$1,992,203</u>	<u>\$1,857,307</u>	<u>\$1,734,223</u>

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

<b>Total Pension Liability as of December 31, 2020</b>	<b>\$ 1,940,264</b>
<b>Changes for the year:</b>	
Service Cost at end of year	77,064
Interest	36,220
Change in benefit terms	-
Difference between expected and actual experience	(27,207)
Changes of assumptions and other inputs	(41,841)
Benefit payments	(127,193)
Other	-
<b>Net changes</b>	<u>\$ (82,957)</u>
<b>Total Pension Liability as of December 31, 2021</b>	<u><b>\$ 1,857,307</b></u>

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

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.



**Town of Tarboro, North Carolina**  
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***Total Expense, Liabilities, and Deferred Outflows and Inflows of Resources Related to Pensions***

Following is information related to the proportionate share and pension expense for all pension plans:

	LGERS	LEOSSA	Total
Pension Expense	\$ 698,148	\$ 229,197	\$ 927,345
Pension Liability	\$ 1,822,679	\$ 1,857,307	\$ 3,679,986
Proportionate share of the net pension liability	.11885%	N/A	
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ 579,860	\$ 88,201	\$ 668,061
Changes of assumptions	\$ 1,145,108	\$ 267,863	\$ 1,412,971
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 39,697	\$ -	\$ 39,697
Benefit payments and administrative costs paid subsequent to the measurement date	\$ 977,876	\$ 77,818	\$ 1,055,694
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ -	\$ 21,755	\$ 21,755
Changes of assumptions	\$ -	\$ 44,864	\$ 44,864
Net difference between projected and actual earning on plan investments	\$ 2,604,061	\$ -	\$ 2,604,061
Changes in proportion and differences Between contributions and Proportionate share of contributions	\$ 319,217	\$ -	\$ 319,217

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

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

**Funding Policy.** Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2022 were \$195,891 which consisted of \$83,036 from the Town and \$22,855 from the law enforcement officers.

**Town of Tarboro, North Carolina**  
**Notes to the Financial Statements**  
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**d. Other Postemployment Benefits**

**Healthcare Benefits**

*Plan Description.* Under the terms of a Town resolution, the Town administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). The Town Board has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Benefits Provided.* Prior to August 1, 2011, retirees qualified for benefits similar to those of employees after a minimum of five years of creditable service with the Town. The Town pays the full cost of coverage for employees' benefits through private insurers and employees have the option of purchasing dependent coverage at the Town's group rates. Employees hired on or after August 1, 2011 who retire with a minimum of 20 years of creditable service also have the option of purchasing coverage for themselves and dependents at the Town's group rate. Employees hired on or after August 1, 2011 who retire with less than 20 years of service are not eligible for postemployment coverage. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental plan after qualifying for Medicare. The Town Council may amend the benefit provisions. A separate report was not issued for the plan.

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

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	75	14
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	60	11
Total	<u>135</u>	<u>25</u>

**Total OPEB Liability**

The Town's total OPEB liability of \$26,437,672 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.5 to 8.41 percent, including inflation
Discount rate	2.16 percent
Healthcare cost trend rates	Pre-Medicare and Prescription – 7.00% decreasing to 4.5% by 2031 Medicare and Prescription – 5.125% decreasing to 4.5% by 2024

**Town of Tarboro, North Carolina**  
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The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of the measurement date.

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Total OPEB Liability as of June 30, 2021</b>	<b>\$ 28,128,352</b>
<b>Changes for the year:</b>	
Service cost	675,136
Interest	629,484
Changes of benefit terms	-
Differences between expected and actual experience	(3,442,303)
Changes in assumptions or other inputs	1,090,593
Benefit payments	(643,590)
Other	-
<b>Net Changes</b>	<b>\$ (1,690,680)</b>
<b>Total OPEB Liability as of June 30, 2022</b>	<b>\$ 26,437,672</b>

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

Mortality rates were based on the MP-2019 Total Data Set for Healthy Annuitants Mortality Table.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period January 2015 through December 2019.

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current discount rate:

	<b>1% Decrease</b>	<b>Current Discount Rate (2.16%)</b>	<b>1% Increase</b>
Total OPEB Liability	\$31,920,829	\$26,437,672	\$22,228,860

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of the Town, as well as what the Town'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:

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
Total OPEB Liability	\$22,017,295	\$26,437,672	\$32,240,768

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

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$877,095. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 4,654	\$ 2,923,218
Changes of assumptions	4,081,577	640,749
Town benefit payments and plan administrative expenses made subsequent to the measurement date	560,859	-
Total	<u>\$ 4,647,090</u>	<u>\$ 3,563,967</u>

\$560,859 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2023	\$ (177,554)
2024	201,628
2025	498,190
	<u>\$ 522,264</u>

**2. Other Employment Benefits**

The Town has also elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the Town, the Town does not determine the number of eligible participants. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Town considers these contributions to be immaterial.

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

**3. Internal Revenue Code Section 457 Plans**

The Town offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all Town employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Town has complied with changes in the laws, which govern the Town's Deferred Compensation Plan, requiring all assets of the plan to be held in a trust for the exclusive benefit of the participants and their beneficiaries. Total contributions for the year ended June 30, 2022 were \$33,098, which consisted of \$18,898 from the Town and \$14,200 from employees.

**4. Internal Revenue Code Section 401(k) Plan**

The Town also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 401(k). The plan is sponsored by the State of North Carolina and is governed by the Department of State Treasurer and the Plan's Board of Trustees. The Department and Board have contracted with Prudential Retirement Services to be the plan administrator.

The plan is available to all Town employees. The plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available until termination, retirement, death, or financial hardships. Total contributions for the year ended June 30, 2022 were \$582,982, which consisted of \$397,654 from the Town and \$185,328 from employees.

**5. Deferred Outflows and Inflows of Resources**

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

Differences between expected and actual experience (LGERS)	\$ 579,860
Changes of assumptions (LGERS)	1,145,108
Changes in proportion and differences between contributions and proportionate share of contributions (LGERS)	39,697
Contributions to the pension plan in the current fiscal year (LGERS)	977,876
Differences between expected and actual experience (LEOSSA)	88,201
Changes in assumptions (LEOSSA)	267,863
Benefit payments and administrative costs paid subsequent to the measurement date (LEOSSA)	77,818
Differences between expected and actual experience (OPEB)	4,654
Changes of assumptions (OPEB)	4,081,577
Benefit payments and administrative costs paid subsequent to measurement date (OPEB)	560,859
	<u>\$ 7,823,513</u>

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

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

Prepaid taxes (General Fund)	\$	13,550	\$	13,550
Special assessments receivable (General Fund)		-		93,144
Taxes receivable		-		352,627
Unearned Grant Revenues		1,520,642		1,520,642
Unearned revenues		230,839		-
Lease receivable		14,033		14,033
Difference between expected and actual experience (OPEB)		2,923,218		-
Changes in assumptions (OPEB)		640,749		-
Difference between expected and actual experience (LEOSSA)		21,755		-
Changes in assumptions (LEOSSA)		44,864		-
Net difference between projected and actual earnings on plan investments (LGERS)		2,604,061		-
Changes in proportion and differences between contributions and proportionate share of contributions (LGERS)				-
		319,217		-
	\$	<u>8,332,928</u>	\$	<u>1,993,996</u>

**6. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town participates in three self-funded risk-financing pools administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability and auto liability coverage of \$1 million per occurrence, property coverage up to the total insured values of the property policy, workers' compensation coverage up to statutory limits, and employee health coverage. The liability and property exposures are reinsured through commercial carriers for claims in excess of retentions as selected by the Board of Trustees of the Plan each year. Stop loss insurance is purchased by the Board of Trustees of the Plan to protect against large medical claims that exceed certain dollar cost levels. Specific information on the limits of the reinsurance, excess and stop loss policies purchased by the Board of Trustees of the Plan can be obtained by contacting the Risk Management Services Department of the NC League of Municipalities. The pools are audited annually by certified public accountants, and the audited financial statements are available to the Town upon request.

The Town continues to carry commercial insurance for public officials' liability and law enforcement liability. Settled claims from all risks have not exceeded insurance coverage in any of the last three fiscal years.

The Town carries flood insurance through the National Flood Insurance Plan (NFIP). Because the Town 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 Town is eligible to purchase coverage of \$500,000 per structure through the NFIP. The Town has total flood insurance coverage of \$2,500,000.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a

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

commercial surety bond. The Finance Officer and Tax Collector are each individually bonded for \$50,000.

**7. Long-Term Obligations**

**a. ARRA Revolving Loan**

A Promissory Note in the amount of \$146,765 was executed on January 6, 2010. The Federal Revolving Loan is due in annual installments of \$7,338 through May 2, 2030 at 0.00% interest. The balance of the revolving loan as of June 30, 2022 is \$58,706. Annual debt service payments are as follows:

<b>Year Ending</b>		
<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 7,338	\$ -
2024	7,338	-
2025	7,338	-
2026	7,338	-
2027	7,338	-
2028-2030	22,016	-
<b>Total</b>	<b>\$ 58,706</b>	<b>\$ -</b>

**b. DENR Revolving Loan**

In March 2015, the Town entered into an agreement with the Department of Environmental Quality – Division of Water Infrastructure under the Water Pollution Control Revolving Fund program. Under the agreement, the original principal amount of \$937,750 is immediately reduced by 50% to \$468,875. The agreement requires annual payments in the amount of \$22,140 through May 2035 at 0.00% interest. Annual debt service payments are as follows:

<b>Year Ending</b>		
<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 22,140	\$ -
2024	22,140	-
2025	22,140	-
2026	22,140	-
2027	22,140	-
2028-2032	110,699	-
2033-2035	66,420	-
<b>Total</b>	<b>\$ 287,819</b>	<b>\$ -</b>

At June 30, 2022, the Town had a legal debt margin of \$76,335,005.

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

**c. Changes in Long-Term Liabilities**

A summary of changes in long-term obligations follows:

	Balance			Balance	
	July 1, 2021	Increases	Decreases	June 30, 2022	Current Portion
<b>Governmental Activities:</b>					
Compensated absences	\$ 686,592	\$ 489,547	\$ 452,559	\$ 723,580	\$ 86,830
Net pension liability (LGERS)	2,786,300	-	1,600,187	1,186,113	-
Total pension liability (LEO)	1,940,264	-	82,957	1,857,307	-
Total OPEB liability	20,063,322	-	1,260,064	18,803,258	-
Total governmental activities	<u>\$ 25,476,478</u>	<u>\$ 489,547</u>	<u>\$ 3,395,767</u>	<u>\$ 22,570,258</u>	<u>\$ 86,830</u>
<b>Business-type Activities:</b>					
<b>Electric Fund:</b>					
Compensated absences	\$ 128,543	\$ 85,480	\$ 87,103	\$ 126,920	\$ 15,230
Net pension liability (LGERS)	853,410	-	565,284	288,126	-
Total OPEB liability	3,974,153	-	222,493	3,751,660	-
Total Electric Fund	<u>\$ 4,956,106</u>	<u>\$ 85,480</u>	<u>\$ 874,880</u>	<u>\$ 4,166,706</u>	<u>\$ 15,230</u>
<b>Water and Sewer Fund:</b>					
Compensated absences	\$ 94,822	\$ 66,186	\$ 57,057	\$ 103,951	\$ 12,474
ARRA Revolving Loan	66,044	-	7,338	58,706	7,338
DENR Revolving Loan	309,959	-	22,140	287,819	22,140
Net pension liability (LGERS)	831,024	-	521,799	309,225	-
Total OPEB liability	3,876,695	-	208,123	3,668,572	-
Total Water and Sewer Fund	<u>\$ 5,178,544</u>	<u>\$ 66,186</u>	<u>\$ 816,457</u>	<u>\$ 4,428,273</u>	<u>\$ 41,952</u>
<b>Solid Waste Fund:</b>					
Compensated absences	\$ 20,454	\$ 13,888	\$ 8,671	\$ 25,671	\$ 3,081
Net pension liability (LGERS)	205,237	-	136,248	68,989	-
Total OPEB liability	214,182	-	-	214,182	-
Total Solid Waste Fund	<u>\$ 439,873</u>	<u>\$ 13,888</u>	<u>\$ 144,919</u>	<u>\$ 308,842</u>	<u>\$ 3,081</u>
<b>Stormwater Fund:</b>					
Compensated absences	\$ 16,155	\$ 8,863	\$ 11,428	\$ 13,590	\$ 1,631
Net pension liability (LGERS)	45,597	-	75,371	(29,774)	-
Total Solid Waste Fund	<u>\$ 61,752</u>	<u>\$ 8,863</u>	<u>\$ 86,799</u>	<u>\$ (16,184)</u>	<u>\$ 1,631</u>
Total Business-type Activities	<u>\$ 10,636,275</u>	<u>\$ 174,417</u>	<u>\$ 1,923,055</u>	<u>\$ 8,887,637</u>	<u>\$ 61,894</u>

Compensated absences, total OPEB liability, and net pension liability for governmental activities have typically been liquidated in the General Fund.



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

**B. Inter-fund Balances and Activity**

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

From the Electric Fund to the General Fund	\$ 1,801,300
From the General Fund to the Parks and Recreation Trust Grant Fund	76,048

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided matching funds for various grant programs.

Inter-fund Activity at June 30, 2022, consists of the following:

The General Fund was due \$49,758 from the NCDOT CMAQ Fund, \$719,302 from the Disaster Recovery Fund, \$80,478 from the ESFRLP19 Fund, and \$27,533 from the Grant Project Fund. The General Fund advanced funds to assist with routine start-up costs as directed by the Town Council.

**C. Fund Balance**

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

Total Fund Balance - General Fund	\$ 6,238,916
Less restricted for:	
Inventories	106,618
Prepays	49,668
Stabilization by State Statute	2,196,583
Streets	871,235
Subsequent year's expenditures	636,429
Available Fund Balance	\$ 2,378,383

The Non-Major Governmental funds include three multi-year project funds with deficit fund balances as shown on page 77. The project ordinances for these funds authorize all appropriations necessary for completion of these projects in subsequent years.

**II. Jointly Governed Organization**

The Town, in conjunction with other local governments, is a member of the North Carolina Eastern Municipal Agency (the Agency). The Agency was formed to enable municipalities that own electric distribution systems to finance, construct, own, operate, and maintain generation and transmission facilities. Each participating government appoints one commissioner to the Agency's governing board. The 32 members, that receive power from the Agency, have signed power sales agreements to purchase a specified shared of the power generated by the Agency. Except for the power sales purchase requirements, no local government participant has any obligation, entitlement, or residual interest. The Town's purchases of power for the year ended June 30, 2022 totaled \$15,531,198.

The Town, in conjunction with 5 counties and other municipalities, established the Upper Coastal Plain Council of Governments (Council). The participating governments established the council to coordinate various funding received from federal and State agencies. Each participating

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

government appoints one member to the Council's governing board. The Town paid membership fees of \$4,951 to the Council during the fiscal year ended June 30, 2022.

**Joint Ventures**

The Town participates in two joint ventures with Edgecombe County (County) as follows: Tarboro-Edgecombe Airport Authority and Edgecombe County Memorial Library.

**Tarboro-Edgecombe Airport Authority**

The Town, in conjunction with the County, participates in a regional airport. Each government appoints three members to the seven-member board. The seventh member is jointly appointed by both governments. The Airport is a joint venture established to facilitate economic expansion within the County and improve the quality of life for its citizens. The Airport has been in existence for twenty-six years, but it is not self-sustaining. The Town has an ongoing financial responsibility for the Airport to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The Town contributed \$14,125 to the Airport during the fiscal year ended June 30, 2022. The government does not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2022. Complete financial statements for the Airport Authority can be obtained from the Airport's administrative offices at 500 Main Street, Tarboro, North Carolina 27886.

**Edgecombe County Memorial Library**

The Town also participates in a joint venture to operate a regional library with the County. Each government appoints three Board members to the six-member Board of the Library. The Town 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, 2022. In accordance with the intergovernmental agreement between governments, the Town contributed \$153,778 to the Library to supplement its activities during the year ended June 30, 2022. Complete financial statements for the Library can be obtained from the Library's offices at 909 Main Street, Tarboro, North Carolina 27886.

**III. Summary Disclosure of Significant Contingencies**

**Federal and State Assisted Programs**

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

**IV. Subsequent Events**

The Town has evaluated events from the date of the balance sheet through the date the report is available to be issued which is the date of the independent auditors' report. The Town has not evaluated subsequent events after that date. There were no subsequent events during this period that require disclosure.

