

Annual Comprehensive Financial Report

*Fiscal Year Ended
June 30, 2022*



Nash County
North Carolina
Where Business meets Opportunity



Nash County

North Carolina

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

PREPARED BY THE NASH COUNTY FINANCE DEPARTMENT

Donna Wood, Finance Director

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**NASH COUNTY, NORTH CAROLINA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2022
 TABLE OF CONTENTS**

| <u>Exhibit</u> | | <u>Page</u> |
|----------------|--|-------------|
| | INTRODUCTORY SECTION | |
| | Letter of Transmittal | i -ix |
| | List of Elected and Principal Officials | x |
| | Organizational Chart | xi |
| | Certificate of Achievement for Excellence in Financial Reporting | xii |
| | FINANCIAL SECTION | |
| | Independent Auditors' Report | 1-3 |
| | Management's Discussion and Analysis | 4-14 |
| | Basic Financial Statements: | |
| | Government-Wide Financial Statements: | |
| 1 | Statement of Net Position | 15-16 |
| 2 | Statement of Activities | 17 |
| | Fund Financial Statements: | |
| 3 | Balance Sheet – Governmental Funds | 18 |
| 3a | Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position | 19 |
| 4 | Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds | 20 |
| 4a | Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 21 |
| 5 | Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual - General Fund | 22 |
| 6 | Statement of Net Position –Proprietary Funds | 23 |
| 7 | Statement of Revenues, Expenses, and Changes in Fund Net Position- Proprietary Funds | 24 |
| 8 | Statement of Cash Flows – Proprietary Funds | 25-26 |
| 9 | Statement of Net Fiduciary Position – Fiduciary Funds | 27 |
| 10 | Statement of Changes in Fiduciary Net Position – Fiduciary Funds | 28 |
| | Notes to the Financial Statements | 29-74 |

**NASH COUNTY, NORTH CAROLINA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2022
 TABLE OF CONTENTS**

| <u>Exhibit</u> | | <u>Page</u> |
|--|--|-------------|
| Required Supplementary Financial Data: | | |
| A-1 | Schedule of County's Proportionate Share of Net Pension Liability (Asset) (LGERS) | 75 |
| A-2 | Schedule of County Contributions (LGERS) | 76 |
| A-3 | Schedule of County's Proportionate Share of Net Pension Asset (Register of Deeds' Supplemental Pension Fund) | 77 |
| A-4 | Schedule of County Contributions (Register of Deeds' Supplemental Pension Fund) | 78 |
| A-5 | Schedule of Changes in Total Pension Liability - Law Enforcement Officers' Special Separation Allowance | 79 |
| A-6 | Schedule of Total Pension Liability as a Percentage of Covered Payroll - Law Enforcement Officers' Special Separation Allowance | 80 |
| A-7 | Schedule of Changes in the Total OPEB Liability and Related Ratios - Healthcare Benefits Plan | 81 |
| Combining and Individual Fund Statements and Schedules: | | |
| <u>Major Governmental Funds</u> | | |
| B-1 | General Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual | 82-94 |
| B-1a | Revaluation Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual | 95 |
| B-1b | Economic Development Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 96 |
| B-2 | American Rescue Plan Act Grant Project Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual | 97 |
| B-3 | Detention Facility Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 98 |
| <u>Non-major Funds</u> | | |
| C-1 | Non-major Funds - Combining Balance Sheet | 99-103 |

NASH COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2022
TABLE OF CONTENTS

| <u>Exhibit</u> | | <u>Page</u> |
|---|---|-------------|
| <u>Non-major Funds (Continued)</u> | | |
| C-2 | Non-major Funds - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance | 104-108 |
| C-3 | Rural Operating Assistance Program - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 109 |
| C-4 | Fire Districts Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 110 |
| C-5 | Emergency Telephone System Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 111 |
| C-6 | Controlled Substance Fund -Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 112 |
| C-7 | Federal Asset Forfeiture Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 113 |
| C-8 | Stormwater Maintenance Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 114 |
| C-9 | Tourism Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 115 |
| C-10 | Homeland Security Grant - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 116 |
| C-11 | Single Family Rehabilitation - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 117 |
| C-12 | Urgent Repair Program - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 118 |
| C-13 | CDBG Grant Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 119 |
| C-14 | Hazard Mitigation Plan Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 120 |

**NASH COUNTY, NORTH CAROLINA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2022
 TABLE OF CONTENTS**

| <u>Exhibit</u> | | <u>Page</u> |
|----------------|---|-------------|
| | <u>Non-major Funds (Continued)</u> | |
| C-15 | Storm Debris Removal Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 121 |
| C-16 | COVID 19 Grant Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 122 |
| C-17 | Representative Payee Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 123 |
| C-18 | Fines and Forfeitures Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 124 |
| C-19 | CDBG - Coronavirus Relief Grant Fund- Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 125 |
| C-20 | Abandoned Manufactured Homes - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 126 |
| C-21 | US Department of Housing and Urban Development - Downeast Home Consortium - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and | 127 |
| C-22 | Capital Reserve Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 128 |
| C-23 | Middlesex Industrial Park - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 129 |
| C-24 | Senior Center/Miracle Park Capital Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 130 |
| C-25 | School Capital Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 131 |
| C-26 | Public Safety Radio Project Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 132 |
| C-27 | Animal Facility Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 133 |
| C-28 | Highspeed Internet Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 134 |
| C-29 | Courthouse Expansion Capital Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 135 |

**NASH COUNTY, NORTH CAROLINA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2022
 TABLE OF CONTENTS**

| <u>Exhibit</u> | | <u>Page</u> |
|--|--|-------------|
| <u>Non-major Funds (Continued)</u> | | |
| C-30 | State Grant Capital Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | 136 |
| <u>Enterprise Funds</u> | | |
| Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP): | | |
| D-1 | Water and Sewer Fund - Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP) | 137-138 |
| D-1a | Rural Center Grants Fund - Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP) | 139 |
| D-2 | Solid Waste Fund - Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP) | 140-141 |
| D-2a | Solid Waste C&D Expansion Fund - Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP) | 142 |
| D-3 | Northern Nash Water System - Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP) | 143-144 |
| D-3a | Northern Nash Water and Sewer Capital Project Fund - Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP) | 145 |
| <u>Internal Service Fund</u> | | |
| E-1 | Combining Statement of Net Position | 146 |
| E-2 | Combining Statement of Revenues, Expenses, and Changes in Net Position | 147 |
| E-3 | Combining Statement of Cash Flows | 148 |
| E-4 | Employee Healthcare Benefits - Schedule of Revenues, and Expenditures - Budget and Actual (Non-GAAP) | 149 |
| E-5 | Workers' Compensation Fund - Schedule of Revenues, and Expenditures - Budget and Actual (Non-GAAP) | 150 |
| <u>Custodial Funds</u> | | |
| F-1 | Combining Statement of Fiduciary Net Position - Custodial Funds | 151 |
| F-2 | Combining Statement of Changes in Fiduciary Net Position - Custodial Funds | 152 |

**NASH COUNTY, NORTH CAROLINA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2022
 TABLE OF CONTENTS**

| <u>Exhibit</u> | | <u>Page</u> |
|-------------------------------|--|-------------|
| <u>Other Schedules</u> | | |
| G-1 | Schedule of Ad Valorem Taxes Receivable - General Fund | 153 |
| G-2 | Analysis of Current Tax Levy-County-wide Levy | 154 |
| STATISTICAL SECTION | | |
| <u>Table</u> | | <u>Page</u> |
| 1 | Net Position by Component, Last Ten Fiscal Years | 155 |
| 2 | Changes in Net Position, Last Ten Fiscal Years | 156 |
| 3 | Fund Balances, Governmental Funds, Last Ten Fiscal Years | 157 |
| 4 | Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years | 158 |
| 5 | General Governmental Tax Revenues by Source, Last Ten Fiscal Years | 159 |
| 6 | Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years | 160 |
| 7 | Property Tax Rates, Direct and Overlapping Governments, Last Ten Fiscal Years | 161 |
| 8 | Principal Property Tax Payers | 162 |
| 9 | Property Tax Levies and Collections, Last Ten Fiscal Years | 163 |
| 10 | Ratio of Outstanding Debt by Type, Last Ten Fiscal Years | 164 |
| 11 | Ratios of General Bonded Debt Outstanding, Last Nine Fiscal Years | 165 |
| 12 | Legal Debt Margin Information, Last Ten Fiscal Years | 166 |
| 13 | Direct and Overlapping Governmental Activities Debt | 167 |
| 14 | Demographic and Economic Statistics, Last Ten Fiscal Years | 168 |
| 15 | Principal Employers, Current and Nine Years Ago | 169 |
| 16 | Full-Time Equivalent County Government Employees by Function, Last Ten Fiscal | 170 |
| 17 | Operating Indicators by Function, Last Ten Fiscal Years | 171-172 |
| 18 | Capital Asset Statistic by Function, Last Ten Fiscal Input | 173 |

NASH COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2022
TABLE OF CONTENTS

Exhibit

Page

COMPLIANCE SECTION

| | |
|---|---------|
| Report on Internal Control Over Financial Reporting And Compliance and Other Matters Based On An Audit Of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 174-175 |
| Reporting on Compliance With Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance In Accordance with OMB Uniform Guidance and the State Single Audit Implementation Act | 176-178 |
| Reporting on Compliance With Requirements Applicable to Each Major State Program and Internal Control Over Compliance in Accordance with OMB Uniform Guidance and the State Single Audit Implementation Act | 179-181 |
| Schedule of Findings and Questioned Costs | 182-187 |
| Corrective Action Plan | 188-190 |
| Summary Schedule of Prior Year Audit Findings | 191 |
| Schedule of Expenditures of Federal and State Awards | 192-197 |

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November 9, 2022

Nash County Citizens,
The Honorable Chairman,
Members of the Board of Commissioners

Maintaining the fiscal strength and stability of County government are primary goals of the Commissioners. This Annual Comprehensive Financial Report (Financial Statements) of Nash County, North Carolina, for the fiscal year ended June 30, 2022, is prepared to provide you with details about how the County receives, spends and accounts for its money, as well as key indicators of its financial strength. The County's Finance Department is responsible for the accuracy of the Financial Statement data, the completeness and fairness of the presentation, and all disclosures rests with the County. We believe the data and presentation are fair and accurate and that you will find everything necessary in this document to gain an understanding of the County's financial activities over the last fiscal year.

It is our pleasure to submit this Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year 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 Nash County.

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

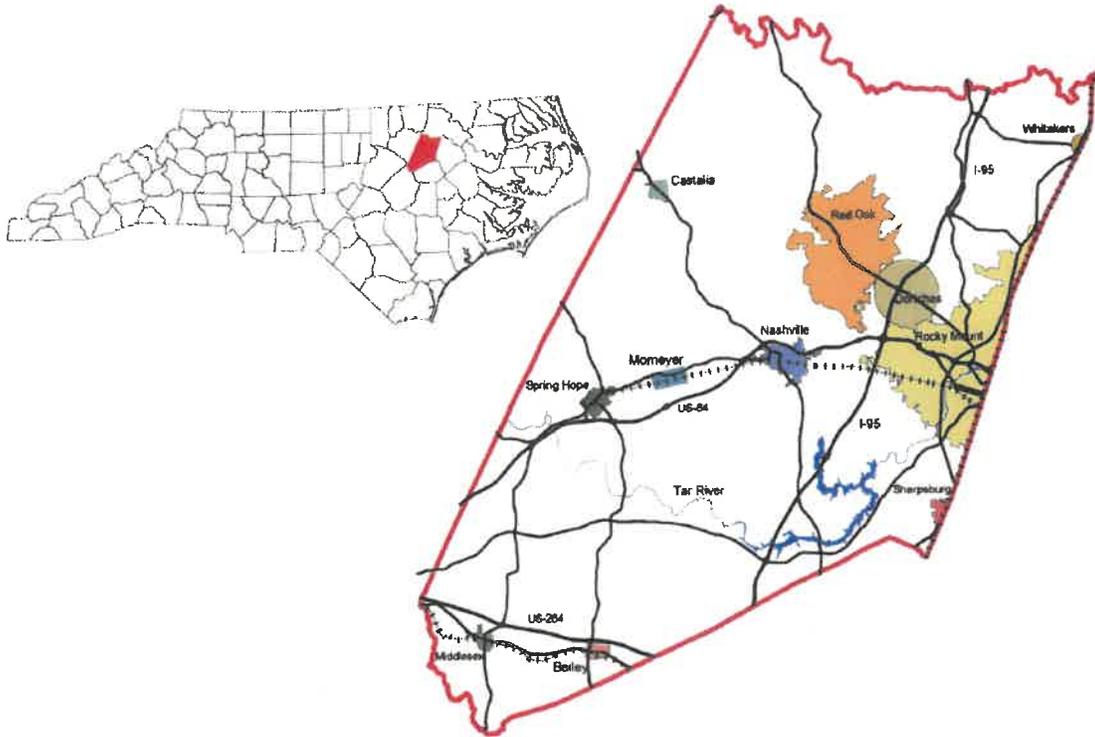
Nash County's financial statements have been audited by Thompson, Price, Scott, Adams & Co., P.A., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of Nash County for the fiscal year ended June 30, 2022, 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 upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Nash County'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 Nash County was part of a broader, Federal and State mandated "Single Audit" designed to meet the special needs of Federal and State 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 and State 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 basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Nash County's MD&A can be found immediately following the report of the independent auditors.

Profile of the County

Nash County was established in 1777 from the western part of Edgecombe County. Nash County could be classified as either a northern coastal plain county or a far eastern piedmont county. Falling midway between New York and Florida, Nash County occupies a total area of 542.71 square miles with a land area of 540.41 square miles. Nash County serves a population of 95,246 according to July 2022 projections from the North Carolina Office of State Budget and Management website, www.osbm.nc.gov. The County is positioned as a major gateway between the Coastal Plain and Piedmont regions of North Carolina. Within 30 miles of the state capital of Raleigh, Nash County is within an hour's drive of the world-famous Research Triangle Park. Eleven municipalities are located within the County, the largest being the City of Rocky Mount. Nashville is the second largest municipality in population and serves as the county seat. Nash County is empowered to levy a property tax on both real and personal properties located within its boundaries.



County Government

The County operates under the Commissioner-Manager form of Government. Policy-making and legislative authority are vested in a governing board consisting of seven elected commissioners. The governing board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. Commissioners are elected by districts and serve four-year staggered terms.

The County Manager is appointed by, and serves at the pleasure of the Board as the County's Chief Administrative Officer and Budget Officer. The Manager has appointive and removal authority over department heads and other employees of the County. The County Manager is responsible for the daily operations of the County Government. In addition, the Manager's responsibilities include implementation of policies established by the Board of Commissioners, as well as the administration of the annual budget adopted by the Board.

Nash County provides a wide range of services including public safety, human services (Social Services, Health, Veterans and Aging), funds for education, cultural and recreational activities, environmental protection, general administration and others. Additionally, the County owns and operates water/sewer distribution systems and a construction and demolition ("C&D") debris landfill which function, in essence, as departments of Nash County. This report includes all of the County's activities in maintaining these services, except schools, which are administered by the Nash County Public School Board of Education. The County also extends financial support to certain boards, agencies and commissions to assist their efforts in serving citizens. Among these are the Nash

County Public School Board of Education, Nash Community College and Trillium MCO (managed care organization), providing mental health services.

Budget Process

The annual budget serves as the foundation for Nash County's financial planning and control. As required by the North Carolina Budget and Fiscal Control Act, the County adopts an annual budget for all governmental and proprietary operating funds except those authorized by project ordinance that are multi-year in nature. Appropriations to the various funds are formally budgeted on a departmental or project level. However, for internal accounting purposes, budgetary control is maintained by object class (line item account). In accordance with state law, the County's budget is prepared on the modified accrual basis. Its accounting records also are maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a fund liability is incurred, except for unmatured principal and interest on long-term debt and certain compensated absences. Governmental Fund types, such as the County's General Fund, Special Revenue Funds, and Capital Project Funds are reported on the modified accrual basis in the financial statements.

All Nash County departments and outside agencies are required to submit requests for appropriation to the County Manager on or before March 15 each year. The County Manager uses these requests as the starting point for developing a proposed budget. The County Manager then presents a proposed budget to the commissioners for review at the May commissioner's meeting. The commissioners are required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of Nash County's fiscal year.

The County Manager is authorized to transfer appropriations within a department. Transfers between departments and budget increases or decreases over \$5,000 require the formal approval of the Board of Commissioners at monthly meetings. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. Governmental funds, other than the general fund, with appropriated annual budgets, are presented in the combining and individual fund financial statements. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Nash County operates.

Local economy

INDUSTRY

The local economy of Nash County is well diversified. The largest sectors of employment are comprised of manufacturing (18.1%), health care and social assistance (13.9%), retail trade (13.1%), accommodation & food services (9.3%) and educational services (9.5%).

The County saw a 0.7% decrease in unemployment to 5.8% from the previous year's 6.5% while the state's unemployment dropped 0.8% to 4.1%. The local economy has experienced growth in the tax base and future employment opportunities to the area through the expansion of existing industry and newly located industries. Major manufacturing operations in Nash County include diesel engine, tobacco processing, pharmaceutical, security lock and aerospace.

Nash County enjoyed a substantial increase in jobs and economic activity thanks to existing business expansions and new businesses locating to the county, despite the continued impacts of the pandemic throughout Fiscal Year 2022. In addition to the lingering effects of the pandemic, a growing disruption to global supply chains allowed Nash County to position its self in the market as a great place to attract new business, thanks to its low cost of doing business and strategic location between the Research Triangle and I-95. There were a total of 303, new jobs announced with a total new capital investment of over \$142 million for Nash County.

The Crump Group, a Canadian company and manufacturer of all-natural pet treats and supplements, identified Nash County for its first U.S. operations when it purchased the former 190,000 square foot Carolina Innovative Food Ingredients (CIFI) property in Nashville creating 160 new jobs.

SinnovaTek, a Raleigh-based leading developer and integrator of advanced food processing equipment and technology, purchased the county-owned 62,500 square foot shell building located in the 340-acre Middlesex Corporate Centre, creating a total of 50 new jobs and 75 over the next five years.

The County was awarded \$1.2 million in economic development grants, including \$750,000 CDBG building reuse grant for The Crump Group; \$400,000 in rural building reuse funds for SinnovaTek and \$50,000 from The Golden LEAF Foundation through the new SITE development program. The Golden LEAF funds will be used to complete due diligence work on a one-million square foot pad-ready site in the Middlesex Corporate Centre located on U.S. 264 and within minutes of the Research Triangle.

The Economic Development Team generated an extensive pipeline of 85 active projects equally through businesses contacting the county directly and the Economic Development Partnership of North Carolina (EDPNC), as well as the Research Triangle Regional Partnership which Nash County is a member. The

new projects spanned across many industry sectors and could bring a potential capital investment of \$6.7 billion dollars and 16,000 new jobs to Nash County.

In addition to the continuing expansion of industrial and manufacturing, retail sales are also seeing growth. Sales increased 27% from \$1,187,496,092 in FY21 total sales to \$1,511,501,171 in FY22.

FARM PRODUCTION

Nash County is home to more than 425 farming operations of various sizes. Just over 40% of the counties land area is farmland. Interestingly, approximately two-thirds of Nash cropland is owned by non-farming landowners, who lease their land to active farmers. A few more than half of the primary farm operators indicate their primary occupation to be farming. The Voluntary Agricultural District incorporates 9,510 acres making up 220 land parcels in the county. Soybean is the largest crop grown in the county at 28,469 acres. Most of the Nash County soybean crop is crushed and used as a protein supplement in livestock feed rations. Cotton acreage has increased significantly from 6,949 acres in the prior year to 9,722 acres. Farmers reported planting nine varieties of sweet potatoes with the Covington variety being the most dominant. Sweet potato acreage has decreased to 7,374 acres but Nash County is ranked second in the state for overall sweet potato production. Other products include flu-cured tobacco at 7,246 acres and wheat at 3,665 acres.

The average value of an individual farm including buildings is \$599,074,000 with the average value of machinery and equipment being \$105,305,000. Livestock and Poultry generated \$44,439,100 in cash receipts. Crop Production in Nash County ranks seventh statewide with a value of approximately \$94,693,702 in cash receipts and ranks fifth in vegetable, fruits and nut production while overall agriculture production (field crops, livestock, and poultry combined) generated \$151,307,405 in cash receipts for the year.

FUND BALANCE

Unassigned fund balance in the general fund at 26.99% of total general fund expenditures falls within the policy guidelines set by the Board of Commissioners. Nash County Fiscal Policy for Reserves states the amount should be no less than 15% at close of each fiscal year. The Board has made one-time use of fund balance for capital expansion for property acquisitions and improvements.

Long-Term Financial Planning

MAJOR INITIATIVES AND ACHIEVEMENTS

A number of significant initiatives, outlined below, were underway in fiscal year 2022 in Nash County that will have a positive effect on the County's economic health and its ability to provide services to residents and businesses.

Utilities:

Northern Nash Water System:

In September 2021, Nash County was approved for an additional \$654,500 State loan from the Water Infrastructure Fund to help fund Phase 1B of the Northern Nash Water System Project which was originally authorized in 2019 with Phase 1 (completed in October 2021) to begin the extension of water lines to areas in Red Oak and Dortches. Phase 1B is set to include two (2) new water supply wells, incorporation of an existing well into the water distribution system, and the construction of an additional 1.5 miles of water lines to connect to one of the two new wells. This project has been designed and is currently in the permitting phase. The project is scheduled to be bid in November 2022.

Economic Development:

Middlesex Corporate Centre:

Nash County and the Town of Middlesex are currently working on Phase 2 of this project to include the extension of Corporation Parkway (the road) from its existing terminus approximately 3,500 linear feet to US 264 Alternate, additional sewer lines and a new sewer lift station to serve future industrial park clients. Funding includes county funds and grants: \$500,000 Golden LEAF; \$1,681,230 NC Commerce Industrial Development Funds. The county applied for and has been awarded a \$400,000 Economic Development Fund grant from the North Carolina Department of Transportation to assist with funding the road construction.

Highway 97 Site – Shell Building:

Nash County was awarded a \$1,000,000 State Capital and Infrastructure Fund grant which is set to be used to assist with building a shell building at Nash County's Highway 97 site. Design completion is estimated for January 2023, a construction contract is anticipated for March 2023. The project is expected to be completed by February 2024 and occupied by an industry within twelve months.

High Speed Internet:

Nash County entered into a partnership with a private provider, CloudWyze, to expand high speed internet to the unserved and underserved areas of the County. Phase 3 of the project was approved during fiscal year 2021 and currently five out of eight planned towers are live. Phase 3 included a grant to the provider from the NC Broadband Infrastructure Office (\$686,971). CloudWyze is working on a fiber project in Nashville, its first FTTX build, and has an anticipated 90 day build window. CloudWyze applied for and was awarded GREAT Grant 2.0 in Nash County. Nash County has committed a match for this grant using ARPA funds. The County is seeking additional grants to move forward with future projects (fiber and wireless).

Public Safety

Detention Facility Renovation and Expansion Project:

In May 2020 Nash County approved Mosley Architects as the design consultant for the renovation and expansion of Nash County's Detention Center. The project includes renovation and construction of an improved intake/booking area, construction of an addition to the detention facility intended to provide for up to 94 additional beds and related containment cells and retrofitting one of the existing dormitories to provide isolation cells. The project was awarded to Daniels & Daniels Construction with final completion anticipated for January 2024.

Animal Facility Project:

Nash County has acquired a 23-acre tract of land located on the north side of Eastern Avenue (SR 1770) adjacent to Nash Community College to accommodate future expansion of the college and to construct a new Animal Facility (aka Pet Connection Center). Funding for the project is a combination of donations and county funding. In addition to replacing the existing 1600 square foot facility which was constructed nearly 36 years ago, the location of the proposed facility, which will be constructed on 5 acres of this tract, will facilitate increased collaboration between Nash County Animal Control and the Nash Community College Vet Tech program. The project was bid in the Spring of 2022 and work is currently underway by R&L Builders with an anticipated completion in May 2023.

Parks and Recreation

Nash County Miracle Park at Coopers:

The Nash County Miracle Park at Coopers is located in southeast Nash County. This park serves the Coopers, West Mount, & Macedonia communities (all unincorporated) & the larger region. A dedication ceremony for the Carter Store Concession Stand, named after Mr. DeLeon Carter, and completion of the Park Phase 1, was held July 2022. Nash County was awarded a \$425,000 PARTF grant for Phase 2 of the Park Project. Phase 2 of the project includes an addition of a sand volleyball court, disc golf course, dog park (small and large dog), a 20'x30' event stage, an extension of the walking trail, sidewalks, and gravel parking. The estimated cost of Phase 2 is \$852,000.

Education

New Elementary School Project:

The new elementary school will consolidate three existing elementary schools into one in the Northern Nash area of Nash County with the capability to accommodate up to 800 students. Funding for the elementary school project is a combination of the Needs-Based Public School Grant awarded to the Nash County Public School Board and financing. The Nash County Public School Board selected H.G. Reynolds Company Inc. for the construction project which began in the summer of 2021. Phase 1 of the building project will open in January 2023 for the K-2 children currently located at the existing Red Oak Elementary School. The existing Red Oak Elementary School will be demolished following the move of K-2 children and

this area will be used to construct the car rider lanes. Swift Creek Elementary and Cedar Grove Elementary Schools will be closed and relocated to the new elementary school in August of 2023.

Awards

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to Nash County for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This makes the thirty-first consecutive year Nash County received the award. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such an Annual Comprehensive Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report and to the county's independent certified public accountants, Thompson, Price, Scott, Adams & Co., P.A. for their assistance and guidance. Credit also must be given to the members of the Board of Commissioners for their continuing interest and support in conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

NASH COUNTY, NORTH CAROLINA



Stacie Shatzer
County Manager



Donna Wood
Finance Officer

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Nash County, North Carolina

Principal Officials

June 30, 2022



(Seated Left to Right) Fred Belfield, Jr., Vice-Chairman Wayne Outlaw, Chairman Robbie B. Davis, County Manager Stacie Shatzer, Gwen Wilkins (Standing Left to Right) Attorney Vince Durham, Sue Leggett, Clerk to the Board Janice Evans, Marvin Arrington, Dan Cone, Assistant County Manager Scott Rogers

Board of County Commissioners

Robbie B. Davis, Chairman – District 7

District 1 – Marvin Arrington

District 2 – Fred Belfield, Jr.

District 3 – Dan Cone

District 4 – Sue Leggett

District 5 – Wayne Outlaw, Vice-Chairman

District 6 – Gwen Wilkins

Elected Officials

Sheriff – Keith Stone

Register of Deeds – Sandra Davis

County Officials

Stacie Shatzer – County Manager

Assistant County Manager – Scott Rogers

Tax Administrator – Doris Sumner

Human Resources Director – Anison Kirkland

County Engineer – Jonathan Boone

Health & Human Services Director – William Hill

Emergency Services Director – Tony Cameron

Social Services Director – Amy Pridgen-Hamlett

Elections Director – John Kearney

Economic Development Director – Andy Hagy

Senior Services Director – Ashley Winstead

Public Communication Director – Jonathan Edwards

Clerk to the Board – Janice Evans

Finance Officer – Donna Wood

Grants & Intergovernmental Relations – Patsy McGhee

Planning & Inspections Director – Adam Tyson

Public Facilities Director – Jonathan Boone

Solid Waste Director – William Hill

Information Technology Director – Sandi Vick

Cooperative Extension Director – Sandy Hall

Veteran Service Officer – Anthony Rogers

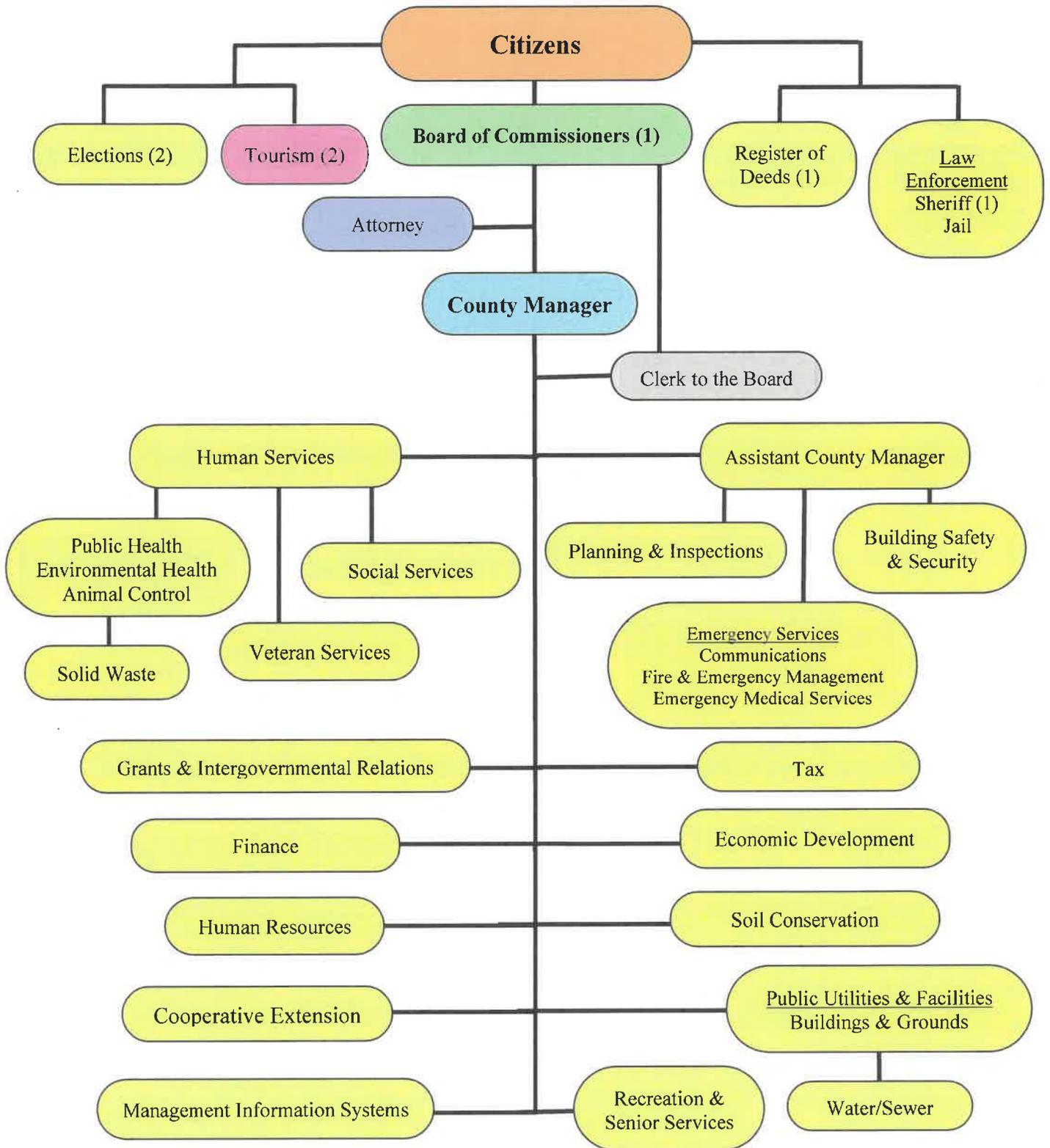
Soil and Water Director – Michael Strickland

Safety & Security Officer – Chris Cary

Parks & Recreation Director – Thomas Gillespie

County Attorney – Vince Durham

Nash County Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Nash County
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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Thompson, Price, Scott, Adams & Co, P.A.

P.O Box 398
1626 S. Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958

Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Nash County
Nashville, North Carolina

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-types activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise Nash County basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Nash County, North Carolina 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Nash Health Care Systems and Subsidiaries which represents 97.8 percent, 97.2 percent, and 95.3 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We did not audit the financial statements of Nash County ABC Board, which represents 1.8 percent, 2.2 percent, and 4.7 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Nash Health Care Systems and Subsidiaries and the Nash County ABC Board, are based solely on the reports of the other auditors.

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 these standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Nash County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Nash County Tourism Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board were not audited in accordance with Governmental Auditing Standards.

Members
American Institute of CPAs - N.C. Association of CPAs - AICPA Division of Firms

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 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 Nash County's ability to continue as a going concern for the twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility 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 Standard will always detect material statement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and 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 responsible 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 Nash County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Local Government Employees' Retirement System schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and County Contributions, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, and the Schedule of Changes in the Total OPEB Liability and Related Ratios, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting

for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Nash County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purpose 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. 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 the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory 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 on 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 statement, 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 November 9, 2022 on our consideration of Nash County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose the 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 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 Nash County's internal control over financial reporting and compliance.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 9, 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Nash County, we offer readers of Nash County's financial statements this narrative overview and analysis of the financial activities of Nash County 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 County's financial statements, which follow this narrative.

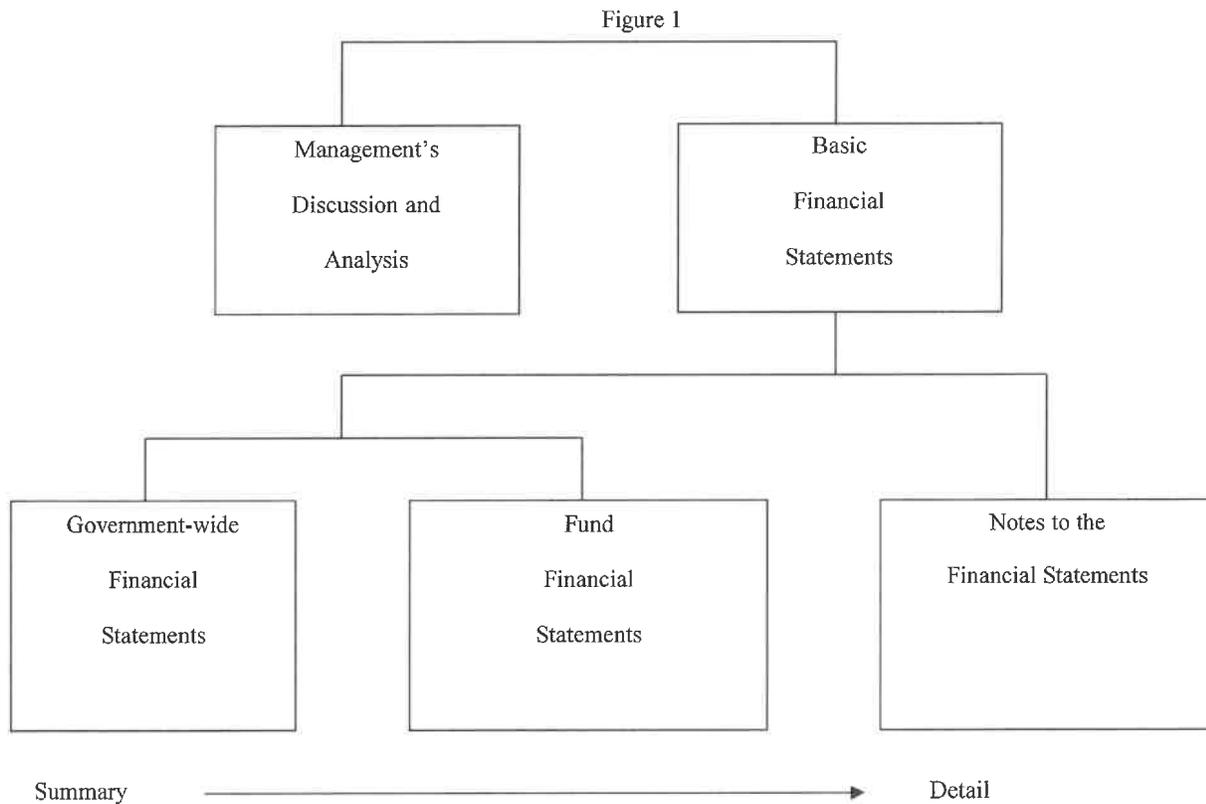
Financial Highlights

- The assets and deferred outflows of resources of Nash County primary governmental activities exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$55,202,749 (net position). Unrestricted net position is a deficit balance of (\$66,914,202).
- As of the close of the current fiscal year, Nash County's governmental funds reported combined ending fund balances of \$85,194,960 after an increase of \$17,722,502. Approximately 47.60 percent of this total amount or, \$40,555,845, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$28,211,873 or 26.99 percent of total general fund expenditures for the fiscal year.
- The County's tax rate was unchanged at 67 cents per \$100 valuation.
- Nash County's total debt increased by \$10,414,776 during the current fiscal year. The key factor in this increase was for additional debt incurred for the building of a new detention facility. Nash County's debt service for Governmental Funds accounts was 5.29% of total governmental expenditures.
- Nash County maintained its General Obligation Bond rating of Aa2 by Moody's and in May 2022 was upgraded from AA- to AA by Standard and Poor's. The upgraded rating is attributable to improvements in Nash County's economic base. The bond ratings reflect Nash County's strong financial management practices and maintenance of a health financial position.