**V. Related Party Transactions**

In accordance with NCGS 14-234, on December 12, 2016, the Town Council of the Town of Tarboro adopted a resolution authorizing the continuation of purchasing practices with Marrow-Pitt

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

Hardware Co, Inc. by the Town, its manager, and staff. Marrow-Pitt Hardware Co, Inc. is owned by the Mayor of the Town. The Town expended \$35,103 as of June 30, 2022.

**VI. Economic Development Incentive Agreement**

The Town of Tarboro entered into an Economic Development Incentive Agreement with LS Cable & System USA and Sara Lee Frozen Bakery, under North Carolina General Statutes 158-7.1. Under the Statute, counties and cities may grant appropriations to businesses to increase economic development. In the agreement, the Town of Tarboro is to repay LS Cable & System USA and Sara Lee Frozen Bakery 50% of its ad valorem tax base for the span of 10 years and 5 years, respectively. For the fiscal year ended June 30, 2022, the Town appropriated \$50,929 to LS Cable & System USA and \$31,303 to Sara Lee Frozen Bakery.

**VII. Prior Period Adjustments**

**Governmental Activities**

There was unrecorded local option sales tax revenue of \$254,602 in the General Fund at June 30, 2021. The effect of this adjustment was to increase beginning fund balance/net position and accounts receivable by this amount.

There were unrecorded invoices of \$16,072 in the Essential Single-Family Rehabilitation Loan Pool Fund at June 30, 2021. The effect of this adjustment was to increase prior period expenditures and decrease beginning fund balance/net position by this amount.

There were unrecorded grant receivables totaling \$287,651 in the disaster Recovery Project Fund at June 30, 2021. In addition, there were unrecorded invoices in this fund of \$25,000 at June 30, 2021. The effect of these adjustments was to increase beginning fund balance/net position by \$262,651, increase beginning accounts receivable by \$287,651 and decrease prior period expenditures by \$25,000.

The combined effect of these adjustments on the governmental funds increased beginning fund balance/net position by \$501,181, increase beginning accounts receivable by \$542,253 and increase prior period expenditures by \$41,072.

In addition, there was contributed capital consisting of land of \$9,973 and streets of \$248,303 received in fiscal year 2021 that were not recorded in the prior financial statements. The effect of this adjustment was to increase beginning non-current assets and net position (net investment in capital assets) by \$258,276.

The combined effect of these adjustments on the governmental funds increased beginning net position by \$759,457.

**Proprietary Activities**

There was adjustment to correct accounts receivable to actual at June 30, 2021 in the Electric Fund which decreased beginning net position and accounts receivable by \$658,820.

## **REQUIRED SUPPLEMENTAL FINANCIAL DATA**

This section includes additional information required by generally accepted accounting principles.

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

Schedule of Total Pension Liability as a Percentage of Covered Payroll for the Law Enforcement Officers' Special Separation Allowance

Schedule of Proportionate Share of the Net Pension Liability (Asset) for Local Government Employees' Retirement System

Schedule of Contributions for Local Government Employees' Retirement System

Schedule of Changes in the Total OPEB Liability and Related Ratios

**Town of Tarboro, North Carolina**  
**Schedule of Changes in Total Pension Liability**  
**Law Enforcement Officers' Special Separation Allowance**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2022**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Beginning balance	\$ 1,940,264	\$ 1,479,477	\$ 1,397,824	\$ 1,371,809	\$ 1,274,475	\$ 1,276,518
Service cost	77,064	53,764	49,360	49,045	38,309	41,375
Interest on the total pension liability	36,220	46,321	48,992	41,937	47,354	44,462
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the TPL	(27,207)	76,044	49,080	69,602	41,364	-
Changes of assumptions or other inputs	(41,841)	401,857	37,998	(45,212)	65,656	(25,697)
Benefit payments	(127,193)	(117,199)	(103,777)	(89,357)	(95,349)	(62,183)
Other changes	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 1,857,307</u>	<u>\$ 1,940,264</u>	<u>\$ 1,479,477</u>	<u>\$ 1,397,824</u>	<u>\$ 1,371,809</u>	<u>\$ 1,274,475</u>

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

**Note:**

The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

**Town of Tarboro, North Carolina**  
**Schedule of Total Pension Liability as a Percentage of Covered Payroll**  
**Law Enforcement Officers' Special Separation Allowance**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2022**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Total pension liability	\$ 1,857,307	\$ 1,940,264	\$ 1,479,477	\$ 1,397,824	\$ 1,371,809	\$ 1,274,475
Covered-employee payroll	\$ 1,675,723	\$ 1,707,886	\$ 1,596,855	\$ 1,472,463	\$ 1,348,012	\$ 1,440,836
Total pension liability as a percentage of covered-employee payroll	110.84%	113.61%	92.65%	94.93%	101.77%	88.45%

The Town of Tarboro has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 73 to pay related benefits.

**Note:**

The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

**Town of Tarboro**  
**Town of Tarboro's Proportionate Share of Net Pension Liability (Asset)**  
**Required Supplementary Information**  
**Last Nine Fiscal Years\***

**Local Government Employees' Retirement System**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Tarboro's proportion of the net pension liability (asset) (%)	0.11885%	0.13213%	0.12414%	0.12439%	0.11665%	0.11567%	0.12727%	0.12630%	0.12700%
Tarboro's proportion of the net pension liability (asset) (\$)	\$ 1,822,679	\$ 4,721,568	\$ 3,390,167	\$ 2,950,956	\$ 1,782,090	\$ 2,454,905	\$ 571,181	\$ (744,850)	\$ 1,530,838
Tarboro's covered payroll	\$ 8,159,008	\$ 8,329,532	\$ 7,748,462	\$ 7,714,482	\$ 7,195,482	\$ 6,733,997	\$ 6,073,633	\$ 5,896,667	\$ 6,110,651
Tarboro's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	22.34%	56.68%	43.75%	38.25%	24.77%	36.46%	9.40%	(12.63%)	25.05%
Plan fiduciary net position as a percentage of the total pension liability**	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

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

**Note:**

The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

**Town of Tarboro**  
**Town of Tarboro's Contributions**  
**Required Supplementary Information**  
**Last Nine Fiscal Years\***

**Local Government Employees' Retirement System**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 977,876	\$ 813,391	\$ 762,355	\$ 616,588	\$ 573,242	\$ 537,323	\$ 459,711	\$ 437,582	\$ 429,301
Contributions in relation to the contractually required contribution	977,876	813,391	762,355	616,588	573,242	537,323	459,711	437,582	429,301
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Tarboro's covered payroll	\$ 8,485,843	\$ 8,159,008	\$ 8,329,532	\$ 7,748,462	\$ 7,714,482	\$ 7,195,482	\$ 6,733,997	\$ 6,073,633	\$ 5,896,667
Contributions as a percentage of covered payroll	11.52%	9.97%	9.15%	7.96%	7.43%	7.47%	6.83%	7.20%	7.28%

**Note:**

The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.



**Town of Tarboro, North Carolina**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**Required Supplementary Information**  
**June 30, 2022**

<b>Total OPEB Liability</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Service cost	\$ 675,136	\$ 421,973	\$ 521,000	\$ 557,224	\$ 639,330
Interest	629,484	754,071	844,897	791,569	716,306
Changes of benefit terms	-	498,870	-	-	-
Differences between expected and actual experience	(3,442,303)	7,966	(1,070,375)	(11,553)	(37,086)
Changes of assumptions	1,090,593	5,622,982	(310,407)	(1,284,623)	(2,344,207)
Benefit payments	(643,590)	(595,750)	(567,759)	(568,683)	(506,103)
<b>Net change in total OPEB liability</b>	<b>(1,690,680)</b>	<b>6,710,112</b>	<b>(582,644)</b>	<b>(516,066)</b>	<b>(1,531,760)</b>
<b>Total OPEB liability - beginning</b>	<b>28,128,352</b>	<b>21,418,240</b>	<b>22,000,884</b>	<b>22,516,950</b>	<b>24,048,710</b>
<b>Total OPEB liability - ending</b>	<b>\$ 26,437,672</b>	<b>\$ 28,128,352</b>	<b>\$ 21,418,240</b>	<b>\$ 22,000,884</b>	<b>\$ 22,516,950</b>
 Covered-Employee Payroll	 \$ 3,796,405	 \$ 4,490,217	 \$ 4,490,217	 \$ 4,897,194	 \$ 4,897,194
Total OPEB Liability as a percentage of covered-employee payroll	696.39%	626.44%	477.00%	449.25%	459.79%

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>
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

## **MAJOR GOVERNMENTAL FUNDS**

**Town of Tarboro, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Annual Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues:</b>			
<b>Ad valorem taxes</b>			
Taxes	\$ -	\$ 3,831,482	\$ -
Penalties and interest	-	24,148	-
Total	<u>3,882,250</u>	<u>3,855,630</u>	<u>(26,620)</u>
<b>Other taxes and licenses</b>			
Late listings	-	5,484	-
Cable TV franchise	-	149,203	-
Rental vehicle tax	-	9,327	-
Auto sticker fees	-	46,157	-
Miscellaneous	-	576	-
Total	<u>234,500</u>	<u>210,747</u>	<u>(23,753)</u>
<b>Unrestricted intergovernmental</b>			
Local option sales tax	-	3,175,792	-
Utility sales tax	-	876,965	-
Beer and wine tax	-	42,097	-
ABC profit distribution	-	62,260	-
Total	<u>3,740,000</u>	<u>4,157,114</u>	<u>417,114</u>
<b>Restricted intergovernmental</b>			
Powell Bill allocation	-	336,148	-
Federal nutrition program	-	51,797	-
Federal aging program	-	17,840	-
Other grants	-	54,324	-
Total	<u>413,440</u>	<u>460,109</u>	<u>46,669</u>
<b>Permits and fees</b>			
Building permits	-	96,220	-
Fees	-	25,842	-
Total	<u>115,150</u>	<u>122,062</u>	<u>6,912</u>
<b>Sales and Services</b>			
Recreation department fees	-	176,482	-
Sale of cemetery lots	-	62,500	-
Rent revenue	-	24,822	-
Total	<u>218,000</u>	<u>263,804</u>	<u>45,804</u>
<b>Investment earnings</b>	<u>8,000</u>	<u>19,386</u>	<u>11,386</u>

**Town of Tarboro, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Annual Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Miscellaneous</b>			
Sale of materials and property	-	8,300	-
Other	-	85,457	-
Total	73,445	93,757	20,312
<b>Charges for Services</b>			
Electric	-	312,500	-
Water and sewer	-	187,500	-
Stormwater	-	37,500	-
Solid waste	-	15,000	-
Total	552,500	552,500	-
<b>Total revenues</b>	<b>9,237,285</b>	<b>9,735,109</b>	<b>497,824</b>
<b>Expenditures:</b>			
<b>General Government:</b>			
<b>Governing Body</b>			
Salaries and employee benefits	-	57,791	-
Operating expenditures	-	18,161	-
Total	83,805	75,952	7,853
<b>Administration</b>			
Salaries and employee benefits	-	131,658	-
Operating expenditures	-	690,373	-
Total	852,138	822,031	30,107
<b>Elections</b>			
Operating expenditures	30,060	30,058	2
<b>Finance - Accounting</b>			
Salaries and employee benefits	-	62,430	-
Operating expenditures	-	71,508	-
Total	159,586	133,938	25,648
<b>Finance - Administration</b>			
Salaries and employee benefits	-	56,780	-
Operating expenditures	-	32,592	-
Total	101,065	89,372	11,693
<b>Finance - Collections</b>			
Salaries and employee benefits	-	75,427	-
Operating expenditures	-	42,070	-
Total	129,280	117,497	11,783

**Town of Tarboro, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Annual Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Technology</b>			
Operating expenditures	-	228,754	-
Capital Outlay	-	7,670	-
Total	314,750	236,424	78,326
<b>Garage</b>			
Salaries and employee benefits	-	78,643	-
Operating expenditures	-	29,025	-
Total	132,400	107,668	24,732
<b>Buildings and Grounds</b>			
Salaries and employee benefits	-	441,171	-
Operating expenditures	-	258,020	-
Capital outlay	-	111,320	-
Total	903,995	810,511	93,484
<b>Planning and Economic Development</b>			
Salaries and employee benefits	-	268,006	-
Operating expenditures	-	79,032	-
Total	432,015	347,038	84,977
<b>Public Works</b>			
Salaries and employee benefits	-	91,938	-
Operating expenditures	-	5,718	-
Total	104,120	97,656	6,464
<b>Payments to Outside Agencies</b>			
Tarboro-Edgecombe Airport	-	14,125	-
Edgecombe County Library	-	153,778	-
Upper Coastal Plain COG	-	4,951	-
Carolinas Gateway Partnership	-	55,000	-
Total	228,228	227,854	374
<b>Total general government</b>	<b>3,471,442</b>	<b>3,095,999</b>	<b>375,443</b>
<b>Public Safety:</b>			
<b>Police</b>			
Salaries and employee benefits	-	2,908,156	-
Operating expenditures	-	338,756	-
Capital outlay	-	45,308	-
Total	3,513,932	3,292,220	221,712
<b>Fire</b>			
Salaries and employee benefits	-	1,703,822	-
Operating expenditures	-	182,660	-
Capital Outlay	-	185,344	-
Total	2,166,696	2,071,826	94,870

**Town of Tarboro, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Annual Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Animal Control</b>			
Salaries and employee benefits	-	67,260	-
Operating expenditures	-	16,420	-
Total	<u>91,025</u>	<u>83,680</u>	<u>7,345</u>
<b>Total public safety</b>	<u>5,771,653</u>	<u>5,447,726</u>	<u>323,927</u>
<b>Transportation:</b>			
<b>Streets and Highways</b>			
Salaries and employee benefits	-	329,773	-
Operating expenditures	-	424,009	-
Capital outlay	-	200,331	-
Total transportation	<u>1,155,000</u>	<u>954,113</u>	<u>200,887</u>
<b>Cultural and recreational:</b>			
<b>Parks and Recreation</b>			
Salaries and employee benefits	-	1,080,572	-
Operating expenditures	-	565,032	-
Capital outlay	-	46,376	-
Total cultural and recreational	<u>1,899,854</u>	<u>1,691,980</u>	<u>207,874</u>
<b>Total expenditures</b>	<u>12,297,949</u>	<u>11,189,818</u>	<u>1,108,131</u>
<b>Revenues over (under) expenditures</b>	<u>(3,060,664)</u>	<u>(1,454,709)</u>	<u>1,605,955</u>
<b>Other financing sources (uses):</b>			
Appropriated fund balance	1,259,364	-	(1,259,364)
Loss on sale of inventory	-	(694)	(694)
Transfers to other funds	-	(76,048)	(76,048)
Transfers from other funds	1,801,300	1,801,300	-
Total other financing sources (uses)	<u>3,060,664</u>	<u>1,724,558</u>	<u>(1,336,106)</u>
<b>Revenues and other financing sources over expenditures and other financing uses</b>	<u>\$ -</u>	<u>269,849</u>	<u>\$ 269,849</u>
 Fund balance, beginning (as originally stated)		5,714,465	
Prior period adjustment		254,602	
Fund balance, beginning (as restated)		<u>5,969,067</u>	
Fund balance, ending		<u>\$ 6,238,916</u>	

**Town of Tarboro, North Carolina**  
**ARP Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Project To Date</u>	<u>Variance</u>
<b>Revenues:</b>					
Restricted intergovernmental	\$ 3,414,843	\$ -	\$ 186,780	\$ 186,780	\$ (3,228,063)
<b>Expenditures</b>					
Capital outlay	<u>3,414,843</u>	<u>-</u>	<u>186,780</u>	<u>186,780</u>	<u>3,228,063</u>
Revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ -</u>		

## **NON-MAJOR GOVERNMENTAL FUNDS**



Town of Tarboro, North Carolina  
Combining Balance Sheet  
Non-Major Governmental Funds  
For the Year Ended June 30, 2022