Overview of the Financial Statements

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

Required Components of Annual Financial Report



Basic Financial Statements

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

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the enterprise fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

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

Government-wide Financial Statements

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

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

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's and the discretely presented component units' basic services such as general government, public safety, transportation, economic and physical development, human services, cultural and education. Property taxes, sales taxes, and State and Federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These activities include water and sewer, and solid waste services offered by Nash County. The final category is the component units. Nash Health Care Systems is a public hospital operated by a not-for-profit corporation that has leased the hospital from the County for a period of 30 years. The County appoints the Board of Trustees for the Hospital and has issued debt on its behalf. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable for the Board by appointing its members and because the Board is required to distribute its profits to the County. The Nash County Tourism Authority is also a component unit of Nash County.

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

Fund Financial Statements

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

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

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

Proprietary Funds – Nash County maintains two kinds of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Nash County uses its enterprise fund to account for its water and sewer activity and for its solid waste management function. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. Nash County uses Internal Service Funds to account for its employee group insurance and workers compensation insurance. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Nash County has two fiduciary funds, both of which are custodial funds.

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

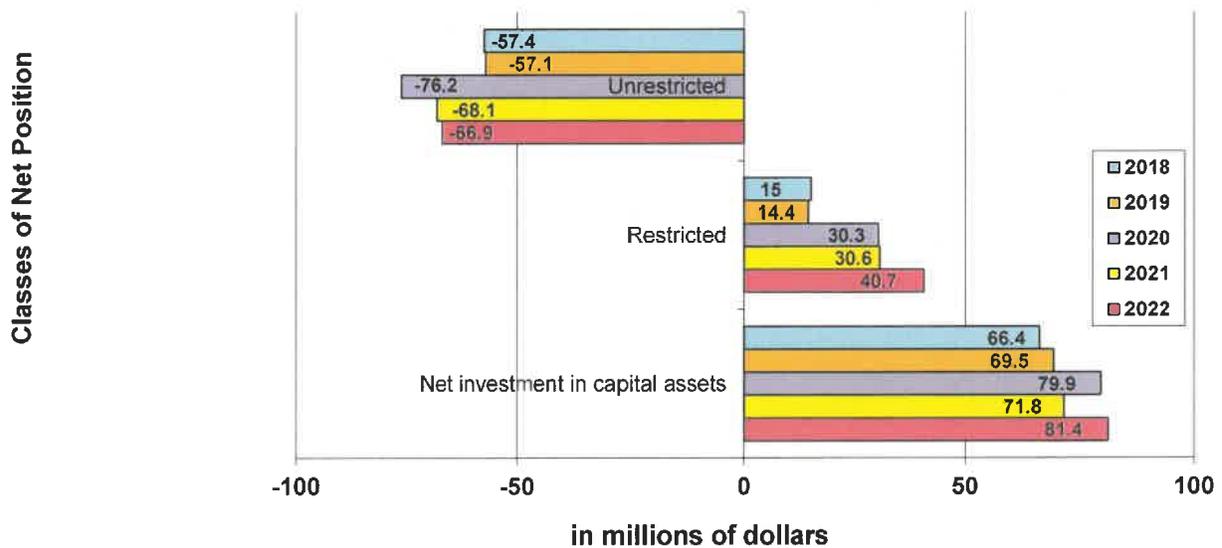
Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Nash County's progress in funding its obligation to provide pension and other postemployment benefits to its employees. This information can be found in the Required Supplementary Information section of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$55,202,749 as of June 30, 2022. The County's net position increased by \$19,028,714 for the fiscal year ended June 30, 2022. The County also reported a prior period adjustment which increased beginning net position by \$1,835,079. One of the largest portions, \$81,381,516 (147.42%) reflects the County's net investment in capital assets (e.g. land, buildings, improvements, machinery, and equipment net of any related outstanding debt of those assets). Nash County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Nash County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Nash County's net position \$40,735,436 (73.79%) represents resources that are subject to external restrictions on how they may be used. The remaining deficit balance \$66,914,202 (121.22%) is unrestricted.

Nash County's Net Position
Figure 2

| | Governmental Activities | | Business-type Activities | | Total | |
|--------------------------------------|-------------------------|---------------|--------------------------|---------------|----------------|---------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Current and other assets | \$ 112,893,773 | \$ 84,997,015 | \$ 9,799,505 | \$ 9,376,078 | \$ 122,693,278 | \$ 94,373,093 |
| Capital assets | 79,137,136 | 65,480,259 | 39,501,018 | 39,553,931 | 118,638,154 | 105,034,190 |
| Total assets | 192,030,909 | 150,477,274 | 49,300,523 | 48,930,009 | 241,331,432 | 199,407,283 |
| Total deferred outflows of resources | 24,088,443 | 23,133,352 | 556,034 | 530,763 | 24,644,477 | 23,664,115 |
| Long-term liabilities outstanding | 149,745,722 | 142,203,061 | 23,590,685 | 23,952,136 | 173,336,407 | 166,155,197 |
| Other liabilities | 21,572,594 | 13,120,481 | 917,816 | 675,078 | 22,490,410 | 13,795,559 |
| Total liabilities | 171,318,316 | 155,323,542 | 24,508,501 | 24,627,214 | 195,826,817 | 179,950,756 |
| Total deferred inflows of resources | 14,562,524 | 8,566,793 | 383,819 | 214,893 | 14,946,343 | 8,781,686 |
| Net position: | | | | | | |
| Net investment in capital assets | 59,969,498 | 50,672,849 | 21,412,018 | 21,209,081 | 81,381,516 | 71,881,930 |
| Restricted | 40,535,085 | 30,381,222 | 200,350 | 203,500 | 40,735,435 | 30,584,722 |
| Unrestricted | (70,266,071) | (71,333,780) | 3,351,869 | 3,206,084 | (66,914,202) | (68,127,696) |
| Total net position | \$ 30,238,512 | \$ 9,720,291 | \$ 24,964,237 | \$ 24,618,665 | \$ 55,202,749 | \$ 34,338,956 |



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

- Continued diligence in the collection of property taxes.
- Managements proactive stance on monitoring spending across county departments to ensure compliance with the budget.

Nash County's Changes in Net Position

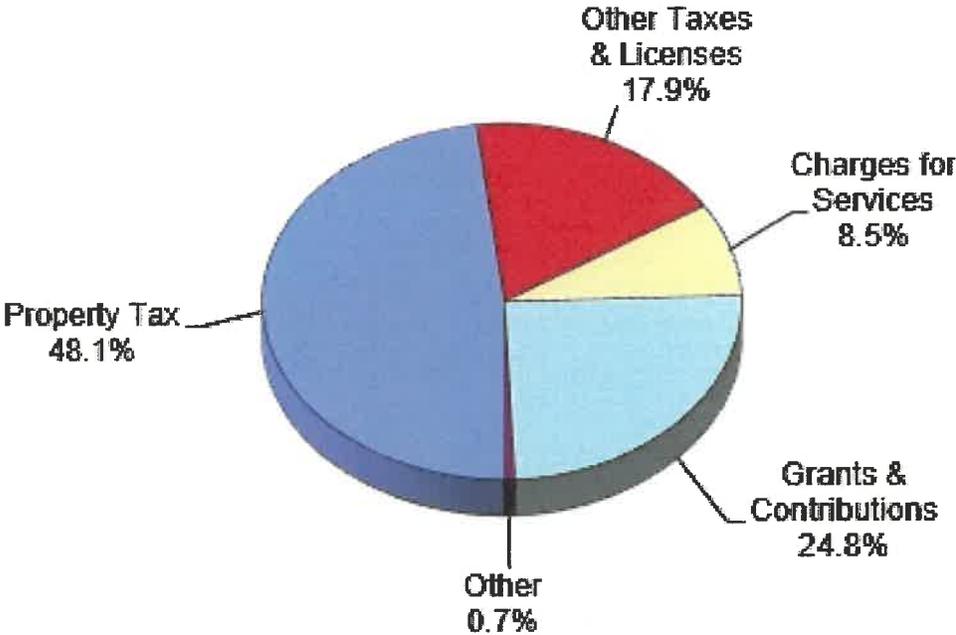
Figure 3

| | Governmental Activities | | Business-type Activities | | Total | |
|---|----------------------------|--------------|-----------------------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 10,617,508 | \$ 8,077,989 | \$ 6,272,227 | \$ 6,286,046 | \$ 16,889,735 | \$ 14,364,035 |
| Operating grants and contributions | 25,701,776 | 21,344,907 | 56,104 | - | 25,757,880 | 21,344,907 |
| Capital grants and contributions | 5,314,743 | 4,034,963 | 448,949 | 439,340 | 5,763,692 | 4,474,303 |
| General revenues: | | | | | | |
| Property taxes | 60,135,299 | 58,950,756 | - | - | 60,135,299 | 58,950,756 |
| Sales taxes | 21,604,595 | 18,575,542 | - | - | 21,604,595 | 18,575,542 |
| Excise tax | 655,717 | 502,413 | - | - | 655,717 | 502,413 |
| Other taxes | 94,669 | 94,722 | 250,679 | 232,890 | 345,348 | 327,612 |
| Other | 884,363 | 594,312 | 12,889 | 7,468 | 897,252 | 601,780 |
| Total revenues | 125,008,670 | 112,175,604 | 7,040,848 | 6,965,744 | 132,049,518 | 119,141,348 |
| Expenses: | | | | | | |
| General government | 13,935,109 | 11,675,322 | - | - | 13,935,109 | 11,675,322 |
| Public safety | 31,359,458 | 30,440,860 | - | - | 31,359,458 | 30,440,860 |
| Transportation | 472,033 | 186,923 | - | - | 472,033 | 186,923 |
| Economic and physical development | 5,818,924 | 9,004,778 | - | - | 5,818,924 | 9,004,778 |
| Human services | 25,734,220 | 26,849,709 | - | - | 25,734,220 | 26,849,709 |
| Cultural and recreation | 2,285,261 | 2,139,282 | - | - | 2,285,261 | 2,139,282 |
| Education | 25,251,481 | 25,055,619 | - | - | 25,251,481 | 25,055,619 |
| Interest on long-term debt | 1,455,952 | 1,211,372 | - | - | 1,455,952 | 1,211,372 |
| Water and Sewer | - | - | 3,342,303 | 3,438,732 | 3,342,303 | 3,438,732 |
| Solid Waste Disposal | - | - | 3,366,063 | 3,290,212 | 3,366,063 | 3,290,212 |
| Total expenses | 106,312,438 | 106,563,865 | 6,708,366 | 6,728,944 | 113,020,804 | 113,292,809 |
| Increase in net position before transfers and special items | 18,696,232 | 5,611,739 | 332,482 | 236,800 | 19,028,714 | 5,848,539 |
| Transfers and special items | (13,090) | 1,617,397 | 13,090 | 58,400 | - | 1,675,797 |
| Change in net position | 18,683,142 | 7,229,136 | 345,572 | 295,200 | 19,028,714 | 7,524,336 |
| Net position, beginning | 9,720,291 | 2,472,437 | 24,618,665 | 24,323,465 | 34,338,956 | 26,795,902 |
| Prior Period Adjustment | 1,835,079 | 18,718 | - | - | 1,835,079 | 18,718 |
| Net position, beginning, restated | 11,555,370 | 2,491,155 | 24,618,665 | 24,323,465 | 36,174,035 | 26,814,620 |
| Net position, ending | \$ 30,238,512 | \$ 9,720,291 | \$ 24,964,237 | \$ 24,618,665 | \$ 55,202,749 | \$ 34,338,956 |

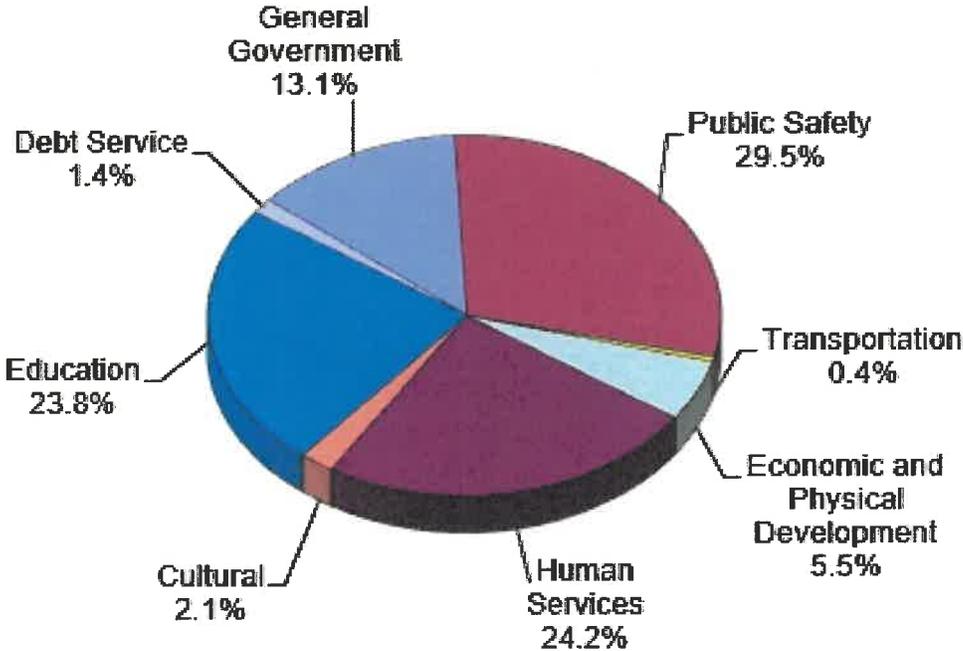
Governmental activities. Governmental activities increased the County's net position by \$18,683,142 over the prior year. Key elements of this increase are as follows:

- Property tax and sales tax revenues reflect continued economic improvements in the County with an increases of \$1,184,543 and \$3,029,053, respectively for property tax and sales tax over fiscal year 2021.
- Expenditure increases in Governmental Activities are primarily a result of COVID-19 expenditures and increased capital project activity in the current fiscal year.

**Governmental Activities Revenue Sources
For Fiscal Year 2022**



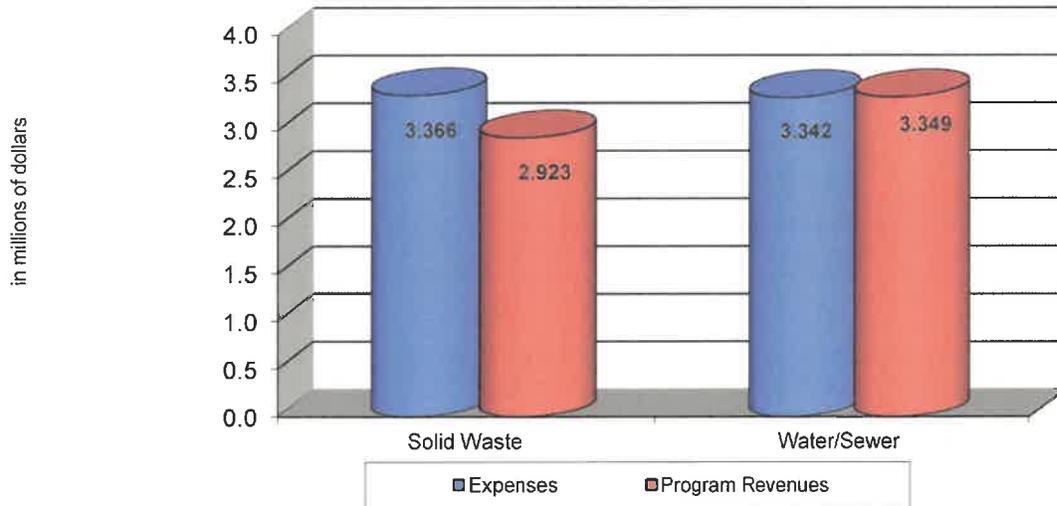
**Governmental Activities Functional Expenses
For Fiscal Year 2022**



Business-type activities. Business-type activities increased Nash County’s net position by \$345,572 over prior year. Key elements of this increase are as follows:

- Increase from award of capital grant/loan for project funding.
- Continued diligence in managing operational costs.

**Business-type Activities
2021-22 Expenses and Program Revenues**



Financial Analysis of the County’s Funds

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

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

The general fund is the chief operating fund of Nash County. At the end of the current fiscal year, Nash County's fund balance available in the General Fund was \$41,028,704, while total fund balance reached \$56,862,182. The Governing Body of Nash County has determined that the county should maintain an available for appropriation fund balance of 15% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the county. The County currently has an available for appropriations (unassigned) fund balance of 26.99%, and an available fund balance of 39.25%, while total fund balance represents 54.40% of that same amount.

At June 30, 2022, the American Rescue Plan Plan received an additional \$9,158,141 in ARPA Funds, but only spent \$4,633,622 as of June 30, 2022. The unspent funds are recorded as a liability, so there is no fund balance shown in this fund at June 30, 2022.

At June 30, 2022, the Detention Facility project fund reported a fund balance of \$11,275,741, an increase of \$10,922,585 over the prior year. The primary reason for this increase was a result of the County receiving loan proceeds that were not used by the end of the year.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$4,990,726 or 5.39% due primarily to increase in Restricted Intergovernmental Revenues.

Significant differences between the original budget and final budget are briefly summarized as follows:

- \$2,290,286 increase in Restricted Intergovernmental Revenues.
- \$90,000 increase in recognition of ABC Beverage Tax Proceeds.
- \$2,292,316 recognition of funding from Nash Healthcare Systems Agreement.
- \$154,028 from recognition of receipts from insurance proceeds rebudgeted.

Proprietary Funds. Nash County’s proprietary fund provides the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Water/Sewer Fund and Solid Waste Fund at the end of the fiscal year amounted to \$631,733 and \$1,399,124 respectively and Northern Nash Water and Sewer District equaled \$1,321,012. The total change in net position was an increase of \$345,572. This change was primarily the result of capital contributions and increases in charges for services. The Utilities Fund includes operation of the Water/Sewer and Solid Waste Disposal Divisions. Other factors concerning the finances of this fund are addressed in Nash County’s business-type activities later in this discussion.

Capital Asset and Debt Administration

Capital Assets. Nash County’s capital assets for its governmental and business-type activities as of June 30, 2022, totals \$118,638,154 (net of accumulated depreciation). These assets include land and improvements, buildings, infrastructure, furniture and equipment vehicles, and construction in progress. The total net position for all proprietary funds is \$24,964,237.

Major capital asset transactions during the year include:

- Retirement and replacement of vehicles and equipment for Public Safety.
- Construction in progress on the Detention Facility Renovations and Expansion, Animal Facility Construction, New Elementary School Construction and Northern Nash Fieldhouse.
- Completion of Phase 1 Miracle Park project.

**Nash County's Capital Assets
(net of depreciation)
Figure 4**

| | Governmental Activities | | Business-type Activities | | Total | |
|--------------------------|-------------------------|----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Land and improvements | \$ 14,805,572 | \$ 11,390,578 | \$ 534,373 | \$ 644,662 | \$ 15,339,945 | \$ 12,035,240 |
| Buildings | 40,139,672 | 42,955,061 | 10,154 | 10,471 | 40,149,826 | 42,965,532 |
| Infrastructure | 754,659 | 786,165 | 28,677,892 | 29,547,612 | 29,432,551 | 30,333,777 |
| Furniture and equipment | 3,371,737 | 3,871,878 | 429,082 | 230,894 | 3,800,819 | 4,102,772 |
| Vehicles | 1,127,446 | 1,428,013 | 9,376 | 14,973 | 1,136,822 | 1,442,986 |
| Construction in progress | 18,938,050 | 5,048,564 | 9,840,141 | 9,105,319 | 28,778,191 | 14,153,883 |
| Total | \$ 79,137,136 | \$ 65,480,259 | \$ 39,501,018 | \$ 39,553,931 | \$ 118,638,154 | \$ 105,034,190 |

Additional information on the County’s capital assets can be found in Note 5, on pages 42 - 45 in the notes to the financial statements.

Long-term Debt. As of June 30, 2022, Nash County had total debt outstanding of \$81,448,722. Of this amount, \$16,506,000 (20.27%) represents bonds secured by specified revenue sources. Total debt increased \$21,792,776 during the past fiscal year, primarily as a result of new debt issuance for the detention center project offset by planned principal payments on general obligation bonds and notes payable.

**Nash County's Outstanding Debt
Figure 5**

| | Governmental Activities | | Business-type Activities | | Total | |
|--------------------------------|----------------------------|----------------------|-----------------------------|----------------------|----------------------|----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Installment Purchase Contracts | \$ 57,453,930 | \$ 46,410,303 | \$ 618,000 | \$ 749,100 | \$ 58,071,930 | \$ 47,159,403 |
| Revolving Loan - Direct | | | | | | |
| Borrowing | - | - | 6,545,000 | 6,217,750 | 6,545,000 | 6,217,750 |
| Lease Liability | 114,647 | - | - | - | 114,647 | - |
| Water Bonds | - | - | 10,926,000 | 11,378,000 | 10,926,000 | 11,378,000 |
| General Obligation Bonds | 5,580,000 | 6,045,000 | - | - | 5,580,000 | 6,045,000 |
| Discount on Bond Issuance | 211,145 | 233,793 | - | - | 211,145 | 233,793 |
| Total Debt | \$ 63,359,722 | \$ 52,689,096 | \$ 18,089,000 | \$ 18,344,850 | \$ 81,448,722 | \$ 71,033,946 |

Nash County maintained its General Obligation Bond rating of Aa2 by Moody's and in May 2022 was upgraded from AA- to AA by Standard and Poor's. The upgraded rating is attributable to improvements in Nash County's economic base. The bond ratings reflect Nash County's strong financial management practices and maintenance of a health financial position.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Nash County is \$594,288,979 for 2022 which is significantly more than Nash County's general obligation debt. The County has \$5,580,000 in General Obligation Bonds and \$10,926,000 in Water & Sewer Refunding Bonds at June 30, 2022.

Additional information regarding Nash County's long-term debt can be found in Note 7, on pages 63-69 in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the economic situation for Nash County.

- The June 2022 unemployment rate for Nash County is 5.8%; a decrease from 6.5% in prior year. The County's rate is slightly higher than the state average of 4.1%.
- Population estimate of the County, according to NC Office of State Budget and Management, is 95,246 as of June 2022.
- Nash County's proximity to Raleigh-Durham and Eastern North Carolina make it a prominent area for economic prosperity and diversified workforce.
- Total acreage zoned for industrial use in Nash County is approximately 5,700 acres.

Additional information regarding economic factors is provided in the statistical section of the Annual Report.

Impact of Coronavirus on the County

During the fiscal year, the County, the State and the Nation continued to move out of the restrictions imposed by the global pandemic. Nash County continued the COVID-19 vaccination and booster clinics for our citizens and mask mandates were lifted. The County's daily update meetings were transitioned to weekly updates. Nash County Commissioner Board meetings opened in person attendance in June 2021 however the availability to watch live online has continued. The County Senior Centers reopened to fulltime in August 2021 and all activities were available in person. The County maintained its cautious approach to non-recurring expenditures with the assistance of COVID related grants including the American Rescue Plan Act to mitigate long lasting effects on the County funds.

Budget Highlights for Fiscal Year Ending June 30, 2023

Government Activities

The fiscal year 2023 budget maintained the property tax rate of 67 cents per \$100 of assessed valuation for a total budget of \$107,275,000, which is an increase of 6.94% over the FY2022 adopted budget. This represents the thirteenth consecutive year that the tax rate has remained at 67 cents. Property taxes, which are a primary revenue source for the County General Fund are expected to see a growth of approximately 2%. Sales tax revenues, the County's second largest funding source, are budgeted at the fiscal year end 2022 projected collection rate, which is expected to be approximately 13% higher than the fiscal year 2022 adopted budget.

The fiscal year 2023 expenditure budget focused on taking care of the current staff in a way considered sustainable for year to come in terms of equitable pay. The County engaged in a classification and compensation study during fiscal year 2022. The adopted budget includes funding to implement the study for market and equity adjustments as well as a built in 3% cost of living adjustment. In addition to the paystudy adjustments the Board of Commissioners approved the following new positions for fiscal year 2023; two (2) public health nurses, one (1) information technology specialist, two (2) telecommunicators and twenty-two (22) new positions for Emergency Medical Services to accommodate an approved shift change effective January 1, 2023. Other new funding in the budget included an additional 1% increase in County-paid supplements to both certified and non-certified Nash County Public School staff, resulting in a 4.27% increase to the public school current expense budget over the prior year adopted budget. The fiscal year 2023 budget delivers critically needed services but did go without budgeting several capital requests that will be worked on throughout the year as part of long range capital planning. As always the County leaders used best efforts to continue the commitment to thoroughly evaluate budget requests, fund necessary operations and keep the tax burden as low as possible. No tax or fee increases were approved in the fiscal year 2023 General Fund budget.

The County has chosen to appropriate \$6,200,000 or 5.78% of the General Fund Budget in fund balance appropriations. Although management believes this amount will be offset with a combination of greater than expected revenues and expenditures less than appropriated, the fund balance is appropriated to sustain the county's operating fund. Restricted Health Reserves are budgeted at \$1,088,336 and together fund balance and reserve appropriations represent 6.79% of the General Fund Budget.

Business Type Activities

The County budgets and operates the Central Nash Water and Sewer Fund and the Northern Nash Water System Fund. The fiscal year 2023 expenditure budget for the Water and Sewer fund serving Central Nash is \$2,719,900 a 2.5% decrease over prior year budget and the Northern Nash Water System budget is \$738,730 a 19.2% increase over the prior year budget. The increase for Northern Nash is primarily due to the second year of Phase 1 of the area is fully operational and the system will be taking on sewer customers effective July 1, 2023. Fee increases approved for the water and sewer systems in the adopted budget include the following an increase in bulk hydrant meter set-up fee from \$50 to \$150; an increase in residential and commercial sewer fees base charge from \$20 to \$30 and increase tier costs at each level by .50 per 1,000 gallons; an increase in industrial water fee tier charge for water consumption by .50 per 1,000 gallons; an increase in the industrial sewer fee base charge from \$20 to \$100 and increase tier cost by \$4.00 per 1,000 gallons; an adjustment to the water connection fees for 3/4 inch taps from \$1,100 to \$1,200 and for 1 inch taps from \$1,250 to \$1,350; and establish a sewer surcharge fee set a \$1.00 per 1,000 gallons.

The budgeted expenditures for the Solid Waste Fund for fiscal year 2023 are \$3,815,279, an increase of 13.82% over the prior year budget. This budget increase is due primarily to budgeting replacement equipment for the landfill and increases in contract services. The solid waste rates in the County will remain the same for fiscal year 2023.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Nash County, 120 W. Washington St., Suite 3072, Nashville, NC 27856. You can also call (252)-459-9802, visit our website www.co.nash.nc.us or send an email to donna.wood@nashcountync.gov for more information.

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BASIC
FINANCIAL STATEMENTS

Nash County, North Carolina
Statement of Net Position
June 30, 2022

| | Primary Government | | Discretely Presented Component Units | | | |
|--|-------------------------|--------------------------|--------------------------------------|---------------------------------|--------------------------|-----------------------|
| | Governmental Activities | Business-type Activities | Total | Nash County Tourism Development | Nash Health Care Systems | Nash County ABC Board |
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Cash and cash investments | \$ 64,350,953 | \$ 7,597,860 | \$ 71,948,813 | \$ 1,695,758 | \$ 17,014,255 | \$ 3,460,810 |
| Restricted cash and cash equivalents | 29,556,734 | 128,458 | 29,685,192 | - | - | - |
| Taxes receivable (net) | 1,425,212 | - | 1,425,212 | - | - | - |
| Accrued interest receivable on taxes | 312,867 | - | 312,867 | - | - | - |
| Accounts receivables (net) | 1,218,466 | 405,487 | 1,623,953 | 99,398 | 46,360,009 | - |
| Due from other governments | 10,726,712 | 2,708,590 | 13,435,302 | - | - | - |
| Leases receivable - current | 42,535 | - | 42,535 | - | 2,625,847 | - |
| Internal Balances | 1,040,890 | (1,040,890) | - | - | 5,683,702 | 2,375,299 |
| Inventories | - | - | - | - | 5,163,213 | - |
| Prepaid items | 17,998 | - | 17,998 | - | - | - |
| Noncurrent Assets | | | | | | |
| Leases receivable - noncurrent | 190,588 | - | 190,588 | - | 8,942,567 | - |
| Net investment in Joint Venture | 3,746,107 | - | 3,746,107 | - | - | - |
| Net Pension Asset | 148,889 | - | 148,889 | - | 25,638,905 | - |
| Assets Limited as to use | - | - | - | - | 96,707,089 | - |
| Other Assets | - | - | - | - | 129,034,834 | - |
| Capital assets: | | | | | | |
| Land, improvements, and construction in progress | 31,107,803 | 10,148,326 | 41,256,129 | - | 3,830,210 | 669,871 |
| Other capital assets, net of depreciation | 48,029,333 | 29,352,692 | 77,382,025 | - | 115,491,701 | 2,114,192 |
| Total capital assets | 79,137,136 | 39,501,018 | 118,638,154 | - | 119,321,911 | 2,784,063 |
| Right to use assets, net of amortization | 115,822 | - | 115,822 | - | - | - |
| Total assets | 192,030,909 | 49,300,523 | 241,331,432 | 1,795,156 | 456,492,332 | 8,620,172 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | |
| | 24,088,443 | 556,034 | 24,644,477 | - | 13,040,106 | 328,319 |
| LIABILITIES | | | | | | |
| Accounts payable and accrued expenses | 6,097,599 | 754,625 | 6,852,224 | 1,239 | 43,152,697 | 1,340,564 |
| Accrued interest payable | 685,010 | 34,733 | 719,743 | - | - | - |
| Customer deposits | - | 128,458 | 128,458 | - | - | - |
| Unearned revenues | 14,789,985 | - | 14,789,985 | - | - | - |
| Deferred revenue and reserves | - | - | - | - | - | - |
| Long-term liabilities: | | | | | | |
| Due within one year: | | | | | | |
| Long-term debt | 6,003,143 | 927,350 | 6,930,493 | - | 3,003,657 | - |
| Compensated absences | 151,502 | 3,461 | 154,963 | - | - | - |
| Due in more than one year: | | | | | | |
| Accrued postclosure liability | - | 3,367,031 | 3,367,031 | - | - | - |
| Long-term debt | 57,356,579 | 17,161,650 | 74,518,229 | - | 89,108,021 | - |
| Other long-term liabilities | - | - | - | - | 1,814,709 | - |
| Compensated absences | 2,878,537 | 65,752 | 2,944,289 | - | - | - |
| Net Pension Liability (LIGERS) | 6,082,616 | 172,003 | 6,254,619 | - | - | 199,375 |
| Total Pension Liability (LEOSSA) | 4,622,023 | - | 4,622,023 | - | - | - |
| Total OPEB liability | 72,651,522 | 1,893,438 | 74,544,960 | - | - | 122,879 |
| Total long-term liabilities | 149,745,722 | 23,590,685 | 173,336,407 | - | 93,926,387 | 322,254 |
| Total liabilities | 171,318,316 | 24,508,501 | 195,826,817 | 1,239 | 137,079,084 | 1,662,818 |

Nash County, North Carolina
Statement of Net Position
June 30, 2022

| | Primary Government | | Discretely Presented Component Units | | | |
|--------------------------------------|-------------------------|--------------------------|--------------------------------------|---------------------------------|--------------------------|-----------------------|
| | Governmental Activities | Business-type Activities | Total | Nash County Tourism Development | Nash Health Care Systems | Nash County ABC Board |
| DEFERRED INFLOWS OF RESOURCES | 14,562,524 | 383,819 | 14,946,343 | - | 27,715,589 | 274,402 |
| NET POSITION | | | | | | |
| Net investment in capital assets | 59,969,498 | 21,412,018 | 81,381,516 | - | 27,210,233 | 2,784,063 |
| Restricted for: | | | | | | |
| Stabilization by state statute | 16,403,864 | - | 16,403,864 | 99,398 | - | - |
| Public Safety | 13,319,011 | - | 13,319,011 | - | - | - |
| Transportation | 223,057 | - | 223,057 | - | - | - |
| Economic Development | 611,925 | - | 611,925 | 1,694,519 | - | - |
| Education | 5,804,035 | - | 5,804,035 | - | - | - |
| Human Services | 4,173,193 | - | 4,173,193 | - | - | - |
| Pension | - | - | - | - | 25,638,905 | - |
| Water & Sewer Capacity Fees | - | 200,350 | 200,350 | - | - | - |
| Working Capital | (70,266,071) | 3,351,869 | (66,914,202) | - | - | 545,336 |
| Unrestricted (deficit) | \$ 30,238,512 | \$ 24,964,237 | \$ 55,202,749 | \$ 1,793,917 | \$ 251,888,627 | \$ 3,681,872 |
| Total net position | | | | | | |
| | | | | \$ 1,793,917 | \$ 304,737,765 | \$ 7,011,271 |