	Special Revenue				Capital Projects				
	Emergency Telephone System Fund	Law Enforcement Fund	Employee Relief Fund	Disaster Relief Fund	Disaster Recovery Project Fund	Essential Single-Family Rehabilitation Loan Pool Fund	NC DOT CMAQ Fund	Grant Project Fund	Total Non-Major Governmental Funds
<b>Assets:</b>									
Cash and cash equivalents	\$ 97,193	\$ 58,728	\$ 400	\$ 391,885	\$ -	\$ -	\$ -	\$ -	\$ 548,206
Accrued interest receivable	138	59	-	-	-	-	-	-	197
Due from other governments	8,441	-	-	-	248,034	77,847	-	36,053	370,375
Total assets	<u>105,772</u>	<u>58,787</u>	<u>400</u>	<u>391,885</u>	<u>248,034</u>	<u>77,847</u>	<u>-</u>	<u>36,053</u>	<u>918,778</u>
<b>Liabilities and Fund Balances:</b>									
Liabilities:									
Accounts payable	10,486	-	-	-	-	38,260	-	8,520	57,266
Due to other funds	-	-	-	-	719,302	80,478	49,758	27,533	877,071
Total liabilities	<u>10,486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>719,302</u>	<u>118,738</u>	<u>49,758</u>	<u>36,053</u>	<u>934,337</u>
Fund Balances:									
Restricted:									
Public safety	95,286	58,787	-	-	-	-	-	-	154,073
Unassigned	-	-	400	391,885	(471,268)	(40,891)	(49,758)	-	(169,632)
Total fund balances	<u>95,286</u>	<u>58,787</u>	<u>400</u>	<u>391,885</u>	<u>(471,268)</u>	<u>(40,891)</u>	<u>(49,758)</u>	<u>-</u>	<u>(15,559)</u>
Total liabilities and fund balances	<u>\$ 105,772</u>	<u>\$ 58,787</u>	<u>\$ 400</u>	<u>\$ 391,885</u>	<u>\$ 248,034</u>	<u>\$ 77,847</u>	<u>\$ -</u>	<u>\$ 36,053</u>	<u>\$ 918,778</u>

Town of Tarboro, North Carolina  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Non-Major Governmental Funds  
For the Year Ended June 30, 2022

	Special Revenue				Capital Projects					
	Emergency Telephone System Fund	Law Enforcement Fund	Employee Relief Fund	Disaster Relief Fund	Disaster Recovery Project Fund	Essential Single-Family Rehabilitation Loan Pool Fund	NC DOT CMAQ Fund	Parks and Recreation Trust Grant Fund	Grant Project Fund	Total Non-Major Governmental Funds
<b>Revenues</b>										
Restricted intergovernmental	\$ 91,381	\$ 1,624	\$ -	\$ -	\$ 418,954	\$ 250,707	\$ -	\$ -	\$ 36,053	\$ 798,719
Miscellaneous revenues	42	-	-	-	-	-	-	-	-	42
Investment earnings	392	280	-	-	-	-	-	-	-	672
Total revenues	<u>91,815</u>	<u>1,904</u>	<u>-</u>	<u>-</u>	<u>418,954</u>	<u>250,707</u>	<u>-</u>	<u>-</u>	<u>36,053</u>	<u>799,433</u>
<b>Expenditures</b>										
General government	-	-	-	-	418,954	250,782	-	-	36,053	705,789
Public safety	70,600	7,000	-	-	-	-	-	-	-	77,600
Capital outlay	-	-	-	-	-	-	8,651	-	-	8,651
Total expenditures	<u>70,600</u>	<u>7,000</u>	<u>-</u>	<u>-</u>	<u>418,954</u>	<u>250,782</u>	<u>8,651</u>	<u>-</u>	<u>36,053</u>	<u>792,040</u>
Revenues over (under) expenses	21,215	(5,096)	-	-	-	(75)	(8,651)	-	-	7,393
<b>Other financing sources:</b>										
Transfer from General Fund	-	-	-	-	-	-	-	76,048	-	76,048
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>21,215</u>	<u>(5,096)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75)</u>	<u>(8,651)</u>	<u>76,048</u>	<u>-</u>	<u>83,441</u>
Fund balance, beginning (as originally stated)	74,071	63,883	400	391,885	(733,919)	(24,744)	(41,107)	(76,048)	-	(345,579)
Prior period adjustment	-	-	-	-	262,651	(16,072)	-	-	-	246,579
Fund balance, beginning (as restated)	<u>74,071</u>	<u>63,883</u>	<u>400</u>	<u>391,885</u>	<u>(471,268)</u>	<u>(40,816)</u>	<u>(41,107)</u>	<u>(76,048)</u>	<u>-</u>	<u>(99,000)</u>
Fund balance, ending	<u>\$ 95,286</u>	<u>\$ 58,787</u>	<u>\$ 400</u>	<u>\$ 391,885</u>	<u>\$ (471,268)</u>	<u>\$ (40,891)</u>	<u>\$ (49,758)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,559)</u>

**Town of Tarboro, North Carolina**  
**Emergency Telephone System Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Restricted intergovernmental	\$ 91,380	\$ 91,381	\$ 1
Investment earnings	250	392	142
Miscellaneous revenues	-	42	42
Total revenues	<u>91,630</u>	<u>91,815</u>	<u>185</u>
<b>Expenditures</b>			
Public safety	<u>91,630</u>	<u>70,600</u>	<u>21,030</u>
Revenues over expenditures	<u>\$ -</u>	<u>21,215</u>	<u>\$ 21,215</u>
Fund balance, beginning		<u>74,071</u>	
Fund balance, ending		<u>\$ 95,286</u>	

**Town of Tarboro, North Carolina**  
**Law Enforcement Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Restricted intergovernmental	\$ 1,350	\$ 1,624	\$ 274
Unrestricted Intergovernmental	2,500	-	(2,500)
Investment earnings	150	280	130
Total revenues	<u>4,000</u>	<u>1,904</u>	<u>(2,096)</u>
<b>Expenditures</b>			
Public safety	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Revenues under expenditures	(3,000)	(5,096)	(2,096)
<b>Other financing sources:</b>			
Appropriated fund balance	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
Deficiency of revenues and other financing sources under expenditures	<u>\$ -</u>	<u>(5,096)</u>	<u>\$ (5,096)</u>
Fund balance, beginning		<u>63,883</u>	
Fund balance, ending		<u>\$ 58,787</u>	

**Town of Tarboro, North Carolina**  
**Employee Relief Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Miscellaneous revenues	\$ -	\$ -	\$ -
<b>Expenditures</b>			
General government	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, beginning		<u>400</u>	
Fund balance, ending		<u>\$ 400</u>	

**Town of Tarboro, North Carolina**  
**Disaster Relief Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Restricted intergovernmental	\$ 500,000	\$ -	\$ (500,000)
<b>Expenditures</b>			
General government	100,000	-	100,000
Electric	100,000	-	100,000
Water and Sewer	100,000	-	100,000
Solid Waste	100,000	-	100,000
Stormwater	100,000	-	100,000
Total expenditures	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Revenues over (under) expenses	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, beginning		<u>391,885</u>	
Fund balance, ending		<u>\$ 391,885</u>	

**Town of Tarboro, North Carolina**  
**Disaster Recovery Project Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Project To Date</u>	<u>Variance</u>
<b>Revenues:</b>					
Restricted intergovernmental	\$ 2,908,560	\$ 622,005	\$ 418,954	\$ 1,040,959	\$ (1,867,601)
<b>Expenditures</b>					
HMGP - Acquisition	835,194	575,220	-	575,220	259,974
HMGP - Elevation	899,866	182,109	52,504	234,613	665,253
CDBG - NR	750,000	287,651	366,450	654,101	95,899
SARF	423,500	48,293	-	48,293	375,207
Total expenditures	<u>2,908,560</u>	<u>1,093,273</u>	<u>418,954</u>	<u>1,512,227</u>	<u>1,396,333</u>
Revenues under expenditures	<u>\$ -</u>	<u>\$ (471,268)</u>	<u>-</u>	<u>\$ (471,268)</u>	<u>\$ (471,268)</u>
Fund balance, beginning (as originally stated)			(733,919)		
Prior period adjustment			262,651		
Fund balance, beginning (as restated)			<u>\$ (471,268)</u>		
Fund balance, ending			<u>\$ (471,268)</u>		

**Town of Tarboro, North Carolina**  
**Essential Single-Family Rehabilitation Loan Pool Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Project To Date</u>	<u>Variance</u>
<b>Revenues:</b>					
Restricted intergovernmental	\$ 1,519,625	\$ 146,569	\$ 250,707	\$ 397,276	\$ (1,122,349)
<b>Expenditures</b>					
Contracted Services	<u>1,519,625</u>	<u>187,385</u>	<u>250,782</u>	<u>438,167</u>	<u>1,081,458</u>
Revenues under expenses	<u>\$ -</u>	<u>\$ (40,816)</u>	<u>(75)</u>	<u>\$ (40,891)</u>	<u>\$ (40,891)</u>
Fund balance, beginning (as originally stated)			(24,744)		
Prior period adjustment			<u>(16,072)</u>		
Fund balance, beginning (as restated)			<u>(40,816)</u>		
Fund balance, ending			<u>\$ (40,891)</u>		



**Town of Tarboro, North Carolina**  
**NC DOT CMAQ Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Project To Date</u>	<u>Variance</u>
<b>Revenues:</b>					
Restricted intergovernmental	\$ 420,000	\$ -	\$ -	\$ -	\$ (420,000)
<b>Expenditures</b>					
Capital Outlay - Construction	<u>525,000</u>	<u>41,107</u>	<u>8,651</u>	<u>49,758</u>	<u>475,242</u>
Revenues over (under) expenses	(105,000)	(41,107)	(8,651)	(49,758)	55,242
<b>Other financing sources (uses):</b>					
Transfer from General Fund	<u>105,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(105,000)</u>
Deficiency of revenues and other financing sources under expenditures	<u>\$ -</u>	<u>\$ (41,107)</u>	(8,651)	<u>\$ (49,758)</u>	<u>\$ (49,758)</u>
Fund balance, beginning			<u>(41,107)</u>		
Fund balance, ending			<u>\$ (49,758)</u>		

**Town of Tarboro, North Carolina**  
**Parks and Recreation Trust Grant Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Project To Date</u>	<u>Variance</u>
<b>Revenues:</b>					
Restricted intergovernmental	\$ 80,000	\$ 80,000	\$ -	\$ 80,000	\$ -
<b>Expenditures</b>					
Capital Outlay - Construction	<u>160,000</u>	<u>156,048</u>	<u>-</u>	<u>156,048</u>	<u>3,952</u>
Revenues over (under) expenses	(80,000)	(76,048)	-	(76,048)	3,952
<b>Other financing sources (uses):</b>					
Transfer from General Fund	<u>80,000</u>	<u>-</u>	<u>76,048</u>	<u>76,048</u>	<u>(3,952)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (76,048)</u>	76,048	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>(76,048)</u>		
Fund balance, ending			<u>\$ -</u>		

**Town of Tarboro, North Carolina**  
**Grant Project Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Project To Date</u>	<u>Variance</u>
<b>Revenues:</b>					
Restricted intergovernmental	\$ 300,000	\$ -	\$ 36,053	\$ 36,053	\$ (263,947)
<b>Expenditures</b>					
Contracted Services	<u>300,000</u>	<u>-</u>	<u>36,053</u>	<u>36,053</u>	<u>263,947</u>
Revenues over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ -</u>		

## **ENTERPRISE FUNDS**

**Town of Tarboro, North Carolina**  
**Electric Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues:</b>			
Operating revenues:			
Electricity sales		\$ 21,861,293	
Other operating revenues		1,043,893	
Total operating revenues	<u>23,754,500</u>	<u>22,905,186</u>	<u>(849,314)</u>
Non-operating revenues:			
Interest on investments		55,711	
Sale of equipment and materials		51,131	
Miscellaneous		5,089	
Total non-operating revenues	<u>89,000</u>	<u>111,931</u>	<u>22,931</u>
Total revenues	<u>23,843,500</u>	<u>23,017,117</u>	<u>(826,383)</u>
<b>Expenditures:</b>			
Administration and operations:			
Salaries and employee benefits		2,323,763	
Administration		866,407	
Operations		606,822	
Total administration and operations	<u>3,694,000</u>	<u>3,796,992</u>	<u>(102,992)</u>
Other operating expenditures:			
Load management	<u>167,000</u>	<u>186,819</u>	<u>(19,819)</u>
Electrical power purchases	<u>17,770,000</u>	<u>16,928,740</u>	<u>841,260</u>
Capital outlay:			
Distribution system		222,683	
Equipment		123,723	
Total capital outlay	<u>504,700</u>	<u>346,406</u>	<u>158,294</u>
Total expenditures	<u>22,135,700</u>	<u>21,258,957</u>	<u>876,743</u>
Revenues over expenditures	<u>1,707,800</u>	<u>1,758,160</u>	<u>50,360</u>

**Town of Tarboro, North Carolina**  
**Electric Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Other financing sources (uses):</b>			
Capital Outlay Reserve Appropriation	\$ 93,500	\$ -	\$ (93,500)
Transfer to the General Fund - PILOT	(226,300)	(226,300)	-
Transfer to the General Fund	(1,575,000)	(1,575,000)	-
Total other financing sources (uses)	<u>(1,707,800)</u>	<u>(1,801,300)</u>	<u>(93,500)</u>
 Revenues and other financing sources under expenditures and other financing uses	 <u>\$ -</u>	 <u>(43,140)</u>	 <u>\$ (43,140)</u>
 <b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
 <b>Revenues and other financing sources under expenditures and other financing uses</b>		(43,140)	
 Reconciling items:			
Capital outlay		346,406	
Depreciation		(1,620,118)	
Increase in deferred outflows of resources - pensions		49,614	
Decrease in net pension liability		565,283	
Increase in deferred inflows of resources - pensions		(561,670)	
Decrease in compensated absences		1,623	
Net effect of OPEB liability		(16,543)	
Total reconciling items		<u>(1,235,405)</u>	
 <b>Net income (loss)</b>		 <u><u>\$ (1,278,545)</u></u>	

**Town of Tarboro, North Carolina**  
**Water and Sewer Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>			
Operating revenues:			
Water and sewer sales		\$ 4,017,788	
Water and sewer taps		39,694	
Other operating revenues		53,224	
Total operating revenues	<u>4,559,500</u>	<u>4,110,706</u>	<u>(448,794)</u>
Non-operating revenues:			
Interest earnings		10,225	
Miscellaneous		56,611	
Total non-operating revenues	<u>11,000</u>	<u>66,836</u>	<u>55,836</u>
Total revenues	<u>4,570,500</u>	<u>4,177,542</u>	<u>(392,958)</u>
<b>Expenditures:</b>			
Water and sewer administration:			
Salaries and employee benefits		2,306,225	
Professional services		11,023	
Administration		543,848	
Total water and sewer administration	<u>3,111,800</u>	<u>2,861,096</u>	<u>250,704</u>
Water treatment and distribution:			
Utilities		133,756	
Other operating expenditures		464,441	
Total water treatment and distribution	<u>691,470</u>	<u>598,197</u>	<u>93,273</u>
Waste water collection and treatment:			
Utilities		183,714	
Other operating expenditures		332,198	
Total waste water collection and treatment	<u>711,311</u>	<u>515,912</u>	<u>195,399</u>
Debt service:			
Principal retirement	<u>29,479</u>	<u>29,478</u>	<u>1</u>
Capital outlay:			
Equipment		-	
Water treatment		-	
Water distribution		40,910	
Sewer treatment		74,049	
Total capital outlay	<u>840,085</u>	<u>114,959</u>	<u>725,126</u>
Total expenditures	<u>5,384,145</u>	<u>4,119,642</u>	<u>1,264,503</u>
<b>Revenues over (under) expenditures</b>	<u>(813,645)</u>	<u>57,900</u>	<u>871,545</u>

**Town of Tarboro, North Carolina  
Water and Sewer Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (Non - GAAP)  
For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Other financing sources:</b>			
Capital Outlay Reserve Appropriation	\$ 392,772	\$ -	\$ (392,772)
Fund Balance Appropriated	420,873	-	(420,873)
Total other financing sources	<u>813,645</u>	<u>-</u>	<u>(813,645)</u>
 <b>Revenues and other sources over expenditures</b>	 <u>\$ -</u>	 <u>\$ 57,900</u>	 <u>\$ 57,900</u>

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

**Revenues and other sources over expenditures** \$ 57,900

**Reconciling items:**

Principal repayment on long-term debt	29,478
Capital outlay	114,959
Depreciation	(1,087,844)
Increase in deferred outflows of resources - pensions	45,798
Decrease in net pension liability	521,800
Increase in deferred inflows of resources - pensions	(518,466)
Increase in compensated absences	(13,518)
Net effect of OPEB liability	<u>(28,542)</u>
Total reconciling items	<u>(936,335)</u>