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

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

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | | | | Component Units | | | |
|--|------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|-----------------|---|---|-----------------------|------|------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | | Nash County Tourism Development Authority | Nash Health Care Systems and Subsidiaries | Nash County ABC Board | | |
| | | | | | Governmental Activities | Business-type Activities | Total | | | | | |
| Primary Government: | | | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | | | |
| General government | \$ 13,955,109 | \$ 4,102,760 | \$ 4,708,975 | \$ - | \$ (5,123,374) | \$ - | \$ (5,123,374) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Public safety | 31,359,458 | 4,956,756 | 1,296,813 | 1,100,000 | (24,005,889) | - | (24,005,889) | - | - | - | - | - |
| Transportation | 472,033 | - | 165,098 | - | (306,935) | - | (306,935) | - | - | - | - | - |
| Environmental protection | - | 228,191 | - | - | 228,191 | - | 228,191 | - | - | - | - | - |
| Economic and physical development | 5,818,924 | 298,033 | 2,141,201 | - | (3,379,690) | - | (3,379,690) | - | - | - | - | - |
| Human services | 25,734,220 | 324,455 | 17,383,895 | - | (8,025,870) | - | (8,025,870) | - | - | - | - | - |
| Cultural and recreation | 2,285,261 | 229,533 | 5,794 | 70,000 | (1,979,934) | - | (1,979,934) | - | - | - | - | - |
| Education | 25,251,481 | 477,780 | - | 4,144,743 | (20,628,958) | - | (20,628,958) | - | - | - | - | - |
| Interest on long-term debt | 1,455,952 | - | - | - | (1,455,952) | - | (1,455,952) | - | - | - | - | - |
| Total governmental activities | 106,312,438 | 10,617,508 | 25,701,776 | 5,314,743 | (64,678,411) | - | (64,678,411) | - | - | - | - | - |
| Business-type activities: | | | | | | | | | | | | |
| Water and Sewer | 3,342,303 | 3,349,102 | 56,104 | 448,949 | - | 511,852 | 511,852 | - | - | - | - | - |
| Solid Waste | 3,366,063 | 2,923,125 | - | - | (442,938) | - | (442,938) | - | - | - | - | - |
| Total business-type activities | 6,708,366 | 6,272,227 | 56,104 | 448,949 | - | 68,914 | 68,914 | - | - | - | - | - |
| Total primary government | \$ 113,020,804 | \$ 16,889,735 | \$ 25,757,880 | \$ 5,763,692 | \$ (64,678,411) | \$ 68,914 | \$ (64,609,497) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Component Units: | | | | | | | | | | | | |
| Nash County Tourism Development | \$ 889,293 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (889,293) | \$ - | \$ - | \$ - | \$ - |
| Nash Health Care Systems | 287,635,910 | 286,147,871 | 7,531,902 | - | - | - | - | - | 6,043,863 | - | - | - |
| Nash County ABC Board | 13,374,132 | 14,178,728 | - | - | - | - | - | - | - | - | - | 804,596 |
| Total component units | \$ 301,899,335 | \$ 300,326,599 | \$ 7,531,902 | \$ - | \$ - | \$ - | \$ - | \$ (889,293) | \$ 6,043,863 | \$ - | \$ - | \$ 804,596 |
| General revenues: | | | | | | | | | | | | |
| Taxes: | | | | | | | | | | | | |
| Property taxes, levied for general purpose | | | 60,135,299 | | | | 60,135,299 | | | | | |
| Local option sales tax | | | 21,604,595 | | | | 21,604,595 | | | | | |
| Excise tax | | | 655,717 | | | | 655,717 | | | | | |
| Other taxes and licenses | | | 94,669 | | | 250,679 | 345,348 | | | 1,275,534 | | |
| Investment earnings, unrestricted | | | 132,497 | | | 12,889 | 145,386 | | | 691 | | 2,860 |
| Miscellaneous, unrestricted | | | 751,866 | | | - | 751,866 | | | - | | 360,249 |
| Transfers | | | (13,090) | | | 13,090 | - | | | - | | 2,776 |
| Total general revenues, special items, and transfers | | | 83,361,553 | | | 276,658 | 83,638,211 | | | 1,276,225 | | 5,636 |
| Change in net position | | | 18,683,142 | | | 345,572 | 19,028,714 | | | 386,932 | | 810,232 |
| Net position-beginning | | | 9,720,291 | | | 24,618,665 | 34,338,956 | | | 1,406,985 | | 6,201,039 |
| Restatement | | | 1,835,079 | | | - | 1,835,079 | | | - | | 265,762 |
| Net position-beginning, restated | | | 11,555,370 | | | 24,618,665 | 36,174,035 | | | 1,406,985 | | 6,201,039 |
| Net position-ending | | | 30,238,512 | | | 24,964,237 | 55,202,749 | | | 1,793,917 | | 7,011,271 |

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

Nash County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2022

| | Major | | | Non-Major | Total Governmental Funds |
|--|----------------------|---------------------------------|---------------------------------------|--------------------------------|--------------------------------|
| | General Fund | American Rescue Plan Fund | Detention Facility Project Fund | Other Governmental Funds | |
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 46,851,516 | \$ - | \$ 3,383,052 | \$ 12,530,734 | \$ 62,765,302 |
| Cash and cash equivalents-Restricted | 911,752 | 13,699,950 | 8,606,871 | 6,338,161 | 29,556,734 |
| Taxes Receivable - net | 1,425,212 | - | - | - | 1,425,212 |
| Accounts Receivable - net | 1,196,442 | - | - | 22,024 | 1,218,466 |
| Leases Receivable | 233,123 | - | - | - | 233,123 |
| Due from other funds | 1,594,518 | - | - | - | 1,594,518 |
| Due from other governments | 10,157,590 | - | - | 569,122 | 10,726,712 |
| Prepaid items | 17,998 | - | - | - | 17,998 |
| Total assets | <u>\$ 62,388,151</u> | <u>\$ 13,699,950</u> | <u>\$ 11,989,923</u> | <u>\$ 19,460,041</u> | <u>\$ 107,538,065</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND | | | | | |
| Liabilities: | | | | | |
| Accounts payable and accrued liabilities | \$ 3,710,794 | \$ 4,235 | \$ 714,182 | \$ 765,106 | \$ 5,194,317 |
| Due to other funds | - | - | - | 553,628 | 553,628 |
| Unearned revenues | 10,000 | 13,695,715 | - | 1,084,270 | 14,789,985 |
| Total liabilities | <u>3,720,794</u> | <u>13,699,950</u> | <u>714,182</u> | <u>2,403,004</u> | <u>20,537,930</u> |
| Deferred inflows of resources | | | | | |
| Prepaid taxes | 149,601 | - | - | - | 149,601 |
| Reserve for taxes receivable | 1,425,213 | - | - | - | 1,425,213 |
| Leases | 230,361 | - | - | - | 230,361 |
| Total deferred inflows of resources | <u>1,805,175</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,805,175</u> |
| Fund balances: | | | | | |
| Non-Spendable: | | | | | |
| Prepaid assets | 17,998 | - | - | - | 17,998 |
| Leases | 2,762 | - | - | - | 2,762 |
| Restricted: | | | | | |
| Stabilization by State statute | 15,812,718 | - | - | 591,146 | 16,403,864 |
| Public Safety | - | - | 11,275,741 | 2,043,270 | 13,319,011 |
| Transportation | - | - | - | 223,057 | 223,057 |
| Economic Development | - | - | - | 611,925 | 611,925 |
| Education | - | - | - | 5,804,035 | 5,804,035 |
| Human Services | 4,154,360 | - | - | 18,833 | 4,173,193 |
| Committed: | | | | | |
| Economic Development | 1,676,667 | - | - | 1,110,230 | 2,786,897 |
| Tax Revaluation | 511,838 | - | - | - | 511,838 |
| Public Safety | - | - | - | 2,548,547 | 2,548,547 |
| Assigned: | | | | | |
| Capital Projects | - | - | - | 4,393,489 | 4,393,489 |
| Subsequent year's expenditures | 6,473,966 | - | - | - | 6,473,966 |
| Unassigned: | 28,211,873 | - | - | (287,495) | 27,924,378 |
| Total fund balances | <u>56,862,182</u> | <u>-</u> | <u>11,275,741</u> | <u>17,057,037</u> | <u>85,194,960</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 62,388,151</u> | <u>\$ 13,699,950</u> | <u>\$ 11,989,923</u> | <u>\$ 19,460,041</u> | <u>\$ 107,538,065</u> |

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

Nash County, North Carolina
Reconciliation of the Governmental Funds Balance Sheet to
the Statement of Net Position
Governmental Fund
June 30, 2022

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

| | |
|--|----------------------|
| Total Fund Balance - Governmental Funds | \$ 85,194,960 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (total capital assets on government-wide statement in governmental activities column) | 131,181,347 |
| Less accumulated depreciation | <u>(52,044,211)</u> |
| Net capital assets | 79,137,136 |
| Right to use assets used in governmental activities are not financial resources and are therefore not reported in the funds (net of accumulated amortization) | 188,494 |
| Less accumulated amortization | <u>(72,672)</u> |
| Net right to use assets | 115,822 |
| Net investment in joint venture | 3,746,107 |
| Net Pension Asset (Register of Deeds) | 148,889 |
| Contributions to the pension plan in the current fiscal year | 3,719,471 |
| Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position | 74,476 |
| Contributions to OPEB plan in the current fiscal year | 1,515,624 |
| Deferred outflows of resources: | |
| Pension related deferrals | 7,153,640 |
| OPEB related deferrals | 10,577,872 |
| Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund statements | 312,867 |
| Deferred charges related to advance refunding bond issued - included on government-wide statements of net position but are not current financial resources | 1,047,360 |
| Deferred inflows of resources reported in the government-wide statements but not the fund statements | |
| Deferred inflows of resources for taxes receivable | 1,425,213 |
| Pension related deferrals | (9,300,406) |
| OPEB related deferrals | (4,882,156) |
| Assets and liabilities of the internal service funds used by management to account for insurance costs are included in governmental activities in the Statement of Net Position. | 682,369 |
| Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements: | |
| Bonds, leases, and installment financing | (63,359,722) |
| Compensated absences | (3,030,039) |
| Total OPEB liability | (72,651,322) |
| Total pension liability - LEOSSA | (4,622,023) |
| Net pension liability - LGERS | (6,082,616) |
| Accrued interest payable | <u>(685,010)</u> |
| Total adjustment | <u>(54,956,448)</u> |
| Net position of governmental activities | <u>\$ 30,238,512</u> |

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

Nash County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2022

| | <u>General Fund</u> | <u>Major American Rescue Plan Fund</u> | <u>Detention Facility Project Fund</u> | <u>Non-Major Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|----------------------|--|--|---|---|
| REVENUES | | | | | |
| Ad valorem taxes | \$ 55,867,005 | \$ - | \$ - | \$ 4,334,452 | \$ 60,201,457 |
| Other taxes and licenses | 22,354,981 | - | - | - | 22,354,981 |
| Restricted intergovernmental | 17,117,445 | 4,616,330 | - | 7,699,250 | 29,433,025 |
| Unrestricted intergovernmental | 463,495 | - | - | - | 463,495 |
| Permits and fees | 1,619,116 | - | - | - | 1,619,116 |
| Sales and services | 4,573,884 | - | - | 477,780 | 5,051,664 |
| Donations | - | - | - | 1,120,000 | 1,120,000 |
| Investment earnings | 97,575 | 17,232 | 4,213 | 13,477 | 132,497 |
| Miscellaneous | 6,007,592 | - | - | 175,971 | 6,183,563 |
| Total revenues | <u>108,101,093</u> | <u>4,633,562</u> | <u>4,213</u> | <u>13,820,930</u> | <u>126,559,798</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 12,129,944 | 70,677 | - | - | 12,200,621 |
| Public safety | 24,904,956 | - | 7,481,628 | 4,848,600 | 37,235,184 |
| Cultural and recreational | 2,237,085 | - | - | 173,347 | 2,410,432 |
| Transportation | 271,332 | - | - | 6,638 | 277,970 |
| Economic and physical development | 4,520,691 | - | - | 2,304,894 | 6,825,585 |
| Human Services | 24,885,439 | - | - | 611,133 | 25,496,572 |
| Intergovernmental: | | | | | |
| Education | 24,707,377 | - | - | 9,243,467 | 33,950,844 |
| Debt service: | | | | | |
| Principal | 5,467,658 | - | - | 27,560 | 5,495,218 |
| Interest | 1,120,075 | - | - | 200 | 1,120,275 |
| Total expenditures | <u>100,244,557</u> | <u>70,677</u> | <u>7,481,628</u> | <u>17,215,839</u> | <u>125,012,701</u> |
| Revenues over expenditures | <u>7,856,536</u> | <u>4,562,885</u> | <u>(7,477,415)</u> | <u>(3,394,909)</u> | <u>1,547,097</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 4,622,100 | - | 2,400,000 | 1,994,380 | 9,016,480 |
| Transfers (out) | (4,407,470) | (4,562,945) | - | (59,154) | (9,029,569) |
| Lease liabilities issued | 132,421 | - | - | 56,073 | 188,494 |
| Issuance of debt | - | - | 16,000,000 | - | 16,000,000 |
| Total other financing sources and uses | <u>347,051</u> | <u>(4,562,945)</u> | <u>18,400,000</u> | <u>1,991,299</u> | <u>16,175,405</u> |
| Net change in fund balance | 8,203,587 | (60) | 10,922,585 | (1,403,610) | 17,722,502 |
| Fund balances, beginning, as previously reported | 46,823,516 | 60 | 353,156 | 18,460,647 | 65,637,379 |
| Prior Period Adjustment (see Note IX) | 1,835,079 | - | - | - | 1,835,079 |
| Fund balances, beginning, as restated | <u>48,658,595</u> | <u>60</u> | <u>353,156</u> | <u>18,460,647</u> | <u>67,472,458</u> |
| Fund balances-ending | <u>\$ 56,862,182</u> | <u>\$ -</u> | <u>\$ 11,275,741</u> | <u>\$ 17,057,037</u> | <u>\$ 85,194,960</u> |

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

Nash County, North Carolina
Reconciliation of the Statement of Revenues, Expenditures,
And Changes In Fund Balance of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2022

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

| | |
|--|----------------------|
| Net changes in fund balances - total governmental funds | \$ 17,722,502 |
| Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities | 18,419,308 |
| Cost of disposed capital asset not recorded in fund statements | (1,484,970) |
| Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements | (3,277,461) |
| Capital outlay expenditures associated with leases are recorded in the fund statements but capitalized as right to use assets in the statement of activities | 188,494 |
| Amortization expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements | (72,672) |
| New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position | (16,188,494) |
| Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements | 5,495,218 |
| Amortization on deferred premium payments on debt that is recorded in the statement of activities but not in the fund statements. | 22,648 |
| Change in net investment in joint venture | 11,401 |
| Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities | 3,719,471 |
| Benefit payment and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position | 74,476 |
| Contributions to the OPEB plan are deferred outflows of resources on the Statement of Net Position | 1,515,624 |
| Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements: | |
| Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual) | (247,101) |
| Compensated absences | (75,402) |
| Amortization on deferred charges - refunding costs that is recorded in the statement of activities but not in the fund statements | (111,224) |
| Pension expense | (3,024,423) |
| OPEB expense | (3,817,928) |
| Revenues in the statement of activities that do not provide current resources are not reported as revenues in the fund statements. | |
| Increase in deferred inflows of resources - taxes receivable - at end of year | (41,617) |
| Increase in accrued interest receivable at end of year | (24,541) |
| Internal Service Fund | (120,167) |
| Total changes in net position of governmental activities | <u>\$ 18,683,142</u> |

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

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

| | General Fund | | | Variance With Final Positive (Negative) |
|---|--------------------|---------------------|----------------------|--|
| | Original Budget | Final Budget | Actual | |
| Revenues: | | | | |
| Ad valorem taxes | \$ 52,780,481 | \$ 52,780,481 | \$ 55,867,005 | \$ 3,086,524 |
| Other taxes and licenses | 17,842,320 | 17,842,320 | 22,354,981 | 4,512,661 |
| Restricted intergovernmental | 15,023,907 | 17,314,193 | 17,117,445 | (196,748) |
| Unrestricted intergovernmental | 426,500 | 516,500 | 463,495 | (53,005) |
| Permits and fees | 1,253,470 | 1,270,970 | 1,619,116 | 348,146 |
| Sales and services | 3,989,440 | 4,032,150 | 4,573,884 | 541,734 |
| Investment earnings | 85,000 | 85,000 | 96,799 | 11,799 |
| Miscellaneous | 1,225,287 | 3,775,517 | 4,408,509 | 632,992 |
| Total revenues | <u>92,626,405</u> | <u>97,617,131</u> | <u>106,501,234</u> | <u>8,884,103</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 11,840,286 | 14,261,865 | 12,129,944 | 2,131,921 |
| Public safety | 25,697,027 | 28,334,231 | 24,904,956 | 3,429,275 |
| Transportation | 177,924 | 327,924 | 271,332 | 56,592 |
| Economic and physical development | 3,643,168 | 5,345,497 | 4,520,691 | 824,806 |
| Human services | 25,465,463 | 28,179,612 | 24,885,439 | 3,294,173 |
| Cultural and recreational | 2,142,666 | 2,284,002 | 2,237,085 | 46,917 |
| Intergovernmental: | | | | |
| Education | 24,707,377 | 24,707,377 | 24,707,377 | - |
| Debt service | 6,545,663 | 6,592,801 | 6,587,733 | 5,068 |
| Total expenditures | <u>100,219,574</u> | <u>110,033,309</u> | <u>100,244,557</u> | <u>9,788,752</u> |
| Revenues over (under) expenditures | <u>(7,593,169)</u> | <u>(12,416,178)</u> | <u>6,256,677</u> | <u>18,672,855</u> |
| Other financing sources (uses): | | | | |
| Transfers from other funds | 856,451 | 1,419,321 | 5,184,970 | 3,765,649 |
| Transfers to other funds | (100,000) | (4,507,470) | (4,507,470) | - |
| Lease liabilities issued | - | - | 132,421 | 132,421 |
| Issuance of debt | - | 282,000 | - | (282,000) |
| Appropriated fund balance | 6,851,718 | 15,222,327 | - | (15,222,327) |
| Contingency | (15,000) | - | - | - |
| Total other financing sources (uses) | <u>7,593,169</u> | <u>12,416,178</u> | <u>809,921</u> | <u>(11,606,257)</u> |
| Revenues and Other Financing Sources over expenditures and other financing uses | <u>\$ -</u> | <u>\$ -</u> | <u>7,066,598</u> | <u>\$ 7,066,598</u> |
| Fund balances: | | | | |
| Fund balance, beginning, as previously reported | | | 45,772,000 | |
| Prior Period Adjustment (see Note IX) | | | <u>1,835,079</u> | |
| Fund balance, beginning, restated | | | <u>47,607,079</u> | |
| Fund balance, ending | | | <u>\$ 54,673,677</u> | |
| A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes: | | | | |
| Investment Earnings | | | 776 | |
| Transfer from General Fund | | | 100,000 | |
| Fund balance, beginning of year | | | 411,062 | |
| A legally adopted Economic Development Fund is consolidated into the General Fund for reporting purposes: | | | | |
| Sale of Assets | | | 1,597,083 | |
| Miscellaneous Income | | | 2,000 | |
| Economic Development Expense | | | - | |
| Transfer-out to General Fund | | | (562,870) | |
| Fund Balance, Beginning | | | <u>640,454</u> | |
| Fund balance, ending (Exhibit 4) | | | <u>\$ 56,862,182</u> | |