**Net income (loss)** \$ (878,435)



**Town of Tarboro, North Carolina  
Solid Waste Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (Non - GAAP)  
For the Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>			
Operating revenues:			
Solid waste collection & disposal charges		\$ 1,230,968	
Other operating revenues		8,056	
Total operating revenues	<u>1,223,000</u>	<u>1,239,024</u>	<u>16,024</u>
Non-operating revenues:			
Interest earnings		2,212	
Sale of equipment and materials		3,620	
Total non-operating revenues	<u>6,500</u>	<u>5,832</u>	<u>(668)</u>
Total revenues	<u>1,229,500</u>	<u>1,244,856</u>	<u>15,356</u>
<b>Expenditures:</b>			
Solid waste collection and disposal:			
Salaries and employee benefits		606,212	
Sanitary landfill fees		334,381	
Administration		287,653	
Total solid waste collection and disposal	<u>1,319,500</u>	<u>1,228,246</u>	<u>91,254</u>
Capital outlay	<u>172,487</u>	<u>-</u>	<u>172,487</u>
Total expenditures	<u>1,491,987</u>	<u>1,228,246</u>	<u>263,741</u>
<b>Revenues over (under) expenditures</b>	<u>(262,487)</u>	<u>16,610</u>	<u>279,097</u>
<b>Other financing sources:</b>			
Installment proceeds	160,000	-	(160,000)
Capital outlay reserve appropriation	42,487	-	(42,487)
Appropriated fund balance	60,000	-	(60,000)
Total other financing sources	<u>262,487</u>	<u>-</u>	<u>(262,487)</u>
<b>Revenues and other financing sources over expenditures</b>	<u>\$ -</u>	<u>\$ 16,610</u>	<u>\$ 16,610</u>
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
<b>Revenues and other financing sources over expenditures</b>		\$ 16,610	
<b>Reconciling items:</b>			
Depreciation		(24,197)	
Increase in deferred outflows of resources - pensions		11,958	
Decrease in net pension liability		136,248	
Increase in deferred inflows of resources - pensions		(135,377)	
Increase in compensated absences		(5,217)	
Decrease in deferred outflows of resources - OPEB		(5,047)	
Total reconciling items		<u>(21,632)</u>	
<b>Net income (loss)</b>		<u>\$ (5,022)</u>	

**Town of Tarboro, North Carolina  
Stormwater Fund  
Schedule of Revenues and Expenditures  
Budget and Actual (Non - GAAP)  
For the Year Ended June 30, 2022**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Operating revenues:			
Stormwater fee		\$ 565,865	
Total operating revenues	562,000	565,865	3,865
Non-operating revenues:			
Interest earnings		1,580	
Other operating revenues		135	
Total non-operating revenues	1,000	1,715	715
Total revenues	563,000	567,580	4,580
<b>Expenditures:</b>			
Stormwater collection			
Salaries and employee benefits		336,655	
Administration		98,536	
Total solid waste collection and disposal	475,850	435,191	40,659
Capital outlay	215,580	148,203	67,377
Total expenditures	691,430	583,394	108,036
<b>Revenues over (under) expenditures</b>	(128,430)	(15,814)	112,616
<b>Other financing sources:</b>			
Appropriated fund balance	128,430	-	(128,430)
Total other financing sources	128,430	-	(128,430)
<b>Revenues and other financing sources under expenditures</b>	\$ -	\$ (15,814)	\$ (15,814)

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

<b>Revenues and other financing sources under expenditures</b>	<b>\$ (15,814)</b>
--	--------------------

**Reconciling items:**

Capital outlay	148,203
Depreciation	(39,664)
Decrease in compensated absences	2,419
Increase in deferred outflows of resources - pensions	6,615
Decrease in net pension liability	75,371
Increase in deferred inflows of resources - pensions	(74,889)
Total reconciling items	<u>118,055</u>

**Net income (loss)**

## **OTHER SUPPLEMENTAL SCHEDULES**

This section contains additional information on cash balances and property taxes.

**Town of Tarboro, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**June 30, 2022**

Fiscal Year	Uncollected Balance July 1, 2021	Additions	Collections And Credits	Uncollected Balance June 30, 2022
2021-2022	\$ -	\$ 3,917,560	\$ 3,744,750	\$ 172,810
2020-2021	149,443	-	87,214	62,229
2019-2020	45,896	-	12,537	33,359
2018-2019	27,111	-	4,462	22,649
2017-2018	14,085	-	1,142	12,943
2016-2017	13,608	-	1,377	12,231
2015-2016	11,867	-	1,498	10,369
2014-2015	8,080	-	242	7,838
2013-2014	8,062	-	307	7,755
2012-2013	19,584	-	46	19,538
Prior years	43,435	-	2,477	40,958
	<u>\$ 341,171</u>	<u>\$ 3,917,560</u>	<u>\$ 3,856,052</u>	<u>402,679</u>

Less: allowance for uncollectible accounts  
General Fund

(11,082)

Ad valorem taxes receivable, net

\$ 391,597

Reconciliation with Revenues:

Ad valorem taxes:

General Fund

\$ 3,855,630

Reconciling items:

Adjustments

27,901

Interest

(27,479)

Total reconciling items

422

Total collections and credits

\$ 3,856,052

**Town of Tarboro, North Carolina**  
**Analysis of Current Tax Levy**  
**Town - Wide Levy**  
**For the Fiscal Year Ended June 30, 2022**

				Total Levy	
	Town - Wide			Property excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rate	Total Levy		
<b>Original levy:</b>					
Property taxed at current year's rate:					
Real estate	\$ 591,988,049	0.41	\$ 2,427,151	\$ 2,427,151	\$ -
Personal property	221,141,463	0.41	906,680	906,680	-
GAP Tax			5,391	5,391	-
Gross levy	813,129,512		3,339,222	3,339,222	-
<b>Add:</b>					
Motor vehicles taxed at current year's rate	101,475,854	0.41	416,051	-	416,051
Other afterlists (1)	39,582,195	0.41	162,287	162,287	-
<b>Net levy</b>	<u>\$ 954,187,561</u>		<u>3,917,560</u>	<u>3,501,509</u>	<u>416,051</u>
Uncollected taxes at June 30, 2022			<u>127,737</u>	<u>126,765</u>	<u>972</u>
<b>Current year's taxes collected</b>			<u>\$ 3,789,823</u>	<u>\$ 3,374,744</u>	<u>\$ 415,079</u>
<b>Current levy collection percentage</b>			<u>96.74%</u>	<u>96.38%</u>	<u>99.77%</u>

(1) Includes public service companies; also includes discoveries at varying tax rates.

## STATISTICAL SCHEDULE

This part of the Town of Tarboro's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i>	96
<b>Revenue Capacity</b> <i>These schedules contain information that helps the reader assess the Town's most significant revenue source, the property tax.</i>	99
<b>Debt Capacity</b> <i>This schedule presents information to help the reader assess the affordability of the Town's ability to issue debt in the future.</i>	107
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	109
<b>Operating Information</b> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.</i>	112

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the

**Town of Tarboro, North Carolina**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities</b>										
Net investment in capital assets	16,224	14,942	13,954	10,069	12,574	11,637	11,414	10,755	9,636	9,359
Restricted	1,980	2,098	2,187	1,964	2,274	2,614	2,119	2,869	3,153	3,222
Unrestricted	1,641	766	275	3,106	(1,968)	(16,460)	(16,383)	(17,539)	(18,472)	(17,880)
Total governmental activities net position	<u>19,845</u>	<u>17,806</u>	<u>16,416</u>	<u>15,139</u>	<u>12,880</u>	<u>(2,209)</u>	<u>(2,850)</u>	<u>(3,915)</u>	<u>(5,683)</u>	<u>(5,299)</u>
<b>Business Type Activities</b>										
Net investment in capital assets	36,361	34,535	33,035	31,946	31,552	30,920	29,698	29,684	28,672	26,539
Restricted	-	-	-	1,028	-	-	-	-	-	-
Unrestricted	6,960	6,766	7,552	10,529	12,626	12,518	12,054	10,451	9,677	9,091
Total business-type activities net position	<u>43,321</u>	<u>41,301</u>	<u>40,587</u>	<u>43,503</u>	<u>44,178</u>	<u>43,438</u>	<u>41,752</u>	<u>40,135</u>	<u>38,349</u>	<u>35,630</u>
<b>Primary Government</b>										
Net investment in capital assets	52,585	49,477	46,989	42,015	44,126	42,557	41,112	40,439	38,308	35,898
Restricted	1,980	2,098	2,187	2,992	2,274	2,614	2,119	2,869	3,153	3,222
Unrestricted	8,601	7,532	7,827	13,635	10,658	(3,942)	(4,329)	(7,088)	(8,795)	(8,789)
Total primary government net position	<u>63,166</u>	<u>59,107</u>	<u>57,003</u>	<u>58,642</u>	<u>57,058</u>	<u>41,229</u>	<u>38,902</u>	<u>36,220</u>	<u>32,666</u>	<u>30,331</u>

**Note:**

Beginning in 2013, the town began reporting net position rather than net assets, in conformity with GASB Statement 63. Prior to that time, net investment in capital assets was labeled invested in capital assets, net of related debt.

**Town of Tarboro, North Carolina**  
**Changes in NetPosition**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities:										
General Government	2,029	3,561	2,819	3,021	4,443	3,522	3,064	3,332	4,459	4,476
Public safety	3,969	4,503	4,309	4,354	4,458	4,630	4,698	5,620	6,007	5,636
Transportation	1,054	2,397	1,932	1,992	1,945	1,936	1,902	1,696	1,226	950
Cultural and recreation	2,418	1,173	1,115	1,287	1,368	1,365	1,153	1,654	1,708	1,886
Total governmental activities expenses	9,470	11,634	10,175	10,654	12,214	11,453	10,817	12,302	13,400	12,948
Business Type Activities:										
Water & Sewer	4,252	28,399	4,844	4,771	4,853	4,778	4,960	4,861	5,176	22,494
Electric	27,743	4,684	27,883	22,397	22,998	19,424	23,400	21,435	21,035	5,056
Solid Waste	975	875	920	976	1,102	1,127	1,366	1,246	1,208	1,250
Stormwater	-	-	-	-	-	-	100	439	482	465
Total business-type activities expenses	32,970	33,958	33,647	28,144	28,953	25,329	29,826	27,981	27,901	29,265
Total primary government expenses	42,440	45,592	43,822	38,798	41,167	36,782	40,643	40,283	41,301	42,213
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General Government	52	1,466	507	770	712	395	128	122	184	762
Public Safety	214	32	176	133	25	75	62	32	41	-
Transportation	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	169	185	197	154	139	156	135	96	77	176
Operating Grants and Contributions	577	624	645	440	1,765	1,319	447	854	896	1,259
Capital Grants and Contributions	-	-	-	-	-	-	-	-	80	187
Total governmental activities program revenues	1,012	2,307	1,525	1,497	2,641	1,945	772	1,104	1,278	2,384
Business Type Activities:										
Charges for services:										
Electric	28,197	28,510	28,956	26,117	24,095	23,308	23,040	21,851	20,722	21,861
Water & Sewer	4,074	3,883	4,088	4,314	4,403	4,321	4,430	4,213	3,931	4,057
Solid Waste	1,005	1,019	1,023	1,036	1,029	1,081	1,093	1,081	1,098	1,231
Stormwater	-	-	-	-	-	-	574	567	566	566
Operating Grants and Contributions	177	131	67	-	-	-	-	-	1,208	1,106
Capital Grants and Contributions	1,390	-	381	627	1,031	888	277	-	-	-
Total business-type activities program revenues	34,843	33,543	34,515	32,094	30,558	29,598	29,414	27,712	27,525	28,821
Total primary government revenues	35,855	35,850	36,040	33,591	33,199	31,543	30,186	28,816	28,803	31,205



**Town of Tarboro, North Carolina**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Net (expense)/revenue</b>										
Governmental activities	(8,458)	(9,327)	(8,650)	(9,157)	(9,573)	(9,508)	(10,045)	(11,198)	(12,122)	(10,564)
Business-type activities	1,873	(415)	868	3,950	1,605	4,269	(412)	(269)	(376)	(444)
Total primary government net expense	<u>(6,585)</u>	<u>(9,742)</u>	<u>(7,782)</u>	<u>(5,207)</u>	<u>(7,968)</u>	<u>(5,239)</u>	<u>(10,457)</u>	<u>(11,467)</u>	<u>(12,498)</u>	<u>(11,008)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Ad valorem taxes	3,822	3,373	3,805	3,691	3,581	3,666	3,455	3,878	3,895	3,914
Other taxes and licenses	271	287	234	206	239	226	394	205	203	211
Unrestricted intergovernmental	2,676	2,533	2,767	2,750	2,876	3,112	3,128	4,093	4,416	4,157
Unrestricted investment earnings	18	24	25	8	14	22	87	57	2	20
Miscellaneous	246	239	31	31	71	203	634	133	123	86
Transfers	1,186	1,195	1,222	1,195	1,100	1,074	1,706	1,768	1,715	1,801
Total governmental activities	<u>8,219</u>	<u>7,651</u>	<u>8,084</u>	<u>7,881</u>	<u>7,881</u>	<u>8,303</u>	<u>9,404</u>	<u>10,134</u>	<u>10,354</u>	<u>10,189</u>
Business Type Activities:										
Unrestricted investment earnings	21	18	14	10	25	49	299	219	12	70
Miscellaneous	-	-	-	-	41	95	148	93	292	116
Transfers	(1,186)	(1,195)	(1,271)	(1,195)	(1,100)	(1,074)	(1,706)	(1,768)	(1,715)	(1,801)
Total business-type activities	<u>(1,165)</u>	<u>(1,177)</u>	<u>(1,257)</u>	<u>(1,185)</u>	<u>(1,034)</u>	<u>(930)</u>	<u>(1,259)</u>	<u>(1,456)</u>	<u>(1,411)</u>	<u>(1,615)</u>
Total primary government	<u>7,054</u>	<u>6,474</u>	<u>6,827</u>	<u>6,696</u>	<u>6,847</u>	<u>7,373</u>	<u>8,145</u>	<u>8,678</u>	<u>8,943</u>	<u>8,574</u>
<b>Change in Net Position</b>										
Governmental Activities	(938)	(807)	(1,242)	(768)	(1,276)	(1,270)	(641)	(1,064)	(1,768)	(376)
Prior period adjustment - Governmental Activities	-	-	(795)	(624)	-	(989)	-	-	-	759
Business-type activities	(769)	696	(1,971)	(318)	2,915	676	(1,671)	(1,725)	(1,787)	(2,059)
Prior period adjustment - Business Type Activities	-	-	-	-	-	-	-	-	-	(659)
Total primary government	<u>(1,707)</u>	<u>(111)</u>	<u>(4,008)</u>	<u>(1,710)</u>	<u>1,639</u>	<u>(1,583)</u>	<u>(2,312)</u>	<u>(2,789)</u>	<u>(3,555)</u>	<u>(2,335)</u>

**Town of Tarboro, North Carolina**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise Tax</u>	<u>Rental Vehicle Tax</u>	<u>Animal Tax</u>	<u>Privilege License</u>	<u>Total</u>
2013	3,419	206	3	2	76	3,706
2014	3,938	206	2	1	24	4,171
2015	3,778	197	4	1	4	3,984
2016	3,761	180	6	2	-	3,949
2017	3,666	172	7	3	-	3,848
2018	3,699	164	6	1	-	3,870
2019	3,741	160	8	1	-	3,910
2020	3,834	155	7	1	-	3,997
2021	3,917	151	7	1	-	4,076
2022	3,856	149	9	-	-	4,014

**Town of Tarboro, North Carolina**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Non-Spendable	90	84	41	60	49	216	48	66	77	157
Restricted	1,898	1,969	2,065	1,793	1,999	2,422	2,014	2,453	2,623	3,068
Assigned	164	333	229	232	30	133	715	742	1,092	636
Unassigned	2,774	3,194	3,601	3,315	3,535	2,875	1,990	1,600	1,922	2,378
Total General Fund	<u>4,926</u>	<u>5,580</u>	<u>5,936</u>	<u>5,400</u>	<u>5,613</u>	<u>5,646</u>	<u>4,767</u>	<u>4,861</u>	<u>5,714</u>	<u>6,239</u>
All other governmental funds										
Restricted	-	-	-	172	276	193	105	416	530	154
Unassigned	82	130	84	(200)	(130)	273	(86)	(719)	(876)	(170)
Total all other governmental funds	<u>82</u>	<u>130</u>	<u>84</u>	<u>(28)</u>	<u>146</u>	<u>466</u>	<u>19</u>	<u>(303)</u>	<u>(346)</u>	<u>(16)</u>