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

Nash County, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2022

Exhibit 6

| | Major | | | Total | Governmental |
|---|-------------------------|------------------------|---------------------------------------|----------------------|---|
| | Water and Sewer Fund | Solid Waste Fund | Northern Nash Water System Fund | | Activities Internal Service Funds |
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and investments | \$ 1,423,094 | \$ 6,135,316 | \$ 39,450 | \$ 7,597,860 | \$ 1,585,651 |
| Accounts receivable (net) | 295,587 | 21,850 | 88,050 | 405,487 | - |
| Restricted cash and investments | 117,505 | - | 10,953 | 128,458 | - |
| Due from other governments | 56,104 | 64,963 | 2,587,523 | 2,708,590 | - |
| Due from other funds | - | - | 175 | 175 | - |
| Total current assets | <u>1,892,290</u> | <u>6,222,129</u> | <u>2,726,151</u> | <u>10,840,570</u> | <u>1,585,651</u> |
| Noncurrent assets: | | | | | |
| Capital assets: | | | | | |
| Land, improvements and construction in progress | - | 640,636 | 9,507,690 | 10,148,326 | - |
| Other capital assets, net of depreciation | 28,693,157 | 659,535 | - | 29,352,692 | - |
| Total capital assets | <u>28,693,157</u> | <u>1,300,171</u> | <u>9,507,690</u> | <u>39,501,018</u> | <u>-</u> |
| Total noncurrent assets | <u>28,693,157</u> | <u>1,300,171</u> | <u>9,507,690</u> | <u>39,501,018</u> | <u>-</u> |
| Total assets | <u>30,585,447</u> | <u>7,522,300</u> | <u>12,233,841</u> | <u>50,341,588</u> | <u>1,585,651</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Pension deferrals | 198,515 | 69,170 | - | 267,685 | - |
| OPEB deferrals | 98,767 | 189,582 | - | 288,349 | - |
| Total deferred outflows of resources | <u>297,282</u> | <u>258,752</u> | <u>-</u> | <u>556,034</u> | <u>-</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION | | | | | |
| Current liabilities: | | | | | |
| Accounts Payable | 124,894 | 296,375 | 333,356 | 754,625 | 903,282 |
| Accrued interest payable | 23,836 | - | 10,897 | 34,733 | - |
| Due to other funds | 175 | - | 1,040,890 | 1,041,065 | - |
| Current portion of compensated absences | 2,465 | 544 | 452 | 3,461 | - |
| Current portion of long-term debt | 600,100 | - | 327,250 | 927,350 | - |
| Customer deposits | 117,505 | - | 10,953 | 128,458 | - |
| Total current liabilities | <u>868,975</u> | <u>296,919</u> | <u>1,723,798</u> | <u>2,889,692</u> | <u>903,282</u> |
| Noncurrent liabilities: | | | | | |
| Non-current portion of long-term debt | 10,943,900 | - | 6,217,750 | 17,161,650 | - |
| Net pension liability | 127,557 | 44,446 | - | 172,003 | - |
| OPEB liability | 678,358 | 1,215,080 | - | 1,893,438 | - |
| Accrued landfill closure and post-closure costs | - | 3,367,031 | - | 3,367,031 | - |
| Compensated absences | 46,833 | 10,328 | 8,591 | 65,752 | - |
| Total noncurrent liabilities | <u>11,796,648</u> | <u>4,636,885</u> | <u>6,226,341</u> | <u>22,659,874</u> | <u>-</u> |
| Total liabilities | <u>12,665,623</u> | <u>4,933,804</u> | <u>7,950,139</u> | <u>25,549,566</u> | <u>903,282</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Pension deferrals | 190,281 | 66,300 | - | 256,581 | - |
| OPEB deferrals | 45,585 | 81,653 | - | 127,238 | - |
| Total deferred inflows of resources | <u>235,866</u> | <u>147,953</u> | <u>-</u> | <u>383,819</u> | <u>-</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 17,149,157 | 1,300,171 | 2,962,690 | 21,412,018 | - |
| Restricted | 200,350 | - | - | 200,350 | - |
| Unrestricted | 631,733 | 1,399,124 | 1,321,012 | 3,351,869 | 682,369 |
| Total net position | <u>\$ 17,981,240</u> | <u>\$ 2,699,295</u> | <u>\$ 4,283,702</u> | <u>\$ 24,964,237</u> | <u>\$ 682,369</u> |

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

Nash County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For The Year Ended June 30, 2022

| | Major | | | Totals | Governmental |
|--|----------------------|---------------------|---------------------------------------|----------------------|---------------------------|
| | Water and Sewer | Solid Waste | Northern Nash Water System Fund | | Internal Service Funds |
| Operating Revenues: | | | | | |
| Charges for sales and services | \$ 2,672,835 | \$ 2,923,125 | \$ 663,417 | \$ 6,259,377 | \$ 1,585,884 |
| Other operating revenue | - | - | 12,850 | 12,850 | - |
| Total operating revenues | <u>2,672,835</u> | <u>2,923,125</u> | <u>676,267</u> | <u>6,272,227</u> | <u>1,585,884</u> |
| Operating Expenses: | | | | | |
| Water and sewer operations | 1,767,393 | - | 334,648 | 2,102,041 | - |
| Solid waste disposal operations | - | 3,173,674 | - | 3,173,674 | - |
| Depreciation | 888,291 | 192,389 | - | 1,080,680 | - |
| Administration | - | - | 13,090 | 13,090 | - |
| Insurance claims | - | - | - | - | 1,624,449 |
| Wellness costs | - | - | - | - | 84,088 |
| Total operating expenses | <u>2,655,684</u> | <u>3,366,063</u> | <u>347,738</u> | <u>6,369,485</u> | <u>1,708,537</u> |
| Operating income (loss) | <u>17,151</u> | <u>(442,938)</u> | <u>328,529</u> | <u>(97,258)</u> | <u>(122,653)</u> |
| Nonoperating Revenues (Expenses) | | | | | |
| Interest and fees paid | (274,293) | - | (64,588) | (338,881) | - |
| Investment earnings | 2,806 | 10,083 | - | 12,889 | 2,486 |
| Scrap tire disposal tax | - | 158,911 | - | 158,911 | - |
| Solid waste disposal tax | - | 41,420 | - | 41,420 | - |
| White goods disposal tax | - | 50,168 | - | 50,168 | - |
| Recycling grant | - | 180 | - | 180 | - |
| Total Nonoperating Revenues(Expenses) | <u>(271,487)</u> | <u>260,762</u> | <u>(64,588)</u> | <u>(75,313)</u> | <u>2,486</u> |
| Income (loss) before contributions and transfers | (254,336) | (182,176) | 263,941 | (172,571) | (120,167) |
| Capital contributions | 56,104 | - | 448,949 | 505,053 | - |
| Transfers from other funds | - | - | 13,090 | 13,090 | - |
| Change in net position | (198,232) | (182,176) | 725,980 | 345,572 | (120,167) |
| Total net position, July 1 | 18,179,472 | 2,881,471 | 3,557,722 | 24,618,665 | 802,536 |
| Restatement between funds | - | - | - | - | - |
| Net position, beginning restated | <u>18,179,472</u> | <u>2,881,471</u> | <u>3,557,722</u> | <u>24,618,665</u> | <u>802,536</u> |
| Total net position, June 30 | <u>\$ 17,981,240</u> | <u>\$ 2,699,295</u> | <u>\$ 4,283,702</u> | <u>\$ 24,964,237</u> | <u>\$ 682,369</u> |

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

Nash County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Year Ended June 30, 2022

| | Major | | | Totals June 30, 2022 | Governmental |
|--|--------------------|----------------|---------------------------------------|----------------------------|---|
| | Water and Sewer | Solid Waste | Northern Nash Water System Fund | | Activities Internal Service Funds |
| Cash flows from operating activities: | | | | | |
| Cash received from customers | \$ 2,723,869 | \$ 2,918,778 | \$ 729,428 | \$ 6,372,075 | \$ 1,585,884 |
| Cash paid for goods and services | (1,410,399) | (2,376,403) | (273,722) | (4,060,524) | (1,658,914) |
| Cash paid to employees for services | (480,882) | (683,151) | (70,423) | (1,234,456) | - |
| Customer deposits | (559) | - | 6,753 | 6,194 | - |
| Net cash provided (used) by operating activities | 832,029 | (140,776) | 392,036 | 1,083,289 | (73,030) |
| Cash flows from noncapital financing | | | | | |
| Change in due to (from) other funds | 175 | - | (1,274,959) | (1,274,784) | - |
| Disposal Taxes and Recycling Grant | - | 250,679 | - | 250,679 | - |
| Transfers to other funds | - | - | - | - | - |
| Transfers from other funds | - | - | 13,090 | 13,090 | - |
| Net cash provided (used) by noncapital financial activities | 175 | 250,679 | (1,261,869) | (1,011,015) | - |
| Cash flows from capital and related financing activities: | | | | | |
| Capital contributions | - | - | 448,949 | 448,949 | - |
| Proceeds from long term debt | - | - | 975,222 | 975,222 | - |
| Principal paid on long-term debt | (583,100) | - | (327,250) | (910,350) | - |
| Interest paid on long term debt | (282,851) | - | (64,043) | (346,894) | - |
| Acquisition of capital assets | (20,699) | (274,188) | (444,092) | (738,979) | - |
| Net cash provided (used) by capital and related financing activities | (886,650) | (274,188) | 588,786 | (572,052) | - |
| Cash flows from investing activities: | | | | | |
| Investment earnings | 2,806 | 10,083 | - | 12,889 | 2,486 |
| Net cash flows from investing activities | 2,806 | 10,083 | - | 12,889 | 2,486 |
| Net increase (decrease) in cash and cash equivalents | (51,640) | (154,202) | (281,047) | (486,889) | (70,544) |
| Cash and cash equivalents, July 1 | 1,592,239 | 6,289,518 | 331,450 | 8,213,207 | 1,656,195 |
| Cash and cash equivalents, June 30 | \$ 1,540,599 | \$ 6,135,316 | \$ 50,403 | \$ 7,726,318 | \$ 1,585,651 |

(continued)

**Nash County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Year Ended June 30, 2022**

| | Major | | | Totals June 30, 2022 | Governmental Activities Internal Service Funds |
|---|--------------------|----------------|---------------------------------------|----------------------------|---|
| | Water and Sewer | Solid Waste | Northern Nash Water System Fund | | |
| Reconciliation of operating income to net cash provided by operating activities: | | | | | |
| Operating income (loss) | \$ 17,151 | \$ (442,938) | \$ 328,529 | \$ (97,258) | \$ (122,653) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | |
| Depreciation | 888,291 | 192,389 | - | 1,080,680 | - |
| Changes in assets and liabilities: | | | | | |
| (Increase) decrease in accounts receivable | 51,034 | (4,347) | 53,161 | 99,848 | - |
| (Increase) decrease in deferred outflows of resources for pensions | (24,796) | (9,830) | - | (34,626) | - |
| (Increase) decrease in deferred outflows of resources for OPEB | 2,560 | 6,795 | - | 9,355 | - |
| Increase (decrease) in accounts payable and accrued liabilities | (117,849) | 79,070 | (5,450) | (44,229) | 49,623 |
| Increase (decrease) in deferred inflows of resources for pensions | 187,332 | 65,293 | - | 252,625 | - |
| Increase (decrease) in deferred inflows of resources for OPEB | (29,987) | (53,712) | - | (83,699) | - |
| Increase (decrease) in customer deposits | (559) | - | 6,753 | 6,194 | - |
| Increase (decrease) in net pension liability | (189,083) | (63,713) | - | (252,796) | - |
| Increase (decrease) in accrued postclosure liability | - | - | - | - | - |
| Increase (decrease) in compensated absences | (1,919) | 917 | 9,043 | 8,041 | - |
| Increase (decrease) in OPEB liability | 49,854 | 89,300 | - | 139,154 | - |
| Total adjustments | 814,878 | 302,162 | 63,507 | 1,180,547 | 49,623 |
| Net cash provided (used) by operating activities | \$ 832,029 | \$ (140,776) | \$ 392,036 | \$ 1,083,289 | \$ (73,030) |

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

**Nash County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2022**

| | Custodial Funds |
|---|--------------------|
| ASSETS | |
| Cash and investments | \$ 53,311 |
| Taxes receivable for other governments, net | 426,733 |
| Total assets | 480,044 |
| LIABILITIES | |
| Accounts payable | 375,200 |
| Due to other governments | - |
| Total liabilities | 375,200 |
| NET POSITION | |
| Restricted for: | |
| Individuals, organizations, and other governments | 104,844 |
| Total fiduciary net position | \$ 104,844 |

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

Nash County, North Carolina
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended June 30, 2022

| | Custodial Funds |
|---|--------------------|
| ADDITIONS | |
| Ad valorem taxes for other governments | \$ 5,135,052 |
| Collections on behalf of inmates | 437,034 |
| Total additions | 5,572,086 |
| DEDUCTIONS | |
| Tax distributions to other governments | 5,120,837 |
| Payments on behalf of inmates | 432,757 |
| Total deductions | 5,553,594 |
| Net increase (decrease) in fiduciary net position | 18,492 |
| Net position, beginning | 86,352 |
| Net position, ending | \$ 104,844 |

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

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**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE I: Summary of Significant Accounting Policies

The accounting policies of Nash County, North Carolina, and its discretely presented component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

Nash County is located in the eastern part of North Carolina in the coastal plains area and has a population of approximately 95,500. The County Seat is located in Nashville, North Carolina. The County, which is governed by a seven-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally-separate entities for which the County is financially accountable.

Blended Component Units

Central Nash Water and Sewer District (Central Nash) exists to provide and maintain water and sewer services for residents within the District. Under state law (G.S. 162A-89), the County's Board of Commissioners serves as the governing board for the District and there is a financial benefit between the District and County. Central Nash was reported as an enterprise fund in the County's financial statements. The District does not issue separate financial statements.

Component Units

The County's three discretely presented component units described below are reported in separate combining government-wide financial statements.

• **Nash County Tourism Development Authority**

The fifteen members of the Nash County Tourism Development Authority's governing board, including the Chairman are appointed by the County. The Finance Officer for the County serves as ex-officio Finance Officer for the Authority. The County levies, collects, and remits a room occupancy tax on behalf of the Authority. The Authority, which has a June 30 year-end, is presented as a Component Unit.

• **Nash Health Care Systems and Subsidiaries of Nash County, North Carolina**

Nash Health Care Systems and Subsidiaries of Nash County is a Hospital Authority created pursuant to Article 12 of Chapter 131E of the North Carolina General Statutes (formerly Article 12 of Chapter 131). The subsidiaries are not-for-profit entities established under section 501(c)(3) of the Internal Revenue Code. The County appoints the fifteen-member governing board of the Authority, and there is a potential financial benefit/burden to the County. The Authority includes the operations of Nash Hospitals Inc. and subsidiary, Nash Community Health Services, Inc., Nash MSO, In., Nash Medical Development Authority, NHCS Physicians, Inc., and Nash Health Care Foundation. The County leases the hospital facilities to the Authority in accordance with a thirty-year operating agreement (Note 5). The Authority, which has a June 30 year-end, is presented as a component unit.

• **Nash County ABC Board**

The five members of the Nash County ABC Board's governing board are appointed by the County. The ABC Board is required by State Statute to distribute its surplus to the General Fund of the County. The ABC Board which has a June 30 year-end, is presented as a component unit.

Complete financial statements for each of the individual component units may be obtained at the administrative offices of those entities as follows:

Nash County Tourism Development Authority
120 W. Washington Street, Suite 3072
Nashville, NC 27856

Nash County ABC Board
1206 Eastern Avenue
Nashville, NC 27856

Nash Health Care Systems and Subsidiaries of Nash County
Nash General Hospital
2460 Curtis Ellis Drive
Rocky Mount, NC 27804

NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

B. Basis of Presentation – Basis of Accounting

Basis of Presentation, Measurement Focus - Basis of Accounting

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

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

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

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

The County reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the County. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund. The Revaluation Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, it is consolidated in the General Fund. Additionally, the County has legally adopted an Economic Development Fund. Under GASB 54 guidance, the Economic Development Fund is consolidated in the General Fund. The budgetary comparisons for the Revaluation Fund and the Economic Development Fund have been included in the supplemental information.

American Rescue Plan Fund: The fund is used to account for resources provided by the government to assist with COVID relief.

Detention Facility Project Fund: This capital project fund is used to account for the construction of the Detention Facility.

The County reports the following major enterprise funds:

Water and Sewer Fund: This fund is used to account for Central Nash water and sewer operations.

Solid Waste Fund: This fund is used to account for the County's solid waste disposal operations and convenience center operations.

Northern Nash Water System Fund: This fund is used to account for the Northern Nash area operations and the cost of providing water lines to service the Northern Nash area.

Internal Service Fund - The Employee Healthcare Benefits and the Workers' Compensation Fund are used to account for cost of the County's healthcare and workers' compensation.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

The County reports the following fund types:

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but are not revenues to the County, and the Jail Inmate Pay Fund, which holds cash deposits made to inmates as payment for work performed while incarcerated as well as cash collections for the benefit of inmates from their friends and families.

Non-major Funds - The County has nineteen special revenue funds: Rural Operating Assistance Program Fund, Fire Districts Fund, Emergency Telephone System Fund, Controlled Substance Fund, Federal Asset Forfeiture Fund, Storm Water Maintenance Fund, Tourism Fund, Homeland Security Grant Fund, Single Family Rehab Fund, Urgent Repair Program Fund, CDBG Grant Fund, Hazard Mitigation Plan Fund, Storm Debris Removal Fund, COVID 19 Grant Project Fund, Representative Payee Fund, Fines and Forfeitures Fund, CDBG - CV Grant Fund, Abandoned Manufactured Homes Fund, and the Downeast Home Consortium Fund. The County has nine capital project funds: Capital Reserve Fund, Middlesex Industrial Park Fund, Senior Center/Miracle Park Fund, School Capital Project Fund, Public Safety Radio Project Fund, Animal Facility Project Fund, Highspeed Internet Project Fund, Courthouse Expansion Project Fund, and the State Grants Capital Project Fund.

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

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

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

Proprietary funds distinguish operating revenues and expenses from 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 County enterprise funds are charges to customers for sales and services. 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. Issuances of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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

Sales taxes and certain intergovernmental revenues collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the special revenue funds (excluding grant projects), and enterprise funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the special revenue grant funds, capital project funds and the enterprise capital project funds, which are consolidate with the operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for the General Fund and at the functional level for the Special Revenue and the Enterprise Funds, and at the project level for the Capital Project Funds. The County Manager is authorized by the budget ordinance to transfer appropriations between departments (or function levels, as applicable) within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary. As a result, appropriated fund balance increased in the General Fund by \$8,370,609 which is largely the result of transfers to capital project funds. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

1. Deposits and Investments

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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

The majority of the County, Nash County Tourism Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board's investments are carried at fair value. Non-participating interest earnings contracts are accounted for at cost. The North Carolina Capital Management Trust (NCCMT), which consists of one SEC-registered fund, is authorized by G.S. 159-30(c)(8). The Government Portfolio is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P and AAmf by Moody Investor Services. The Government Portfolio is reported at fair value.

2. Cash and Cash Equivalents

The County pools monies from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are considered cash and cash equivalents. The Nash County Tourism Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board consider demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

Unexpended debt proceeds are classified as restricted assets because their use is completely restricted to the purpose for which the debt was originally issued. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. The Reserve Contribution for Middlesex Elementary School is a required annual reserve contribution equivalent to 1/10th of the annual installment for a period of ten years and accumulation equivalent to one annual installment. Unspent loan and grant proceeds are reflected as restricted cash as well. Customer deposits held by the County in the Utilities Fund before any services are supplied are restricted to the service for which the deposit was collected.

Governmental Activities

| | | |
|----------------------------------|------------------------------------|-------------------|
| General Fund | Tax Revaluation | \$ 511,838 |
| General Fund | Reserve Contribution - School Debt | 399,914 |
| Detention Facility Project Fund | Unspent loan proceeds | 8,606,871 |
| School Capital Project Fund | Unspent loan proceeds | 5,253,891 |
| State Grant Capital Project Fund | Unspent grant proceeds | 1,084,270 |
| ARPA Grant Funds | Unspent grant proceeds | 13,699,950 |
| Total Governmental Activities | | <u>29,556,734</u> |

Business-Type Activities

| | | |
|--------------------------------|-------------------|----------------|
| Water and Sewer Fund | Customer Deposits | 117,505 |
| Northern Nash Water System | Customer Deposits | 10,953 |
| Total Business-Type Activities | | <u>128,458</u> |

| | | |
|-----------------------|--|----------------------|
| Total Restricted Cash | | <u>\$ 29,685,192</u> |
|-----------------------|--|----------------------|

4. Ad Valorem Taxes Receivable

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

5. Lease Receivable

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. There are no variable components under the lease agreement. 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 basis over the term of the lease.

6. Allowance for Doubtful Accounts

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

7. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items for the County's governmental funds are treated using the consumption method.

8. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. Minimum capitalization costs are: \$5,000 for all asset categories. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Nash Community College and Nash County Public Schools properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and Nash Community College and Nash County Public Schools give those entities the facilities, and provide that the County will convey title to the property back to the respective entities, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of Nash Community College and Nash County Public Schools, respectively.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

| | <u>Estimated Useful Lives</u> | |
|-------------------------|-------------------------------|-----------------|
| | Primary Government | Component Units |
| Land Improvements | 20 Years | 5-40 Years |
| Buildings | 40 Years | 20-40 Years |
| Furniture and Equipment | 3-20 Years | 2-20 Years |
| Infrastructure | 40 Years | |
| Vehicles | 3-5 years | |

9. Right to use assets

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

10. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The County has several items that meets this criterion - a charge on refunding that had previously been classified as an asset, pension related deferrals, and OPEB related deferrals. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to future periods and so will not be recognized as revenue until then. The County has five items that meet the criterion for this category - taxes receivable, prepaid taxes, leases, pension related deferrals, and OPEB related deferrals.

11. Long-Term Obligations

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

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

12. Compensated Absences

The vacation policies of the County provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. The County's liability for accumulated earned vacation and the salary-related payments as of June 30, 2022 is recorded in the governmental activities of the government-wide financial statements. For the County's proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded within those funds as the benefits accrue to the employees. The County has assumed a first in, first out method of using accumulated compensated time. The portion of that time estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

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

13. Opioid Settlement Funds

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

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

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. No funds have been received or expended as of June 30, 2022. The County received the first distribution of \$209,238 as part of this settlement in Fiscal Year 2023. The MOA offered the County two options of expending the funds. Option A offers a list of 12 categories of evidence-based strategies to address the opioid epidemic. Option B offers a wider array of strategies to address the impact of the opioid epidemic. As of June 30, 2022, the County had not picked an option.

14. Reimbursements for Pandemic-related Expenditures

In fiscal year 2021, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for eligible state, local, territorial, and tribal governments. The County was allocated \$18,316,281 of fiscal recovery funds to be paid in two equal installments. The first installment of \$9,158,141 was received in June 2021. The second installment was received in June 2022. The ARPA Committee, appointed by the County Manager, elected to use the Standard Deduction of \$10,000,000 for revenue replacement. As of June 30, 2022 the ARPA Committee and Board of Commissioners have approved spending and transfers to the General Fund for general services to cover salary and benefits for Parks and Recreation services, Administrative services and Law Enforcement services in the amount of \$4,633,622. The remaining funds of \$13,682,659 are designated for Water and Sewer Infrastructure projects and broadband.

15. Net Position/Fund Balances

Net Position

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of four 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 a cannot be spent because they are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact.

Prepaid Items – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid items, which are not spendable resources.

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Restricted Fund Balance - This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law. Restricted fund balance is summarized as follows:

Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget*. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

Restricted for Human Services - portion of fund balance that is restricted by revenue source for human services health program and portion of fund balance that can only be used to benefit beneficiaries under the Social Security's Representative Payee Program.

Restricted for Public Safety - portion of fund balance that is restricted by revenue source for the Emergency Telephone System Fund, Fire Protection, Controlled Substance, Federal Asset Forfeiture for law enforcement, Homeland Security, Public Safety Radio Projects, and the Detention Facility Project.

Restricted for Economic Development - portion of fund balance that is restricted by revenue source for Economic Development through Travel and Tourism, Stormwater maintenance, CDBG Projects and Corporate Park Projects.

Restricted for Transportation - portion of fund balance that is restricted by revenue source for the rural operating assistance program.

Restricted for Education - portion of fund balance that has been restricted by revenue source for school construction.

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by resolution of the County's Board of Commissioners (highest level of decision making authority). Any changes or removal of specific purposes requires majority action by the Board of Commissioners.

Committed for Public Safety - portion of fund balance that can only be used for Public Safety for Controlled Substance.

Committed for Economic Development - portion of fund balance that can only be used for Economic Development.

Committed for Tax Revaluation - portion of fund balance that can only be used for tax revaluation.

Assigned Fund Balance - portion of fund balance that the County's Board of Commissioners has assigned.

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

Assigned for Capital Projects - portion of fund balance that is assigned by management for debt service for capital projects or capital projects.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Unassigned Fund Balance - 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 amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Nash County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-county funds, and county funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it's in the best interest of the County.

The County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct business in such a manner that available fund balance is at least equal to or greater than 15% of General Fund expenditures. In the event of an emergency of approved one-time use of fund balance in which the reserve falls below the recommended percentage of 15%, the County will adopt a plan to replenish the reserve to the policy standard within 36 months.

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 | \$ 56,862,182 |
| Less: | |
| Prepaid assets | 17,998 |
| Leases | 2,762 |
| Stabilization by State statute | 15,812,718 |
| Total available fund balance | \$ 41,028,704 |

16. Defined Benefit Pension Plan

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LERS), the Registers of Deeds' Supplemental Pension Fund (RODSPF), and the Law Enforcement Officers' Separation Allowance (LEOSSA) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans.

17. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE II: Stewardship, Compliance and Accountability

Deficit Fund Balance or Net Position of Individual Funds

None.

Excess of Expenditures over Appropriations

None

NOTE III: Detail Notes on All Funds

A. Assets

1. Deposits

All of the County, Nash County Tourism Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County, Nash County Tourism Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board's agent in their respective names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, Nash County Tourism Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the ABC Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, Nash County Tourism Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board under the Pooling Method, the potential exists for the under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and the ABC Board do not have formal policies regarding custodial credit risk for deposits.

At June 30, 2022 the County's deposits had a carrying amount of \$49,979,316 and a bank balance of \$52,693,967. Of the bank balance, \$500,000 was covered by federal depository insurance; and \$52,193,967 in interest bearing deposits was covered by collateral held under the Pooling Method. At June 30, 2022, Nash County had \$3,375 cash on hand.

At June 30, 2022, the carrying amount of deposits for the Nash County Tourism Development Authority's deposits was \$1,498,325 and a bank balance of \$1,498,325. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

At June 30, 2022, the carrying amount of deposits for the Nash Health Care Systems and Subsidiaries' deposits was \$17,007,680 and a bank balance of \$22,078,049. As of June 30, 2022, Systems held \$6,575 in petty cash included within cash and cash equivalents.

At June 30, 2022, the ABC Board's deposit had a carrying amount of \$3,450,982 and a bank balance of \$3,594,676. Of the bank balance, \$250,000 was covered by federal depository insurance and \$3,344,676 was covered by collateral held by the State Treasurer.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

2. Investments

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

| | Valuation Measurement Method | Fair Value | Less Than 6 Months | 6-12 Months | Greater Than One Year | % Concentration |
|--------------|---|------------------------|-------------------------------|------------------------|--------------------------------------|----------------------------|
| | NCCMT - Government Portfolio | Fair Value- Level 1 | \$ 51,708,000 | \$ 51,708,000 | \$ - | \$ - |
| Total | | \$ 51,708,000 | \$ 51,708,000 | \$ - | \$ - | 100% |

At June 30, 2022, the TDA had \$197,433 invested with the North Carolina Capital Management Trust's Government Portfolio.

Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAm rating from S&P and AAA-mf by Moody's Investor Service.

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

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level Two debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk - This it's the risk that changes in interest rates will adversely affect the fair value of an investment. The County's policy limits its exposure to fair value losses from rising interest rates by limiting its investment portfolio to no less than 20% maintained in liquid investments at any point in time.

Credit Risk - State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The County policy allows investments in the NC Capital Management Trust Government Portfolio, US Treasury Securities, US Agency Securities specifically authorized in NCGS 159 and rated no lower than AAA, and commercial paper meeting the requirements of NCGS 159. The County's and TDA's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAA-mf by Standard & Poor's as of June 30, 2022. The TDA has no policy on credit risk. These amounts are included within cash on the statement of net position.

Concentration of Credit Risk - The County limits amounts invested in US Treasury of Agencies to no more than 20% of total investments and commercial paper to no more than 10% per investment. A minimum of 20% of available investments must be liquid. At June 30, 2022, all of the County's investments were in the NCCMT - Government Portfolio.

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

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

| Year Levied | Tax | Interest | Total |
|----------------|----------------------|---------------------|----------------------|
| 2019 | \$ 2,864,726 | \$ 939,198 | \$ 3,803,924 |
| 2020 | 2,849,829 | 676,834 | 3,526,663 |
| 2021 | 2,820,272 | 415,990 | 3,236,262 |
| 2022 | 2,756,864 | - | 2,756,864 |
| Total | \$ 11,291,691 | \$ 2,032,022 | \$ 13,323,713 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

4. Receivables

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

| | Accounts | Taxes and Related Accrued Interest | Lease Receivable | Total |
|----------------------------------|---------------------|--|---------------------|---------------------|
| Governmental Activities: | | | | |
| General | \$ 1,196,441 | \$ 2,666,686 | \$ 233,124 | \$ 4,096,251 |
| Other Governmental | 22,024 | - | - | 22,024 |
| Total Receivables | 1,218,465 | 2,666,686 | 233,124 | 4,118,275 |
| Allowance for Doubtful Accts. | - | (928,607) | - | (928,607) |
| Total Gov't Activities | \$ 1,218,465 | \$ 1,738,079 | \$ 233,124 | \$ 3,189,668 |
| Business-type Activities: | | | | |
| Water and Sewer | 411,178 | - | - | 411,178 |
| Northern Nash Water System | 95,064 | - | - | 95,064 |
| Solid Waste | 25,221 | - | - | 25,221 |
| Total Receivables | 531,463 | - | - | 531,463 |
| Allowance for Doubtful Accts. | (125,976) | - | - | (125,976) |
| Total Business-type | \$ 405,487 | \$ - | \$ - | \$ 405,487 |

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

| | |
|----------------------------------|----------------------|
| Governmental Activities: | |
| Local Option Sales Tax | \$ 6,170,866 |
| Video Programming Tax | 36,219 |
| Sales Tax Refund | 674,220 |
| Other Reimbursements | 3,845,407 |
| Total | <u>\$ 10,726,712</u> |
| Business-type Activities: | |
| NCDOR - Disposal Taxes | \$ 64,963 |
| NCDEQ - Drinking Water | 2,587,523 |
| | 56,104 |
| Total | <u>\$ 2,708,590</u> |

Lease Receivable

On 07/01/2021, Nash County, NC entered into a 151 month lease as Lessor for the use of Pinestone Media Tower Site. An initial lease receivable was recorded in the amount of \$217,813. As of 06/30/2022, the value of the lease receivable is \$203,195. The lessee is required to make monthly fixed payments of \$1,322. The lease has an interest rate of 0.7270%. The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$200,508, and Nash County recognized lease revenue of \$17,306 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

On 07/01/2021, Nash County, NC entered into a 25 month lease as Lessor for the use of 1006 Eastern Ave.. An initial lease receivable was recorded in the amount of \$57,410. As of 06/30/2022, the value of the lease receivable is \$29,929. The lessee is required to make monthly fixed payments of \$2,309. The lease has an interest rate of 0.5140%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$29,853, and Nash County recognized lease revenue of \$27,557 during the fiscal year.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Principal and Interest Expected to Maturity

| Year Ending June 30 | Governmental Activities | |
|---------------------|-------------------------|-----------------|
| | Principal | Interest |
| 2023 | \$ 42,535 | \$ 1,516 |
| 2024 | 17,659 | 1,319 |
| 2025 | 15,797 | 1,205 |
| 2026 | 16,254 | 1,089 |
| 2027 | 16,720 | 969 |
| 2028-2032 | 90,971 | 2,926 |
| 2033-2037 | 33,187 | 213 |
| Total | \$ 233,123 | \$ 9,237 |

5. Capital Assets

Primary Government

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

| Governmental Activities: | Beginning | | | | Ending |
|---|---------------|--------------|-------------|--------------|---------------|
| | Balances | Increases | Transfers | Retirements | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 11,207,809 | \$ 961,944 | \$ - | \$ - | \$ 12,169,753 |
| Construction in Progress | 5,048,564 | 16,498,345 | (2,608,859) | - | 18,938,050 |
| Total capital assets not being depreciated | 16,256,373 | 17,460,289 | (2,608,859) | - | 31,107,803 |
| Capital assets being depreciated: | | | | | |
| Land Improvements | 398,376 | 46,996 | 2,435,512 | - | 2,880,884 |
| Infrastructure | 1,086,836 | - | - | - | 1,086,836 |
| Buildings | 71,515,826 | 45,412 | 173,347 | (1,525,605) | 70,208,980 |
| Vehicles | 6,917,178 | 612,678 | - | (570,970) | 6,958,886 |
| Equipment | 18,684,025 | 253,933 | - | - | 18,937,958 |
| Total capital assets being depreciated: | 98,602,241 | 959,019 | 2,608,859 | (2,096,575) | 100,073,544 |
| Less accumulated depreciation for: | | | | | |
| Land Improvements | 215,607 | 29,458 | - | - | 245,065 |
| Infrastructure | 300,671 | 31,506 | - | - | 332,177 |
| Buildings | 28,560,765 | 1,613,428 | - | (104,885) | 30,069,308 |
| Vehicles | 5,489,165 | 848,995 | - | (506,720) | 5,831,440 |
| Equipment | 14,812,147 | 754,074 | - | - | 15,566,221 |
| Total accumulated depreciation: | 49,378,355 | \$ 3,277,461 | \$ - | \$ (611,605) | 52,044,211 |
| Total capital assets being depreciated, net | 49,223,886 | | | | 48,029,333 |
| Governmental activity capital assets, net | \$ 65,480,259 | | | | \$ 79,137,136 |