**Town of Tarboro, North Carolina**  
**Changes in Fund Balances-Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual Basis of accounting)**  
**(Amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes	3,706	4,172	3,984	4,000	3,893	3,917	4,135	4,039	4,095	4,067
Intergovernmental	3,110	3,392	3,395	3,425	4,877	4,502	3,615	4,506	4,839	5,602
Permits and fees	133	78	78	57	78	76	79	73	92	122
Sales and services	222	234	228	222	211	156	183	163	172	263
Investment earnings	24	25	8	14	22	65	87	57	2	20
Miscellaneous	239	31	32	139	177	92	247	138	129	94
Charges for services	1,325	1,417	476	601	613	395	419	443	553	553
Total general fund	8,759	9,349	8,201	8,458	9,871	9,203	8,765	9,419	9,882	10,721
<b>Expenditures</b>										
General government	3,327	3,395	2,686	2,432	3,712	2,935	2,742	3,101	3,154	3,683
Public safety	3,972	4,217	4,439	4,115	4,360	4,648	4,763	5,067	5,053	5,295
Transportation	986	1,163	887	744	802	806	800	684	844	754
Culture and recreation	1,013	1,094	1,074	1,145	1,206	1,274	1,399	1,438	1,361	1,645
Economic Development	-	-	-	163	-	-	-	1,125	404	-
Capital Projects	-	-	-	1,608	478	856	2,093	-	-	792
Total all other governmental funds	9,298	9,869	9,086	10,207	10,558	10,519	11,797	11,415	10,816	12,169
Excess of revenues over(under) expenditures	(539)	(520)	(885)	(1,750)	(687)	(1,316)	(3,032)	(1,996)	(935)	(1,448)
<b>Other financing sources (uses)</b>										
Transfers in	1,195	1,222	1,195	1,100	1,074	1,670	1,706	1,768	1,715	1,877
Transfers out	-	-	-	-	-	-	-	-	-	(76)
Total other financing sources (uses)	1,195	1,222	1,195	1,100	1,074	1,670	1,706	1,768	1,715	1,801
Net change in fund balances	656	702	310	(650)	387	354	(1,326)	(228)	780	353

**Town of Tarboro, North Carolina**  
**General Governmental Revenues by Source (1)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Licenses, Permits and Fees</u>	<u>Other Taxes and Licenses</u>	<u>Inter-governmental</u>	<u>Sales and Services</u>	<u>Interest</u>	<u>Charge for Services</u>	<u>Other</u>	<u>Total</u>
2013	3,419	133	287	3,110	222	24	0	239	7,434
2014	3,938	78	234	3,391	235	25	1,417	30	9,348
2015	3,778	78	206	3,396	229	8	476	31	8,202
2016	3,761	57	239	3,425	222	14	601	139	8,458
2017	3,666	78	226	4,877	211	22	613	177	9,870
2018	3,699	76	218	4,502	156	65	395	92	9,203
2019	3,741	79	394	3,615	183	87	419	247	8,765
2020	3,834	73	205	4,067	163	56	443	138	8,979
2021	3,917	92	203	4,845	172	2	552	129	9,912
2022	3,856	122	211	5,602	263	20	553	94	10,721

(1) Includes General, Special Revenue, and Capital Projects Funds

**Town of Tarboro, North Carolina**  
**Assessed Value of Property**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year	Real Property			Personal Property Value <sup>1</sup>	Public Service Co. Value <sup>2</sup>	Total Assessed Value	Total Direct Tax Rate Base	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Assessed Value	Less Exemptions	Net Value <sup>1</sup>						
2013	589,172	8,294	580,878	251,323	31,582	863,783	4.10	887,364	102.7%
2014	586,222	4,568	581,654	291,456	27,750	900,860	4.10	925,453	102.7%
2015	594,371	8,262	586,109	276,448	23,829	886,386	4.10	919,625	103.8%
2016	595,048	8,079	586,969	287,513	25,396	899,878	4.10	924,985	102.8%
2017	596,111	8,221	587,890	184,851	24,702	797,443	4.10	797,602	100.0%
2018	586,119	7,757	578,362	205,668	23,735	807,765	4.10	807,765	100.0%
2019	589,274	7,188	582,086	209,843	32,729	824,658	4.10	830,760	100.7%
2020	591,317	7,441	583,876	208,765	39,077	831,718	4.10	831,718	100.0%
2021	592,367	7,401	584,966	224,732	39,174	848,872	4.10	841,232	99.1%
2022	599,172	7,184	591,988	221,141	39,242	852,371	4.10	797,393	93.6%

Note: Real property is revalued once every eight years; the last occurred in 2017.

<sup>1</sup> Edgecombe Co. Tax Assessor for real and personal property value

<sup>2</sup> Public Service Co. NC Dept of Revenue

**Town of Tarboro, North Carolina  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years  
(rate per \$100 of assessed value)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Direct:										
Town of Tarboro	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41
Overlapping:										
Edgecombe County	0.86	0.86	0.895	0.955	0.955	0.950	0.950	0.950	0.950	0.950

Source: North Carolina Department of Revenue; Property Tax Rates and Revaluation Schedules.  
Property was revalued in 2017.

Note: Overlapping rates are those of local and county governments that apply to property owners within the Town of Tarboro.

**Town of Tarboro, North Carolina**  
**Principal Property Taxpayers**  
**June 30, 2022**  
**Current Year and Nine Years Ago**  
**(amounts expressed in thousands)**

Taxpayer	2021-2022		2011-2012	
	Taxable Assessed Value	% of Total Taxable Assessed Value	Taxable Assessed Value	% of Total Taxable Assessed Value
KSLB Holdings, LLC.	84,467	10.4%		
Carolina System Technology, Inc	58,736	7.2%	65,853	8.5%
LS Cable & System USA, Inc.	36,908	4.5%		
Air Systems Components LP	11,618	1.4%	8,848	1.1%
Wal-Mart Real Estate Business	8,860	1.1%	8,441	1.1%
Art Mortgage Borrower	8,663	1.1%	10,226	1.3%
EPC Trevi LLC	8,061	1.0%		
Carolina System Technology, Inc	6,674	0.8%		
Spin Master Inc	6,491	0.8%		
Lowes Home Centers LLC	5,219	0.6%	10,112	1.3%
Kitchens of Sara Lee Corp			17,274	2.2%
Carolina Tel & Tel Company			20,116	2.6%
Sara Lee Bakery Co			49,166	6.4%
Superior Teletec, Inc			14,584	1.9%
Spongex, LLC			8,387	1.1%
	<u>235,697</u>	<u>28.9%</u>	<u>213,007</u>	<u>27.5%</u>

Source: Town of Tarboro Tax Records



**Town of Tarboro, North Carolina**  
**Property Tax Levies and Collections (1)**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	3,589	3,410	95.0%	160	3,570	99.5%
2014	3,749	3,640	97.1%	102	3,742	99.8%
2015	3,674	3,587	97.6%	80	3,667	99.8%
2016	3,738	3,657	97.8%	71	3,728	99.7%
2017	3,682	3,597	97.7%	73	3,670	99.7%
2018	3,674	3,588	97.7%	72	3,660	99.6%
2019	3,790	3,662	96.6%	109	3,771	99.5%
2020	3,774	3,656	96.9%	92	3,748	99.3%
2021	3,933	3,823	97.2%	60	3,883	98.7%
2022	3,917	3,789	96.7%	-	3,789	96.7%

Note: Includes ad valorem taxes, auto taxes and dog taxes, which are combined for billing and collection purposes

**Town of Tarboro, North Carolina**  
**Ratios of Outstanding Debt By Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Governmntal Activities	Business-type Activities		Total Primary Government	Per Customer	Per Capita
		Installment Purchases	Revolving Loans			
2013	-	-	124,751	124,751	20.62	11.03
2014	-	484,536	117,413	601,949	99.50	53.25
2015	-	724,091	578,950	1,303,041	221.04	116.72
2016	-	550,144	523,395	1,073,539	185.12	96.16
2017	-	372,253	493,917	866,170	149.96	78.79
2018	-	190,330	464,439	654,769	111.05	60.31
2019	-	72,021	434,961	506,982	83.69	46.75
2020	-	-	405,481	405,481	64.83	37.21
2021	-	-	376,003	376,003	60.31	35.07
2022	-	-	346,525	346,525	55.58	32.77

Note: Personal Income information is not available for the Town of Tarboro and is not an appropriate denominator for the business-type activities.

See Operating Indicators by Function for Customer Data

See Demographic Statistics for population Data

**Town of Tarboro, North Carolina**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Assessed Value	863,956	856,854	886,386	900,878	885,449	885,114	910,844	919,365	951,270	954,188
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assessed Value	<u>863,956</u>	<u>856,854</u>	<u>886,386</u>	<u>900,878</u>	<u>885,449</u>	<u>885,114</u>	<u>910,844</u>	<u>919,365</u>	<u>951,270</u>	<u>954,188</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for FY 2022**

Assessed value	954,188
Debt limit (8%) of total assessed value)	76,335
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u><u>76,335</u></u>

Note: Under state finance law, the Town of Tarboro's outstanding general obligation debt should not exceed 8 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**Town of Tarboro, North Carolina  
Demographics Statistics  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population <sup>2</sup></u>	<u>Median Household Income <sup>2</sup></u>	<u>Median Age <sup>2</sup></u>	<u>School Enrollment <sup>1</sup></u>	<u>Unemployment Rate <sup>2</sup></u>
2013	11,315	33,168	42.10	6,748	14.5%
2014	11,305	34,366	43.20	7,401	11.5%
2015	11,164	34,267	42.10	6,332	10.5%
2016	11,164	33,349	43.20	6,451	13.8%
2017	10,994	33,107	43.60	6,100	7.3%
2018	10,856	33,542	43.60	6,047	7.4%
2019	10,844	32,532	44.40	5,836	6.9%
2020	10,896	35,165	43.40	5,998	6.8%
2021	10,721	29,738	42.20	5,625	9.2%
2022	10,575	34,267	43.20	5,347	7.5%

<sup>1</sup> Source: Edgecombe County Public Schools

<sup>2</sup> Bureau of Labor Statistics - bls.gov

**Town of Tarboro, North Carolina  
Principal Employers  
Current Year and Ten Years Ago  
As of June 30, 2022**

Name of Employer	Ranking	2021 - 2022		2011 - 2012	
		Number of Employees (1)	Percentage of Total Town Employment (1)	Number of Employees (1)	Percentage of Total Town Employees (1)
Edgecombe County Schools	1	950	10.41%	1,100	16.92%
Sara Lee Frozen Bakery	2	920	10.08%	800	12.31%
Edgecombe County	3	625	6.85%	650	10.00%
Vidant Hospital	4	610	6.68%	475	7.31%
Air System Components	5	430	4.71%	470	7.23%
Keihin CST	6	425	4.66%	400	6.15%
Corning Incorporated	7	380	4.16%		
Edgecombe Community College	8	355	3.89%		
Wal-mart Associates Inc.	9	250	2.74%		
Food Lion	10	265	2.90%		
Town of Tarboro				174	2.68%
Superior Telecommunications				260	4.00%
Barnhill Contracting				275	4.23%
Nomaco, Inc				150	2.31%

<sup>1</sup> NC Department of Commerce

**Town of Tarboro, North Carolina**  
**Full-time Equivalent Town Government Employees by Function**  
**Last Ten Fiscal Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Function</b>										
General Government										
Administration	3	3	3	3	3	3	3	3	3	3
Finance	8	8	8	8	9	8	8	8	8	8
Planning	2	2	2	2	3	3	3	4	4	4
Public Safety										
Police										
Officers	29	29	29	29	29	29	30	30	26	26
Civilians	6	6	6	6	6	6	6	6	6	5
Fire	22	22	22	22	22	22	22	22	22	22
Public Works										
Administration	2	2	2	2	2	2	2	2	2	2
Buildings and Grounds	14	14	14	14	14	14	12	12	12	13
Animal Control	1	1	1	1	1	1	1	1	1	1
Engineering	2	2	2	2	2	2	2	0	0	0
Garage	4	4	4	4	4	4	4	4	4	4
Streets	12	12	12	12	12	12	10	10	10	11
Recreation	13	13	13	13	12	14	16	16	17	16
Water and Sewer	28	28	28	28	27	27	28	28	27	28
Electric	19	19	19	19	22	23	22	22	20	22
Solid Waste	9	9	9	9	9	9	9	9	9	9
Stormwater	N/A	N/A	N/A	N/A	N/A	N/A	3	5	5	5
	<u>174</u>	<u>174</u>	<u>174</u>	<u>174</u>	<u>177</u>	<u>179</u>	<u>181</u>	<u>182</u>	<u>176</u>	<u>179</u>

Source: Town of Tarboro payroll records.

**Town of Tarboro, North Carolina  
Operating Indicators by Function  
Last Ten Fiscal Years**

<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Police</b>										
Physical arrests	2,125	1,815	1,834	1,681	1,598	1,574	1,507	1,188	654	499
Parking violations	866	429	409	614	1,033	852	617	168	186	75
Traffic violations	3,146	3,706	3,430	4,184	3,904	4,661	4,184	1,834	1,453	992
<b>Fire</b>										
Number of calls answered	319	316	316	308	333	374	322	301	313	350
Inspections	424	386	378	335	371	344	439	282*	106*	236
<b>Streets</b>										
Street resurfacing (miles)	5.19	-	-	2.95	-	-	2.89	2.89	2.89	3.50
Potholes repaired	-	8	8	15	13	20	17	25	25	30
<b>Sanitation</b>										
Refuse collected (tons/day)	11.44	11.26	11.17	13.38	13.56	15.29	13.03	13.63	14.83	13.87
Recyclables collected (tons/day)	0.58	0.66	0.65	0.55	0.55	0.69	0.55	0.49	0.19	0.18
<b>Recreation</b>										
Community Fitness memberships	1,200	1,043	646	563	393	478	475	140	307	309
County Gym passes	65	38	62	56	48	-	-	-	-	-
<b>Utility Funds - Combined</b>										
Total Customers	6,050	6,050	5,895	5,799	5,776	5,896	6,058	6,255	6,235	6,630
<b>Water</b>										
New connections	9	3	8	16	17	16	33	40	16	18
Water main breaks	6	9	7	6	4	5	4	6	2	4
Average daily consumptions (thousand of gallons)	2,920	2,730	2,847	2,880	2,723	2,690	2,407	3,166	2,063	2,045
<b>Wastewater</b>										
Average daily sewage treatment (thousand of gallons)	1,708	2,070	2,113	2,158	2,158	1,669	2,272	2,104	2,674	1,833

Sources: Various town departments

\* Inspections were stopped in March 2020 due to COVID

\* Inspections were limited due to COVID-2021

**Town of Tarboro, North Carolina**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Function</b>										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Officers	29	29	28	28	29	29	30	30	26	26
K-9s	2	2	2	2	2	4	4	5	5	5
Fire Stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection trucks	4	4	4	4	4	4	4	4	4	4
Streets										
Street (miles)	96.0	96.0	96.0	96.0	96.0	96.5	96.5	96.5	96.8	96.7
Street lights	1,438	1,438	1,438	1,438	1,438	1,438	1,481	1,501	1,525	1,537
Traffic signals	32	32	32	32	32	32	32	32	32	32
Recreation										
Park acreage	273	273	273	273	273	273	273	273	273	273
Parks	11	10	10	10	10	10	10	9	9	9
Lakes	1	1	1	1	1	1	1	1	1	1
Swimming pools	2	2	2	2	2	2	2	2	*4	*4
Tennis courts	8	8	8	8	8	8	8	8	8	8
Community Centers	4	4	4	4	4	4	4	3	3	3
Museums/art centers	1	1	1	1	1	1	1	1	1	1
Ball Fields	9	8	8	8	8	9	9	9	9	9
Water										
Water mains (miles)	129.4	129.4	129.5	129.7	130.0	130.0	130.0	130.0	130.0	130.0
Fire Hydrants	587	587	609	629	613	619	622	622	622	622
Maximum daily capacity (thousands of gallons)	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Sewer										
Sanitary sewers (miles)	90.4	90.4	93.0	93.5	93.0	93.0	93.0	93.0	93.0	93.0
Storm sewers (miles)	38.0	38.0	39.0	40.0	44.0	44.0	44.0	44.0	44.0	44.0
Maximum daily treatment capacity (thousands of gallons)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Electric										
Number of Substations	5	5	5	5	5	5	5	5	5	5
Square miles of service lines	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5

Sources: Various town departments

\*As classified by Edge Co Health Dept for inspection purposes ( 3 pools on 1 site)



## **COMPLIANCE SECTION**

104 Brady Court, Cary, North Carolina 27511  
Phone 919-466-0946 Fax 919-466-0947

**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 Honorable Mayor and  
Members of Town Council  
Town of Tarboro, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tarboro, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statement, which collectively comprises the Town of Tarboro's basic financial statements, and have issued our report thereon dated December 21, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Tarboro's internal control over financial reporting (internal control) to determine the 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 Town of Tarboro's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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


Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Tarboro's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

  
\_\_\_\_\_  
Joyce and Company, CPA  
Cary, North Carolina

December 21, 2022



104 Brady Court, Cary, North Carolina 27511  
Phone 919-466-0946 Fax 919-466-0947

**Report on Compliance for Each Major Federal Program;  
Report on Internal Control Over Compliance: With OMB Uniform Guidance  
and the State Single Audit Implementation Act**

**Independent Auditor's Report**

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Town of Tarboro, North Carolina, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Town of Tarboro's major federal programs for the year ended June 30, 2022. The Town of Tarboro'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 Town of Tarboro complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of the Town of Tarboro 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 Town of Tarboro'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, rule and provisions of contracts or grant agreements applicable to the Town of Tarboro's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Tarboro'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 Town of Tarboro's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of Tarboro's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

A deficiency in *internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material

weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

  
JOYCE AND COMPANY, CPA  
Cary, North Carolina

December 21, 2022

Town of Tarboro, North Carolina  
**Schedule of Findings and Questioned Costs**

For the year ended June 30, 2022

**Section I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency (s) identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statement noted ☒ yes ☐ no

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(s) identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ yes ☒ no

Identification of major federal programs:

<u>CFDA No(s)</u>	<u>Names of Federal Program or Cluster</u>
14.228	Community Development Block Grant Program – Neighborhood Revitalization
21.027	Coronavirus State and Local Fiscal Recovery

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

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as a low-risk auditee ☐ yes ☒ no

**State Awards**

The Town of Tarboro has no major state programs.

**Section II. Financial Statement Findings**

**Item 1**

**Delayed Audit Submission**

**Criteria**

An audit of the financial statements to be completed within 120 days after year-end per North Carolina State General Statute G.S. 159.

**Condition**

The Town did not have auditable financial statements available until after 120 days after year-end.

Effect                      Audit was unable to be completed within 120 days of fiscal year end due to financial statements unready.

Cause                      The prior year audit was delayed causing delays in completing the current year audit.

Recommendation      We recommend that the Town ensure that draft financial statements be made available to auditors closer to year-end.

Views of responsible officials and planned corrective actions

The Town agrees with this finding. At this time, the Town has taken steps to ensure timely audit submission including engaging with a new audit firm in the current fiscal year.

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

None reported

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

None reported

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS:**

None reported



## TOWN OF TARBORO, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's No.	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Pass-through to Subrecipients
<b>Federal Grants:</b>						
<b>Cash Programs:</b>						
<u>U.S. Department of Transportation</u>						
Passed-through N.C. Department of Transportation State and Community Highway Safety	20.600	N/A	10,381	-	-	-
<u>U.S. Department of Health and Human Services</u>						
Passed-through N.C. Dept. of Health and Human Services Nutrition Services Incentive Program	93.053	N/A	9,189	-	-	-
Title III - C1 Congregate Meals	93.045	N/A	24,059	9,823	3,765	-
Title III - B HCCBG-Access	93.044	N/A	6,080	2,646	969	-
Passed-through N.C. Dept. of Insurance Medicare Improvements for Patients and Providers Act	93.071	2001NCMISH-01	4,449	-	-	-
CDAP - State Health Insurance Assistance Program	93.324	90SAPG0099-02-00	3,854	-	-	-
<u>United States Department of Justice</u>						
Passed-through the N.C. Dept. of Public Safety Edward Byrne Memorial Justice Assistance Grant Program	16.738	PROJ014848	24,100	-	-	-
Asset Forfeiture and Money Laundering Section Federal Equitable Sharing Program	16.922	N/A	7,000	-	-	-
<u>U.S. Department of Housing and Urban Development</u>						
Passed-through N.C. Housing Finance Agency Essential Single Family Rehab	14.239	M16-SG370100	250,707	-	-	-
Passed-through N.C. Department of Commerce CDBG	14.228	16-D-3027	366,450	-	-	-
<u>U.S. Department of Homeland Security</u>						
Passed-through N.C. Department of Public Safety Hazard Mitigation Grant Program - Elevation	97.039	4285-018-R	39,378	13,126	-	-
<u>U.S. Environmental Protection Agency</u>						
Brownfields Assessment and Cleanup	66.818	02D08921	36,053	-	-	-
<u>U.S. Department of Treasury</u>						
Passed-through N.C. Pandemic Recovery Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	NC0461	186,780	-	-	-
Total Assistance - Federal Programs			\$ 968,480	\$ 25,595	\$ 4,734	\$ -
<b>State Grants:</b>						
<b>Cash Assistance:</b>						
<u>N.C. Department of Transportation</u>						
Powell Bill Funds	N/A	32570	-	324,752	-	-
<u>N.C. Department of Health and Human Services</u>						
Senior Center General Purpose Funding	N/A	N/A	-	9,537	3,179	-
<u>N.C. Department of Natural and Cultural Resources</u>						
Grassroots Art Program	N/A	PCP22-0053	-	16,440	-	-
Total State Assistance			\$ 968,480	\$ 376,324	\$ 7,913	\$ -

**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 the Town of Tarboro under the programs of the federal government and the State of North Carolina for the year ended June 30, 2022. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the Town of Tarboro, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Tarboro.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Town of Tarboro has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**MINUTES OF A REGULAR MEETING OF THE TOWN COUNCIL OF THE  
TOWN OF TARBORO, HELD AT 7:00 PM ON MONDAY, JANUARY 9, 2023 IN  
THE COUNCIL ROOM, TOWN HALL, TARBORO, NORTH CAROLINA**

**MEMBERS PRESENT**

Councilman Woodard  
Councilman Taylor  
Councilman Burnette  
Councilman Brown  
Councilman Jenkins  
Councilmember Jordan  
Councilmember Bynum  
Councilman Braxton

**MEMBERS ABSENT**

Mayor Mayo

**ALSO PRESENT**

Troy Lewis, Town Manager  
Leslie Lunsford, Town Clerk  
Chad Hinton, Town Attorney

**1. MEETING CALLED TO ORDER BY THE MAYOR**

Meeting called to order by the Mayor Pro-Tem, Councilman Taylor.

**2. INVOCATION**

Councilman Taylor.

**3. PLEDGE OF ALLEGIANCE**

**4. APPROVAL OF AGENDA BY COUNCIL**

Agenda was amended to include a Cervical Cancer Proclamation. The amended agenda was approved.

John Jenkins made a motion, which was seconded by Alfred Braxton and Passed, Motion.

**5. REQUESTS AND PETITIONS OF CITIZENS**

None.

**6. TOWN MANAGERS RECOMMENDATIONS**

**Consent Items**

Consent Items approved as presented.

Alfred Braxton made a motion, which was seconded by Deborah Jordan and Passed, Motion.

- (1) Approve minutes of the December 12, 2022 regular meeting.
- (2) 2022 Tax Levy Adjustment
- (3) Tax Collector's Report
- (4) Budget Transfers

### **Action Items**

#### **(5) CMAQ Multi-Use Trail Budget Amendment**

Council approved the CMAQ Multi-Use Trail Budget Amendment.  
Alfred Braxton made a motion, which was seconded by Deborah Jordan and Passed,  
Motion.

#### **(6) Mountains to Coast Bicycle Ride**

Council authorized staff to work with the Chamber of Commerce, the Tourism Development Authority, and the Tarboro Development Corporation on successfully accommodating the "Mountain to Coast" bicycle ride on October 5-6, 2023. The Town will allow event participants to utilize the Town Common for camping for 1 night during the event.  
Othar Woodard made a motion, which was seconded by Alfred Braxton and Passed,  
Motion.

## **7. OTHER REPORTS**

### **A. Town Manager**

Troy Lewis acknowledged National Law Enforcement Appreciation Day.

#### **(1) Town Council Planning Retreat Discussion - Potential Date March 4th & 5th**

Council scheduled the annual Town Council Planning Retreat for March 4th & 5th. Location to be announced.

### **B. Town Attorney**

Chad Hinton suggested Council revisit the Golf Cart Ordinance at the Council Retreat.

### **C. Council Members**

Councilman Woodard - hopes everyone had a good holiday.

Councilman Taylor - great New Years Eve celebration.

Councilman Burnette - requested staff look at the speed limits on Daniel Street Ext, seems like a speed trap.

Councilman Brown - none.

Councilman Jenkins - requested staff look at the speed limits on Howard Avenue by the Tarboro Fire Department.

Councilmember Jordan - none.

Councilmember Bynum - hopes everyone had a happy New Year.

Councilman Braxton - suggested the downtown area be referred to as Historic Downtown Tarboro.

## **8. ADJOURNMENT**

Meeting adjourned.

John Jenkins made a motion, which was seconded by Alfred Braxton and Passed, Motion.

**To:** Troy Lewis, Town Manager

**From:** Anne Mann, Finance Director

**Date:** February 7, 2023

**Re:** Reallocation of Departmental Appropriations



In accordance with Section 8 of the FY 2022-2023 Budget Ordinance of the Town of Tarboro, in your capacity as the Budget Officer, you have approved certain reallocations of departmental appropriations. Such transfers are required to be reported to Town Council within sixty (60) days.

Also, in accordance with Section 8 of the FY 2022-2023 Budget Ordinance of the Town of Tarboro, in your capacity as the Budget Officer, you have approved certain transfers between departments within the same fund. Such transfers shall be reported to Town Council at its next regular meeting and entered in the minutes.

These reallocations and transfers are summarized on the following pages for presentation to Town Council.

Account Id	Description	Previous Budget	Budget Transfer	Modified Budget
10-4110-4300	Council / Professional Services	6,000.00	-1,500.00	4,500.00
10-4120-3300	Administration / Department Supplies	7,500.00	1,000.00	8,500.00
10-4120-5300	Administration / Dues and Subscriptions	16,000.00	500.00	16,500.00
10-4340-3300	Fire / Department Supplies	45,000.00	-15,094.00	29,906.00
10-4340-7400	Fire / Capital Outlay	0.00	15,000.00	15,000.00
10-4340-1200	Fire / Printing and Publishing	4,300.00	94.00	4,394.00
31-7100-1400	Water & Sewer / Travel and Training	15,000.00	-2,000.00	13,000.00
31-7100-5301	Water & Sewer / State Permits and Fees	11,000.00	1,400.00	12,400.00
31-7100-5300	Water & Sewer / Dues and Subscriptions	10,000.00	600.00	10,600.00
		114,800.00	0.00	114,800.00

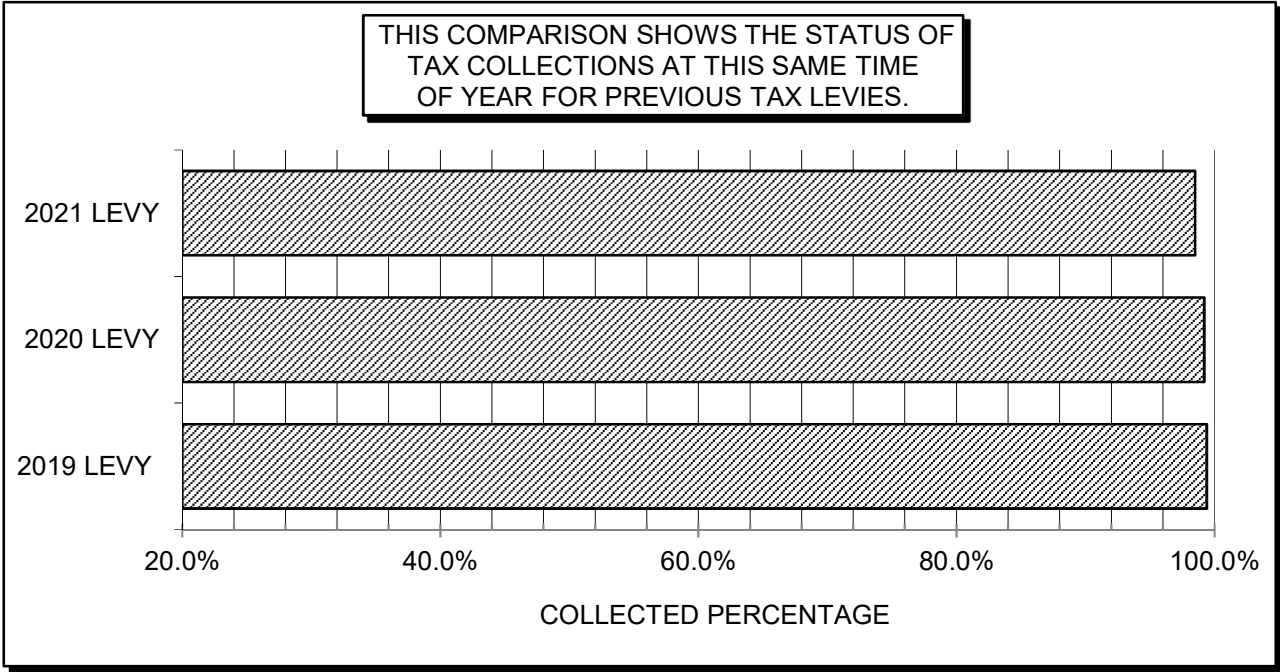
# TOWN OF TARBORO, NORTH CAROLINA

## TAX COLLECTOR'S REPORT

### For the Year Ended January 31, 2023

Levy Year	Current Fiscal Year Charges	COLLECTIONS		Uncollected Balance	Collected Percentage
		This Month	Fiscal Year-To-Date		
2022	3,392,157.84	709,035.79	3,066,263.07	325,894.77	90.39%
2021	3,331,503.65	10,252.04	3,209,400.65	122,103.00	98.40%
2020	93,955.89	1,212.15	51,444.16	42,511.73	98.72%
2019	107,185.89	74.52	80,880.48	26,305.41	99.19%
2018	53,197.48	26.14	37,579.76	15,617.72	99.52%
2017	23,861.41	0.00	11,240.33	12,621.08	99.61%
2016	19,318.84	0.00	6,708.05	12,610.79	99.62%
2015	15,540.44	0.00	5,347.69	10,192.75	99.70%
2014	12,033.85	0.00	4,032.28	8,001.57	99.76%
2013	9,279.68	0.00	1,881.03	7,398.65	99.79%
2012	7,909.33	0.00	1,380.67	6,528.66	99.82%
Prior	15,881.61	0.00	1,609.26	14,272.35	-
Subtotal	7,081,825.91	720,600.64	6,477,767.43	604,058.48	
		3,338.20	11,798.50	<== Interest on Taxes	
Net Tax Collections ==>		723,938.84	6,489,565.93		
		0.00	420.00	<== Beer & Wine Licenses	
TOTAL COLLECTED ==>		723,938.84	6,489,985.93		

*prepared by: Leslie M. Lunsford, Collector of Revenue*





## ***Town of Tarboro, North Carolina Mayor and Council Communication***

**Subject:** NCDOT - SpringFest & ECU Health Edgecombe Hospital's Blue Ribbon Kidz Day Event

**Date:** 2/13/2023

**Memo Number:** 23-04

---

In order to receive approval from the North Carolina Department of Transportation (NCDOT) to close Main Street for the SpringFest & ECU Health Edgecombe Hospital's Blue Ribbon Kidz Day event this year, it is necessary to adopt an ordinance declaring the road closure. This event will be held on Saturday, April 1, 2023 from 10 a.m. to 3 p.m. with an alternative rain back-up date being on Saturday, April 29, 2023.

It is recommended that Council adopt the attached ordinance declaring the closure of N. Main Street from Pitt Street to Park Avenue and the closure of Wilson Street from Trade Street to St. Andrew Street from 8 a.m. to 5 p.m.

### **ATTACHMENTS:**

Description	Upload Date	Type
SpringFest & ECU Health Edgecombe Hospital's Blue Ribbon Kidz Day Ordinance	2/6/2023	Cover Memo



ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE DECLARING A ROAD CLOSURE FOR A  
SPRINGFEST & ECU HEALTH EDGECOMBE HOSPITAL'S BLUE  
RIBBON KIDZ DAY EVENT**

**THE TOWN COUNCIL OF THE TOWN OF TARBORO ORDAINS:**

**WHEREAS**, the Town Council of the Town of Tarboro acknowledges a long tradition of co-sponsoring events for the pleasure of its citizens; and

**WHEREAS**, the Town Council of the Town of Tarboro acknowledges its citizens realize a financial benefit from holding a special Springfest & Kidz Day Event; and

**WHEREAS**, the Town Council of the Town of Tarboro acknowledges an event requires approximately two (2) hours to include installing traffic control, and for removing traffic control and litter after the event is over;

**NOW THEREFORE BE IT ORDAINED** by the Town Council of the Town of Tarboro pursuant to the authority granted by N.C.G.S. 20-169 that they do hereby declare a temporary road closure during the day and time set forth below on the following described portion of a State Highway System route:

**Date: Saturday, April 1, 2023**

**Time: 7:30 A.M. – 4:30 P.M.**

**Closure Description: N. Main Street (NC 33) between Pitt Street and Park Avenue**

**Time: 8:00 A.M. – 5:00 P.M.**

**Closure Description: Wilson Street from Trade Street to St. Andrew Street**

This ordinance to become effective when signs are erected giving notice of the limits and times of the event, and implementation of adequate traffic control to guide through vehicles around the event site.

Adopted this 13<sup>th</sup> day of February, 2023.

---

Tate Mayo, Mayor

Attest:

---

Leslie M. Lunsford, Town Clerk



## ***Town of Tarboro, North Carolina Mayor and Council Communication***

**Subject:** Princeville Founders' Celebration Resolution & Parade Ordinance

**Date:** 2/13/2023

**Memo Number:** 23-05

---

From Saturday, February 11th through Monday, February 20th, the Town of Princeville is having their 138th Founders' Celebration "Building Communities & Partnerships". Attached is an invitation to participate in the celebration, a calendar of events, and a Resolution showing support for the event. Also attached is an ordinance declaring road closures in Tarboro to support the Parade portion of the event that will begin in Tarboro on Main Street at Park Avenue and end in Princeville. In order to receive approval from the North Carolina Department of Transportation, it is necessary for the Town to adopt an ordinance declaring the closures.

Therefore, it is recommended that the Town Council adopt the attached Resolution showing support for the Founders' Celebration and the attached ordinance declaring road closures for the Founders' Celebration Parade.

### **ATTACHMENTS:**

Description	Upload Date	Type
Invitation to Participate	2/8/2023	Cover Memo
Calendar of Events	2/8/2023	Cover Memo
Princeville Founders' Day Resolution	2/8/2023	Cover Memo
Princeville 138th Founder's Day Parade Ordinance	2/8/2023	Cover Memo

## THE TOWN OF

**MAYOR AND COUNCIL MEMBERS**  
BOBBIE JONES, MAYOR  
ALVIN JONES, MAYOR PRO TEM  
MILTON BULLOCK, COMMISSIONER  
LINDA JOYNER, COMMISSIONER  
JOEROAM MYRICK, COMMISSIONER



## PRINCEVILLE

**OFFICE OF THE TOWN MANAGER**  
GLENDA L KNIGHT, TOWN MANAGER  
JESSICA M RUDD, TOWN CLERK  
RYAN KING, TOWN ATTORNEY

CHARTERED IN 1885

Greetings Community Partner,

The Town of Princeville will celebrate its 138<sup>th</sup> Founders' Day starting February 11, 2023, guided by the theme, "Building Communities and Partnerships." The events and activities are scheduled for February 11, 2023 - February 20, 2023. This letter serves as a personal invitation to participate in this celebration by issuing a proclamation and joining the Town of Princeville throughout Founders' celebration. Also it is the hope that the Town of Tarboro will endorse a February 18<sup>th</sup> 2023 parade starting in Tarboro and ending in Princeville.

Enclosed you will find a proclamation, and a calendar of events to include details to participate. If you have any questions about the Princeville Founders' celebration or would like to get involved with the planning, please contact Dr. Glenda Lawrence-Knight, Princeville Town Manager, at the Princeville Town Hall via telephone at 252-823-1057 or by e-mail at [gknight@townofprinceville.com](mailto:gknight@townofprinceville.com)

Sincerely,

Glenda Lawrence- Knight  
Town Manager

201 S. Main Street  
Princeville, North Carolina 27886  
Telephone: (252) 823-1057  
Fax: (252) 824-0430



# 138th Founders' Celebration

## "Building Communities & Partnerships"

A fundraising celebration full of events for the entire family!

### **SATURDAY, FEBRUARY 11 2023 Kick Off**

.....  
Career Day & Community Service Resources  
Edgecombe County Carmen Auditorium 12pm-3pm  
Senior Citizens Valentine Social 6pm-9pm (County Auditorium)

### **MONDAY FEBRUARY 13-14 2023**

.....  
Sponsor a Senior Center event or activity 9am-3pm

### **TUESDAY, FEBRUARY 14, 03 Kick Off**

.....  
Community Clinical Wellness Groups: Trauma, Anger Management, etc 6pm-8pm

### **WEDNESDAY FEBRUARY 15, 2023**

.....  
Building Partnerships within Rural Underserved Black Communities Symposium  
Edgecombe Community College CFI Building 10am-1pm  
Recovery Group Kick Off (Freedom Hill Healthcare Center): Substance Abuse, Alcohol,  
Medication Management 6pm-8pm

### **THURSDAY FEBRUARY 16 2023**

.....  
Talent and Fashion Show  
Princeville Elementary School From 6pm-8pm

### **FRIDAY FEBRUARY 17 2023**

.....  
Gala: Edgecombe Community College  
McIntyre Building from 7pm-10pm

### **SATURDAY FEBRUARY 18 2023**

.....  
Parade 1pm-3pm Starting in Downtown Tarboro, ending in Princeville  
Rodeo Dance 9pm-1pm Tru Vegas Event Center

### **SUNDAY FEBRUARY 19 2023**

.....  
Community Prayer & Fellowship 11am Place: TBA  
Theater Playback Event: Music & Storytelling honoring Princeville (4pm-6pm)

### **MONDAY FEBRUARY 20TH 2023**

.....  
Closing Dedication Celebration at Freedom Hill 1pm-3pm  
Committee Members: Chief Maurice Knight, Kelsi Dew, Jermaine Hinton (Chair) Gwen  
Knight (Vice Chair), Tara Honesty, Director Antwan Brown, Town Manager Knight &  
Commissioner Linda Joyner





# Sponsors & Souvenir Ads

"138th FOUNDERS' CELEBRATION"

## SPONSORSHIP LEVELS

<b>Starter</b> .....	\$25.00
<b>Bronze</b> .....	\$100.00
<b>Silver</b> .....	\$500.00
<b>Gold</b> .....	\$1,000
<b>Platinum</b> .....	\$5,000

## SOUVENIR AD OPTIONS

<b>Full Page</b> .....	\$60.00
<b>1/2 Page</b> .....	\$30.00
<b>1/4 Page</b> .....	\$15.00
<b>1/8 Page</b> .....	\$10.00
<b>Back Cover</b> .....	\$100.00

*Make all contributions payable to  
the Town of Princeville*

Contact us: (252) 823-1057

Deadline January 30, 2023



## 138th FOUNDERS' CELEBRATION KICK-OFF "BUILDING COMMUNITIES & PARTNERSHIPS"

### Job & Community Resource Fair

Searching for a job?

Looking for a career change?

Want to learn more about community  
resources?



# JOIN US!

## FEBRUARY 11, 2023

Edgecombe County Carmen Auditorium  
201 St Andrew Street  
Tarboro, NC 27886  
12:00PM-3:00PM



Employers, reserve your space if you are  
hiring or would like to promote your  
services as a community resource.

RSVP AT (252) 823-1057 BY 2/6/2023

Made with PosterMyWall.com

**THE PORTRAITS OF HUMANITY WILL BE ON DISPLAY**



**A 138TH FOUNDERS' CELEBRATION EVENT**  
SPONSOR AND OR JOIN THE SENIOR CITIZENS



*Valentine Senior Social*  
*Crowning A Queen & King*  
*Music*  
*Door Prizes*  
*Meal*

Edgecombe County Carmen Auditorium  
201 St Andrews Street  
Tarboro, NC 27886  
FEBRUARY 11, 2023  
6:00PM-9:00PM

**RSVP AT (252) 823-1057**  
**BY 1/23/2023**

**PORTRAITS OF HUMANITY WILL BE ON DISPLAY**





# TALENT & FASHION SHOW

"138th FOUNDERS' CELEBRATION EVENT"



If you want  
to show off  
your talent

Your Sunday  
best, stylish  
hats, casual &  
formal attire,  
etc



**REGISTER  
TODAY!!!**

**"YOUTH & ADULTS"**

**EVENT: 2/15/2023**

**TIME: 6PM-9PM**



Call the Town Hall: (252) 823-1057  
Registration deadline 2/6/2023





# 138th Founders' Gala Celebration



*Keynote Speaker: Congressman-Elect Don Davis*  
*A night of fun, fellowship and excellence*

---

## 17th FEBRUARY 2023

**Edgecombe Community College**  
**Mobley Atrium**  
**7:00PM-11:00PM**

---

**Formal Attire**

**SPONSOR A TABLE: \$300.00 (8) OR \$50.00 PER PERSON**

**DEADLINE 6TH OF FEBRUARY 2023 OR AS LONG AS TICKETS LAST**  
**FOR MORE INFORMATION: (252) 823-1057**





**138TH FOUNDERS' CELEBRATION**

# **PARADE**

**FEBRUARY 18, 2023 AT 1:00PM**

\$25 per vehicle; \$30 per walking group; \$60 per 3 vehicles; \$50 per 5 horses or \$10 per horse; \$50 per float and \$40 per vendor. Must agree and abide by parade guidelines.

**REGISTER AT 201 S MAIN STREET PRINCEVILLE, NC 27886**

**FOR MORE INFO: CALL (252) 823-1057**

**Deadline 2/6/2023**



## **RESOLUTION FOR PRINCEVILLE 138<sup>TH</sup> FOUNDERS' DAY CELEBRATION**

**FEBRUARY 11, 2023 – FEBRUARY 20, 2023**

**W**HEREAS, at the end of the Civil War in 1865, following the reading of the Emancipation Proclamation by Union Soldiers, recently freed men and women decided to remain in Edgecombe County, on the southern banks of the Tar River and settled in a floodplain area adjacent to the Tar River that they called Freedom Hill and, in some instances, Liberty Hill; and

**W**HEREAS, the citizens of Freedom Hill recognized the advantages of incorporating their Town as independent, and petitioned the legislature in 1885 to rename the Town Princeville, after Richard Turner Prince, who had been born a slave in North Carolina in 1843 and was one of Freedom Hill's earliest residents, a carpenter, political leader, and a family man. Freedom Hill was incorporated as the Town of Princeville on February 20, 1885; and

**W**HEREAS, Princeville holds the historic distinction of being the oldest black Town in the United States incorporated by Blacks. Despite economic, political, social, and environmental hardships, the citizens of Princeville have remained loyal to the legacy of their ancestors; and

**W**HEREAS, the Town of Tarboro and its elected officials, administration and staff supports and promotes the Town of Princeville Founders' Day celebration events starting February 11<sup>th</sup> – February 20<sup>th</sup> 2023;

**N**OW, THEREFORE, BE IT RESOLVED that the Town of Tarboro promotes Princeville Founder's Day celebration of activities in the historic Town of Princeville, and recognizes February 11<sup>th</sup> – 20<sup>th</sup> 2023 as the **Town of Princeville 138<sup>th</sup> Founders' Day Celebration**.



Adopted this 13<sup>th</sup> day of February, 2023.

\_\_\_\_\_, Mayor  
Tate Mayo

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE DECLARING A ROAD CLOSURE FOR PRINCEVILLE  
138<sup>th</sup> FOUNDERS' DAY PARADE**

**THE TOWN COUNCIL OF THE TOWN OF TARBORO ORDAINS:**

**WHEREAS**, at the end of the Civil War in 1865, following the reading of the Emancipation Proclamation by Union Soldiers, recently freed men and women decided to remain in Edgecombe County, on the southern banks of the Tar River and settled in a floodplain area adjacent to the Tar River that they called Freedom Hill and, in some instances, Liberty Hill; and

**WHEREAS**, the citizens of Freedom Hill recognized the advantages of incorporating their Town as independent, and petitioned the legislature in 1885 to rename the Town Princeville, after Richard Turner Prince, who had been born a slave in North Carolina in 1843 and was one of Freedom Hill's earliest residents, a carpenter, political leader, and a family man. Freedom Hill was incorporated as the Town of Princeville on February 20, 1885; and

**WHEREAS**, Princeville holds the historic distinction of being the oldest black Town in the United States incorporated by Blacks. Despite economic, political, social, and environmental hardships, the citizens of Princeville have remained loyal to the legacy of their ancestors; and

**WHEREAS**, the Town is asking the Town of Tarboro elected officials, administration and staff to support and promote the Town's events starting February 11<sup>th</sup> – February 20<sup>th</sup> 2023;

**NOW THEREFORE BE IT ORDAINED** by the Town Council of the Town of Tarboro pursuant to the authority granted by N.C.G.S. 20-169 that they do hereby declare a temporary road closure during the day and time set forth below on the following described portion of a State Highway System route:

Date: Saturday, February 18, 2023

Time: 12:00 PM – 4:00 PM

Route Description: N. Main Street (NC 33) from Park Avenue to Tarboro City Limits

This ordinance to become effective when signs are erected giving notice of the limits and times of the parade, and implementation of adequate traffic control to guide through vehicles around the parade route.

Adopted this 13<sup>th</sup> day of February, 2023.

\_\_\_\_\_  
Tate Mayo, Mayor

Attest:

\_\_\_\_\_  
Leslie M. Lunsford, Town Clerk



## ***Town of Tarboro, North Carolina Mayor and Council Communication***

**Subject:** Budget Amendment - Electric Reimbursements

**Date:** 2/13/2023

**Memo Number:** 23-06

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In recent months, the Electric Department has received revenues in the form of refunds, reimbursements, and insurance claims for expenditures that are over and above the expected operations for the department.

In order to recognize these revenues and allow for these unplanned expenditures to be made within legal budget constraints, a budget amendment is necessary.

It is recommended that Council approve the attached budget amendment.

### **ATTACHMENTS:**

Description	Upload Date	Type
Budget Amendment - Reimbursements	2/7/2023	Budget Amendment

## BUDGET RESOLUTION

### TOWN COUNCIL OF THE TOWN OF TARBORO

February 13, 2023

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF TARBORO, NORTH CAROLINA, that the 2022-2023 Electric Fund Budget be adjusted as follows:

<u>Account Number</u>	<u>Account Name</u>	<u>Current Budget</u>		<u>Amount of Change</u>		<u>Revised Budget</u>
<b>REVENUES - ELECTRIC FUND</b>						
30-3200-0100	Electric / Refunds and Reimb	50,000	+	24,568	=	74,568
30-3200-0200	Electric / Reimb - Mutual Aid	-	+	12,043	=	12,043
30-3200-0300	Electric / Insurance Claims	-	+	12,995	=	12,995
<b>EXPENDITURES - ELECTRIC FUND</b>						
30-7200-4500	Electric / Admin / Contracted Services	39,000	+	33,415	=	72,415
30-7210-1400	Electric / Oper /Travel & Training	18,000	+	3,196	=	21,196
30-7210-1600	Electric / Oper / Maintenance	35,000	+	12,995	=	47,995

BE IT FURTHER RESOLVED that the Budget Officer is hereby authorized and directed to implement said budget as amended.





## ***Town of Tarboro, North Carolina Mayor and Council Communication***

**Subject:** Budget Amendment - Law Enforcement Grant

**Date:** 2/13/2023

**Memo Number:** 23-07

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After the unexpected passing of K9 Titan in October of 2022, the Police Department applied for a grant through the AKC Reunite program, in partnership with the United States Police Canine Association, requesting funding for a new police canine. In January of 2023, the Police Department was notified that the grant request had been approved in the amount of \$7,500.00.

To enhance crime reduction strategies, it is expected that the new canine will be trained to detect firearms while continuing to support police patrol operations that are consistent with current canine teams deployed by the police department.

It is recommended that Council approve the attached budget amendment to appropriate these grant funds for the purchase of a new police canine.

**ATTACHMENTS:**

Description	Upload Date	Type
Budget Amendment - Law Enforcement Grant	2/8/2023	Budget Amendment

## BUDGET RESOLUTION

### TOWN COUNCIL OF THE TOWN OF TARBORO

February 13, 2023

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF TARBORO, NORTH CAROLINA, that the 2022-2023 General Fund Budget be adjusted as follows:

<u>Account Number</u>	<u>Account Name</u>	<u>Current Budget</u>	<u>Amount of Change</u>	<u>Revised Budget</u>
<b>REVENUES</b>				
10-3480-2900	Law Enforcement Grant	-	+ 7,500	= 7,500
<b>EXPENDITURES</b>				
10-4310-7400	Police / Capital Outlay - Equipment	111,340	+ 7,500	= 118,840

BE IT FURTHER RESOLVED that the Budget Officer is hereby authorized and directed to implement said budget as amended.





## ***Town of Tarboro, North Carolina Mayor and Council Communication***

**Subject:** Resolution of Intent for Annexation

**Date:** 2/13/2023

**Memo Number:** 23-08

---

Municipal growth through annexation is essential to sound urban development and continued economic development and the North Carolina General Statutes provide for annexation by municipalities according to certain legislative standards and with the provision of certain services. There are certain areas surrounded by Town limits which staff recommends for annexation.

The attached Resolution of Intent for Annexation will continue the process of annexation according to the included timeline as established by General Statute.

It is recommended that Council approve the Resolution of Intent.

### **ATTACHMENTS:**

Description	Upload Date	Type
Resolution of Intent for Annexation	2/8/2023	Resolution Letter
Exhibit A Map	2/8/2023	Exhibit
Exhibit B Timeline	2/8/2023	Exhibit

**A RESOLUTION STATING THE INTENT OF THE TOWN OF TARBORO TO CONSIDER ANNEXATION OF THE  
AREA DESCRIBED WITHIN, AND FIXING THE DATES OF A PUBLIC INFORMATIONAL MEETING, PUBLIC  
HEARING, AND REFERENDUM**

WHEREAS, municipal growth through annexation is essential to sound urban development and continued economic development in the Town of Tarboro; and

WHEREAS, the North Carolina General Statutes provide for annexation by municipalities according to certain legislative standards, and with the provision of certain services; and

WHEREAS, there are areas adjacent to the Town of Tarboro that may be eligible for annexation under the North Carolina General Statutes; and

WHEREAS, the Town Council is in the process of considering areas for possible annexation and plans to review those areas under consideration annually; and

WHEREAS, North Carolina General Statute 160A-55 provides that a Resolution of Consideration must be adopted by the Town Council at least one year prior to the Resolution of Intent to Annex in order to begin the Town-initiated annexation procedure and make it effective within a year after the date of passage of the annexation ordinance; and

WHEREAS, the Town Council adopted a Resolution of Consideration and sufficient time has passed,

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN OF TARBORO TOWN COUNCIL:

**SECTION I**

That all areas described within the area included on the map intended for annexation by the Town of Tarboro and the Attachment is incorporated herein by reference as Exhibit A.

**SECTION II**

That a summary of the annexation process and timelines as required by N.C.G.S. 160A-58.55(b) is attached hereto labeled Exhibit B.

**SECTION III**

That a Public Information Meeting will be held on April 3, 2023, A Public Hearing will be held on July 10, 2023, and a Referendum will be held at the Nov 7, 2023.

**SECTION IV**

That this Resolution and Map shall be on file in the Office of the City Clerk of the Town of Tarboro for viewing by citizens of the Town and surrounding area.

**SECTION V**

That following adoption of this Resolution of Intent, the Town Clerk or her designee is directed to publish notice of such adoption in the manner required by N.C.G.S. § 160A-58.55(b) and mail required notifications.

SECTION VI

That this Resolution shall become effective immediately upon adoption.

Adopted by the Tarboro Town Council on this the 13<sup>th</sup> day of February, 2023.

---

Tate Mayo, Mayor

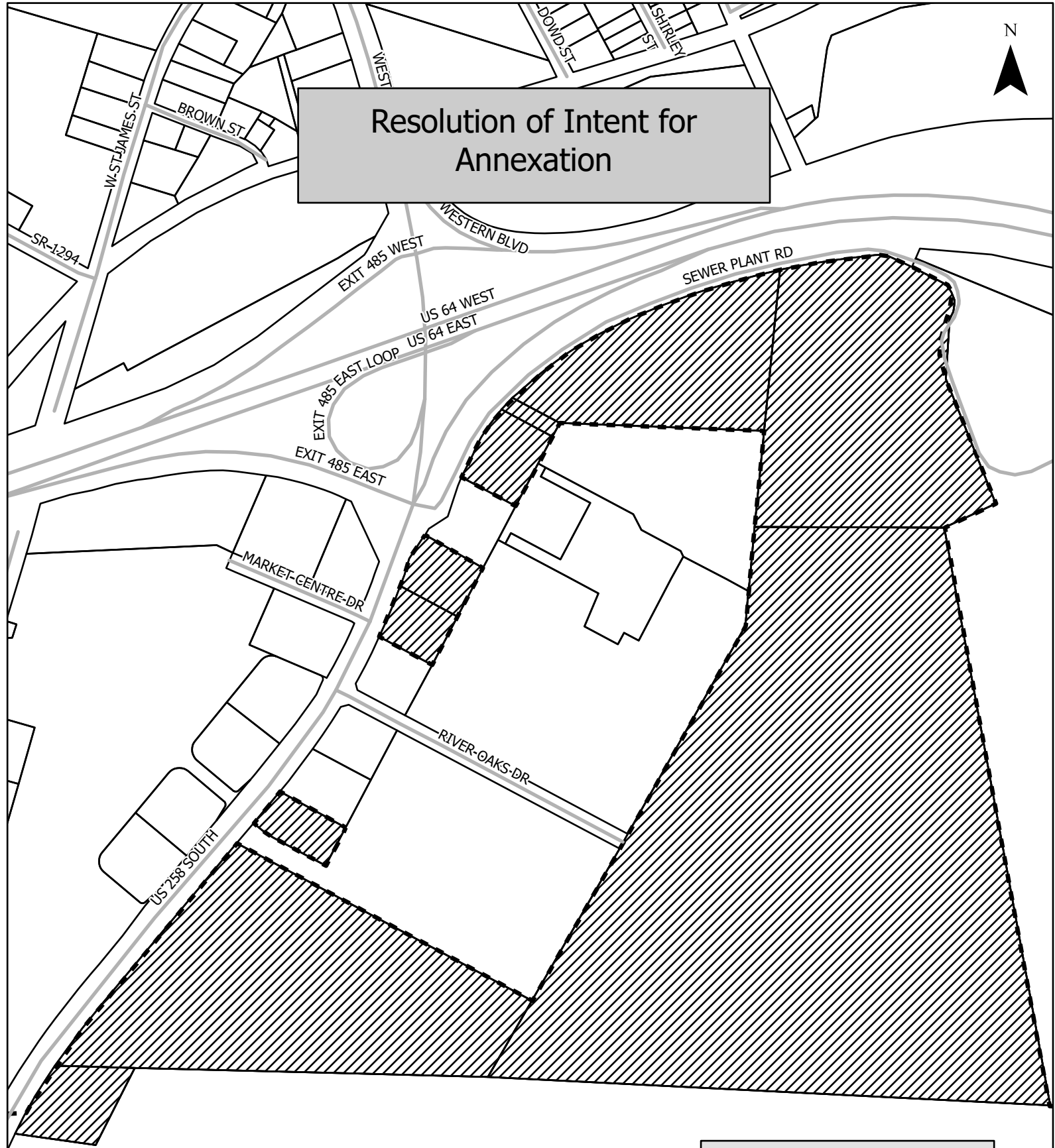
---

Leslie M. Lunsford, Town Clerk




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## Resolution of Intent for Annexation



### Legend

- Street Centerlines
-  Parcels to be Annexed
-  Parcel Outlines
-  Town Limits

0 250 500 1,000 Feet

## **Exhibit B**

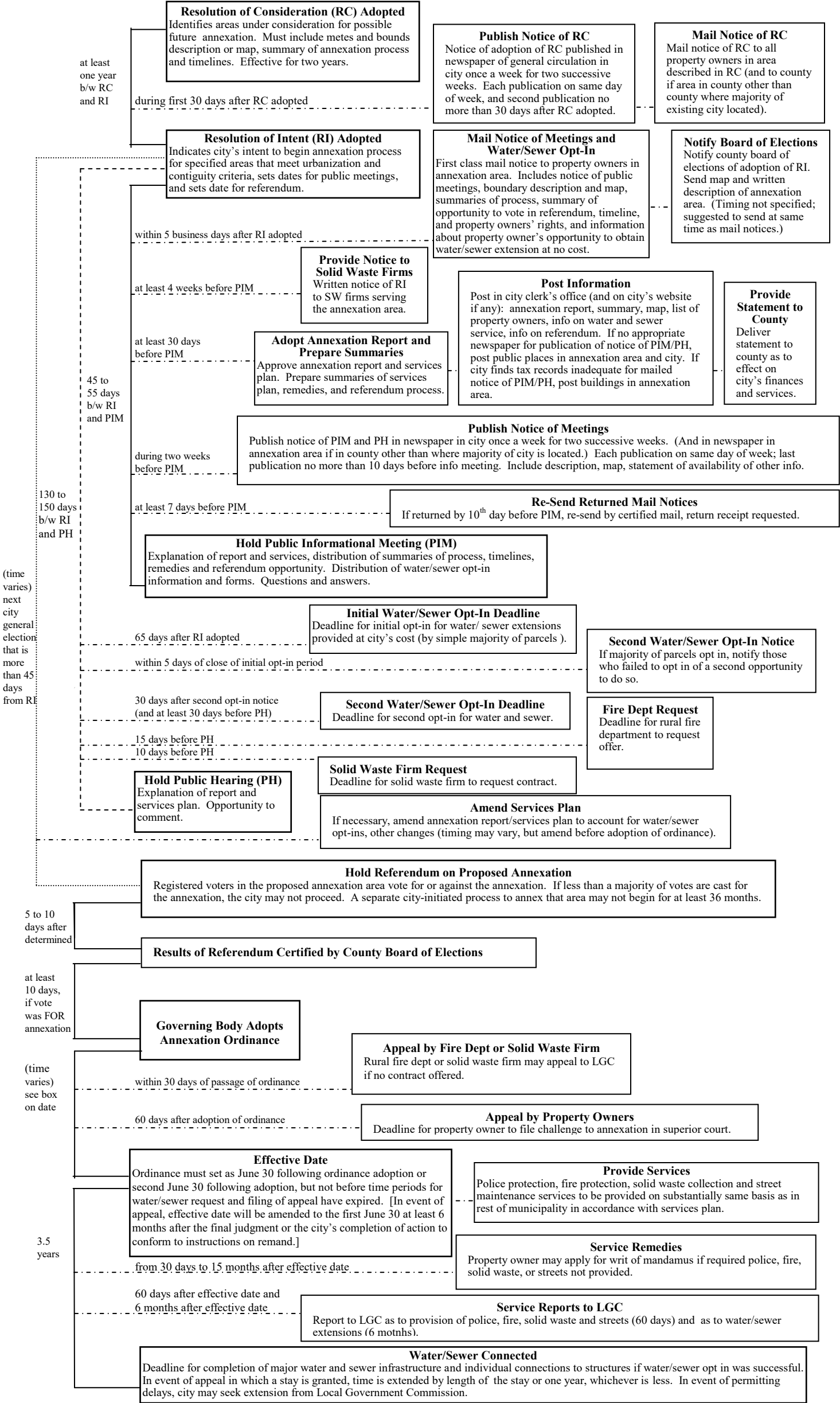
### **Involuntary Annexation Timeline**

The annexation process outlined in Part 7 of Article 4A of the North Carolina General Statutes is outlined in detail in Exhibit B-1 attached hereto. Each potential step in the annexation process as well as the timelines are outlined in Exhibit B-1. However, the process generally consists of the following:

- The process is begun by the adoption of a Resolution of Consideration. Once adopted, the Resolution must be published and mailed to property owners of real property located within the area under consideration for annexation. The Resolution of Consideration remains effective for a period of two (2) years after adoption.
- No sooner than one (1) year following adoption of the Resolution of Consideration, but within the 2-year effective period for the Resolution of Consideration, the Town Council must adopt a Resolution of Intent. This Resolution indicates the Town's intent to proceed with the annexation of some or all of the area described in the Resolution of Consideration. This Resolution must describe the boundaries of the area proposed for annexation, fix a date for a public informational meeting, fix a date for a public hearing on the question of annexation, and fix a date for the referendum on annexation. The date for the public informational meeting shall be not less than 45 days nor more than 55 days following the passage of the Resolution of Intent. The date for the public hearing shall not be less than 130 days nor more than 150 days following passage of the Resolution of Intent. The date of the referendum on annexation shall be set for the next municipal general election that is more than 45 days from the date of the Resolution of Intent.
- A notice of public informational meeting, public hearing and opportunity for water and sewer must be issued. This notice must be published and mailed within five (5) business days of the passage of the Resolution of Intent to the property owners of real property located within the area to be annexed.
- At least 30 days before the date of the public informational meeting, the Town Council must approve a report, as described in N.C.G.S. § 160A-58.53, setting forth plans to provide services to the area proposed for annexation. A summary of the report must be prepared for public distribution and the report and related materials must be posted in the office of the Town Clerk and on the Town's website.
- At the public informational meeting, a representative of the Town shall explain the report described in the preceding paragraph and explain the manner in which major municipal services shall be provided to the area to be annexed. Additional information regarding the annexation must be provided.

- At the public hearing, a representative of the Town shall explain the report described above and then property owners and residents of the area proposed to be annexed shall be given an opportunity to be heard.
- The next step in the process is a referendum to consider the question of annexation. Only registered voters of the proposed annexation area shall be allowed to vote on the referendum. A majority of the votes cast on the referendum must be in favor of annexation in order for the Town to proceed with annexation.
- Assuming the referendum approves the annexation, the Town Council, at a regular or special meeting held no sooner than the 10<sup>th</sup> day following the certification of the election, may adopt an ordinance extending the corporate limits of the municipality to include all or part of the area described in the notice of public hearing.
- Within 60 days following the adoption of the annexation ordinance, any property owner of real property located within the area described in the annexation ordinance may file a petition in Edgecombe County Court seeking review of the action of the Town Council.

Timeline for Municipality-Initiated Annexation - Exhibit B-1





## ***Town of Tarboro, North Carolina Mayor and Council Communication***

**Subject:** Appointment for February - Historic District Commission

**Date:** 2/13/2023

**Memo Number:** 23-09

---

The 4-year term for John Walker will expire in March 2023 for the Historic District Commission. Mr. Walker is interested in serving another term and his application is attached.

It is recommended that Council appoint an individual to fill the expiring term at the March Council meeting.

### **ATTACHMENTS:**

Description	Upload Date	Type
John Walker Application	2/6/2023	Cover Memo





# Town of Tarboro

## Application for Boards and Commissions

Please print or type the following information:

Name: JOHN H. WALKER Daytime Telephone: 252-565-2154

Address: 1303 N. Main Ward: 5 Zip Code: 27886

Email: john.walkerne@yahoo.com

Length of Residence in Tarboro: 9 (local property owner for 10 1/2)

Please indicate which board, commission, or committee on which you would like to serve:

Historic District (reappointment)

Why would you like to serve? I would like to continue the work we have been doing on the commission. Continuity and stability is a key to the appearance of the district and adds to the community quality of life

Please describe how your education, work experience, and community activities are relevant to your selections: \_\_\_\_\_

Community Activities: President, Tarboro Edgecombe Golden Seniors; board member, Salvation Army; community volunteer

Employment History: 57-year newspaper veteran (reporter, editor & publisher) I currently write for Welcome to Tarboro magazine, RN Telegram & Eastern NC Living mag

Education: Delta State University, Southern Methodist University & West Virginia Tech University.

Are you currently a member of any state, federal, or local board, commission, or committee? If so, please list below: NO

All information contained on this application is subject to public disclosure and will be reviewed by public officials. Attach any additional supporting documentation that is relevant to your qualifications to serve, i.e. resume, bio, etc.

Signature of Applicant: [Signature] Date: 1/19/23

All information contained on this application is subject to public disclosure and will be reviewed by public officials. Attach any additional supporting documentation that is relevant to your qualifications to serve, i.e. resume, bio, etc.

Submit Application by Mail to: Town of Tarboro  
Attn: Town Manager  
P.O. Box 220  
Tarboro, NC 27886

or Fax to: 252-641-4254