Depreciation expenses are charged to functions/ program of the governmental activity capital assets as follows:

| | |
|-----------------------------------|---------------------|
| General Government | \$ 1,740,323 |
| Public Safety | 1,136,057 |
| Cultural and Recreational | 14,207 |
| Economic and Physical Development | 208,523 |
| Human Services | 112,027 |
| Education | 66,324 |
| Total Depreciation Expense | \$ 3,277,461 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Business-type activities:

| Water and Sewer Fund | Beginning Balances | Increases | Transfers | Retirements | Ending Balances |
|--|-----------------------|------------|-----------|-------------|----------------------|
| Capital assets not being depreciated: | | | | | |
| Construction in progress | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total capital assets not being depreciated: | - | - | - | - | - |
| Capital assets being depreciated: | | | | | |
| Infrastructure | 37,279,041 | 13,199 | - | - | 37,292,240 |
| Furniture, fixtures, and equipment | 45,577 | 7,500 | - | - | 53,077 |
| Vehicles | 147,764 | - | - | (22,012) | 125,752 |
| Total capital assets being depreciated : | 37,472,382 | 20,699 | - | (22,012) | 37,471,069 |
| Less accumulated depreciation for: | | | | | |
| Infrastructure | 7,731,429 | 882,919 | - | - | 8,614,348 |
| Furniture, fixtures, and equipment | 45,575 | 1,000 | - | - | 46,575 |
| Vehicles | 134,629 | 4,372 | - | (22,012) | 116,989 |
| Total accumulated depreciation: | 7,911,633 | \$ 888,291 | \$ - | \$ (22,012) | 8,777,912 |
| Total capital assets being depreciated, net | 29,560,749 | | | | 28,693,157 |
| Water and Sewer activity capital assets, net | <u>\$ 29,560,749</u> | | | | <u>\$ 28,693,157</u> |

Northern Nash Water System (NNWS):

| | | | | | |
|---|---------------------|-------------------|-------------|-------------|---------------------|
| Capital assets not being depreciated: | | | | | |
| Construction in Progress | \$ 8,774,811 | \$ 732,879 | \$ - | \$ - | \$ 9,507,690 |
| Total capital assets not being depreciated: | <u>\$ 8,774,811</u> | <u>\$ 732,879</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 9,507,690</u> |

| Solid Waste Fund | Beginning Balances | Increases | Transfers | Retirements | Ending Balances |
|---|-----------------------|-----------|-----------|-------------|--------------------|
| Capital assets not being depreciated: | | | | | |
| Construction in Progress | \$ 330,508 | \$ 1,943 | \$ - | \$ - | \$ 332,451 |
| Land | 238,000 | - | - | - | 238,000 |
| Total capital assets not being depreciated: | 568,508 | 1,943 | - | - | 570,451 |
| Capital assets being depreciated: | | | | | |
| Land improvements | 1,967,680 | - | - | - | 1,967,680 |
| Buildings and building improvements | 34,375 | - | - | - | 34,375 |
| Furniture, fixtures, and equipment | 2,120,290 | 272,245 | - | - | 2,392,535 |
| Vehicles | 31,441 | - | - | - | 31,441 |
| Total capital assets being depreciated: | 4,153,786 | 272,245 | - | - | 4,426,031 |
| Less accumulated depreciation for: | | | | | |
| Land improvements | 1,632,136 | 109,673 | - | - | 1,741,809 |
| Buildings and building improvements | 23,904 | 317 | - | - | 24,221 |
| Furniture, fixtures, and equipment | 1,889,398 | 80,557 | - | - | 1,969,955 |
| Vehicles | 29,603 | 1,225 | - | - | 30,828 |
| Total accumulated depreciation | 3,575,041 | 191,772 | - | - | 3,766,813 |
| Total capital assets being depreciated, net | 578,745 | | | | 659,218 |
| Solid Waste activity capital assets net | <u>1,147,253</u> | | | | <u>1,229,669</u> |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

| Convenience Center Activity | Beginning Balances | Increases | Transfers | Retirements | Ending Balances |
|--|-----------------------|-----------|-----------|-------------|--------------------|
| Capital assets not being depreciated: | | | | | |
| Land | 70,185 | - | - | - | 70,185 |
| Total capital assets not being depreciated: | 70,185 | - | - | - | 70,185 |
| Capital assets being depreciated: | | | | | |
| Land improvements | 293,241 | - | - | - | 293,241 |
| Buildings and building improvements | 94,379 | - | - | - | 94,379 |
| Furniture, fixtures, and equipment | 108,667 | - | - | - | 108,667 |
| Total capital assets being depreciated: | 496,287 | - | - | - | 496,287 |
| Less accumulated depreciation for: | | | | | |
| Land improvements | 292,308 | 616 | - | - | 292,924 |
| Buildings and building improvements | 94,379 | - | - | - | 94,379 |
| Furniture, fixtures, and equipment | 108,667 | - | - | - | 108,667 |
| Total accumulated depreciation | 495,354 | \$ 616 | \$ - | \$ - | 495,970 |
| Total capital assets being depreciated, net | 933 | | | | 317 |
| Convenience Center activity capital assets net | 71,118 | | | | 70,502 |
| Total Solid Waste Fund capital assets net | \$ 1,218,371 | | | | \$ 1,300,171 |
| Business-type activities capital assets, net | \$ 39,553,931 | | | | \$ 39,501,018 |

Construction Commitments

The County has active construction projects as of June 30, 2022. The projects include the construction of a new Elementary School, Detention Facility construction and renovation, a new Animal Facility, Middlesex Corporate Centre, which includes a water, sewer, and road project and a tank and water loop project; as well as the Northern Nash Water System project which includes water district projects. At June 30, 2022, the County's commitments with contractors are as follows:

| <u>Project</u> | <u>Spent to Date</u> | <u>Remaining Commitment</u> |
|---|----------------------|---------------------------------|
| Middlesex CC Tank / Water Loop / Water / Sewer Road | \$ 2,980,526 | \$ 69,941 |
| CDBG-DR | 995,888 | - |
| School Construction | 8,714,858 | 8,219,142 |
| Detention Facility Construction and Renovation | 7,393,129 | 10,944,121 |
| Animal Facility | - | 2,395,400 |
| Northern Nash Water System | 7,606,600 | 340,480 |
| | <u>\$ 27,691,001</u> | <u>\$ 21,969,084</u> |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Discretely presented component units:

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

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|-----------------------|------------|-------------|--------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 669,871 | \$ - | \$ - | \$ 669,871 |
| Construction in progress | - | - | - | - |
| Total capital assets not being depreciated | 669,871 | - | - | 669,871 |
| Capital assets being depreciated: | | | | |
| Buildings | 3,002,882 | - | - | 3,002,882 |
| Furniture/equipment | 1,077,392 | - | - | 1,077,392 |
| Vehicles | 91,674 | 30,776 | (23,174) | 99,276 |
| Leasehold improvements | 89,403 | - | - | 89,403 |
| Total capital assets being depreciated: | 4,261,351 | 30,776 | (23,174) | 4,268,953 |
| Less accumulated depreciation for: | | | | |
| Buildings | 959,450 | 74,820 | - | 1,034,270 |
| Furniture/equipment | 999,051 | 20,228 | - | 1,019,279 |
| Vehicles | 55,211 | 12,588 | (22,015) | 45,784 |
| Leasehold improvements | 53,982 | 1,446 | - | 55,428 |
| Total accumulated depreciation: | 2,067,694 | \$ 109,082 | \$ (22,015) | 2,154,761 |
| Total capital assets being depreciated, net | 2,193,657 | | | 2,114,192 |
| Capital assets, net | \$ 2,863,528 | | | \$ 2,784,063 |

Capital Asset activity for the Nash Health Care Systems and Subsidiaries for the year ended June 30, 2022, was as follows:

| | Beginning Balances | Additions | Transfers/ Retirements | Ending Balances |
|---|-----------------------|------------|---------------------------|--------------------|
| Capital Assets at Cost | | | | |
| Land | \$ 3,830,210 | \$ - | \$ - | \$ 3,830,210 |
| Total nondepreciable assets | 3,830,210 | - | - | 3,830,210 |
| Capital assets being depreciated: | | | | |
| Land improvements | 13,340,464 | - | - | 13,340,464 |
| Buildings and improvements | 165,300,041 | 6,854,628 | - | 172,154,669 |
| Equipment | 237,104,446 | 6,175,837 | (50,382,065) | 192,898,218 |
| Right to use assets | 2,410,309 | - | - | 2,410,309 |
| Total depreciable assets | 418,155,260 | 13,030,465 | (50,382,065) | 380,803,660 |
| Total | 421,985,470 | 13,030,465 | (50,382,065) | 384,633,870 |
| Accumulated Depreciation and Amortization | 303,238,612 | 12,397,620 | (50,324,273) | 265,311,959 |
| Capital Assets, net | \$ 118,746,858 | \$ 632,845 | \$ (57,792) | \$ 119,321,911 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Right to Use Leased Assets

The County has recorded two right to use leased assets. The assets are right to use assets for leased equipment and leased buildings. The related leases are discussed in the Leases subsection of the Long-term obligations section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

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

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|------------------------------------|------------------------------|------------------|------------------|-----------------------|
| Right to use assets | | | | |
| Leased equipment | \$ - | \$ 132,421 | \$ - | \$ 132,421 |
| Leased buildings | - | 56,073 | - | 56,073 |
| Total right to use assets | - | 188,494 | - | 188,494 |
| Less accumulated amortization for: | | | | |
| Leased equipment | - | 44,635 | - | 44,635 |
| Leased buildings | - | 28,037 | - | 28,037 |
| Total accumulated amortization | - | 72,672 | - | 72,672 |
| Right to use assets, net | \$ - | \$ 115,822 | \$ - | \$ 115,822 |

B. Liabilities

1. Payables

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

| | <u>Vendors</u> |
|--------------------------------|---------------------|
| Governmental Activities: | |
| General | \$ 3,710,794 |
| Other Governmental | 1,483,523 |
| Internal Service Fund | 903,282 |
| Total Governmental Activities | <u>\$ 6,097,599</u> |
| Business-type Activities: | |
| Water and Sewer | \$ 124,894 |
| Solid Waste | 296,375 |
| Northern Nash Water System | 333,356 |
| Total Business-type Activities | <u>\$ 754,625</u> |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

2. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report 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, by calling (919) 981-5454, or at www.osc.nc.gov.

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

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2022, was 12.04% of compensation for law enforcement officers, 11.40% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$3,814,615 for the year ended June 30, 2022.

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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

At June 30, 2022, the County reported a liability of \$6,254,618 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the County's proportion was 0.408% (measured as of June 30, 2021), which was a decrease of 0.024% from its proportion as of June 30, 2021 (measured as of June 30, 2020).

For the year ended June 30, 2022, the County recognized pension expense of \$2,549,259. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 1,989,819 | \$ - |
| Changes in assumptions | 3,929,498 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 8,935,970 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | - | 394,198 |
| County contributions subsequent to the measurement date | 3,814,615 | - |
| Total | \$ 9,733,932 | \$ 9,330,168 |

\$3,814,615 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: | | |
|----------------------------|----|-------------|
| 2023 | \$ | 426,073 |
| 2024 | | (318,951) |
| 2025 | | (783,513) |
| 2026 | | (2,734,460) |
| 2027 | | - |
| Thereafter | | - |
| | \$ | (3,410,851) |

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

| | | |
|---------------------------|--|--|
| Inflation | 2.50 Percent | |
| Salary Increases | 3.25% to 8.25%, which includes a 3.25% inflation and productivity factor | |
| Investment Rate of Return | 6.5 percent, net of pension plan investment expense, including inflation | |

The plan actuary currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 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 yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------|--------------------------|---|
| Fixed Income | 29.0% | 1.4% |
| Global Equity | 42.0% | 5.3% |
| Real Estate | 8.0% | 4.3% |
| Alternatives | 8.0% | 8.9% |
| Credit | 7.0% | 6.0% |
| Inflation Protection | 6.0% | 4.0% |
| Total | <u>100.0%</u> | |

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

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

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

| | 1% Decrease (5.50%) | Discount Rate (6.50%) | 1% Increase (7.50%) |
|---|------------------------|--------------------------|------------------------|
| County's proportionate share of the net pension liability (asset) | \$ 24,279,906 | \$ 6,254,618 | \$ (8,579,147) |

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.

Supplemental Pension Plan - Nash Health Care Systems and Subsidiaries

Systems' net pension asset as of June 30, 2022 was measured as of July 1, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

The total pension asset in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Investment Rate of Return | 7.75% |
| Disability | None assumed |
| Mortality | RP-2014 Total Dataset Mortality Table with MP-2020 Projection Scale |
| Termination Table | Crocker, Sarason and Straight T-5 Turnover Table |
| Assumed Retirement Age | Age 65, or the 5-year anniversary of Plan participation, if later. However, any participant who will attain age 62 with 30 years of vesting service is assumed to retire at an 80% rate as soon as eligible for the unreduced benefit at that time. |
| Marriage | Male spouses assumed to be 4 years older than their wives. It is assumed that 80% of all male and 65% of all female participants are married. |

The longer-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The ranges 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 by adding expected inflation.

The discount rate used to measure the total pension liability was 8.0%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at the 10-year funding rate. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

Changes in the Net Pension Asset

| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Asset |
|---|----------------------------|--------------------------------|----------------------|
| Balance, June 30, 2021 | \$ (97,428,134) | \$ 105,729,408 | \$ 8,301,274 |
| Changes from prior year assumptions: | | | |
| Contributions | - | - | - |
| Interest | (70,134) | - | (70,134) |
| Differences between expected and actual | 296,042 | - | 296,042 |
| Benefit payments | 6,500,501 | (6,500,501) | - |
| Assumption changes (mortality table) | (1,802,405) | - | (1,802,405) |
| Net investment income | - | 17,010,917 | 17,010,917 |
| Administrative expense | - | 70,134 | 70,134 |
| Changes for the current year: | | | |
| Interest | (6,882,360) | - | (6,882,360) |
| Net investment income | - | 8,785,437 | 8,785,437 |
| Administrative expense | - | (70,000) | (70,000) |
| Net changes | (1,958,356) | 19,295,987 | 17,337,631 |
| Balance, June 30, 2022 | \$ (99,386,490) | \$ 125,025,395 | \$ 25,638,905 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Sensitivity of the Net Pension Asset to Change in the Discount Rate

The following presents the net pension asset of Systems, calculated using the discount rate of 7.75%, as well as what Systems' net pension asset would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current rate:

| | 1% Decrease (6.75%) | Discount Rate (7.75%) | 1% Increase (8.75%) |
|-------------------|------------------------|--------------------------|------------------------|
| Net Pension Asset | \$ 14,484,000 | \$ (23,806,000) | \$ (31,720,000) |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Nash Health Care Systems' Supplemental Retirement Plan financial report.

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

For the year ended June 30, 2022, Systems' recognized pension expense of \$2,697,618. Systems reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------|----------------------------------|
| Differences between actual and projected investment earnings on pension plan assets | \$ 13,040,106 | \$ 16,620,509 |
| Changes in assumptions | - | 1,802,405 |
| Contributions | - | - |
| Total | \$ 13,040,106 | \$ 18,422,914 |

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

| Year Ended June 30: | | | |
|----------------------------|----|-------------|--|
| 2023 | \$ | 4,178,861 | |
| 2024 | | (882,715) | |
| 2025 | | 590,721 | |
| 2026 | | (1,363,940) | |
| 2027 | | 3,402,183 | |
| Thereafter | | - | |
| | \$ | 5,925,110 | |

b. Law Enforcement Officers' Special Separation Allowance

1. **Plan Description**

Nash County administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation allowance is equal to .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.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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

| | |
|--|----|
| Retirees receiving benefits | 7 |
| Terminated plan members entitled to but not yet receiving benefits. | - |
| Active plan members | 91 |
| Total | 98 |

Summary of Significant Accounting Policies :

Basis of Accounting

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

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

Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2020 valuation. The total pension liability 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, including inflation and productivity factor |
| Discount rate | 2.25 percent |

The discount rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2021.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2019.

Mortality Rate

Deaths After Retirement (Healthy): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 97% and Set Forward by 1 year.

Deaths After Retirement (Disabled): Mortality rates are based on the Non-Safety Mortality Table for Disabled Retirees. Rates are Set Back 3 years for all ages.

Deaths Before Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

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

Contributions

The County is required by article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investments. The County paid \$147,389 as benefits came due for the reporting period.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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

At June 30, 2022, the County reported a total pension liability of \$4,622,023. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was 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 County recognized pension expense of \$532,454.

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 475,386 | \$ 67,762 |
| Changes of assumptions | 900,696 | 154,284 |
| County benefit payments and plan administrative expense made subsequent to the measurement date | 74,476 | - |
| Total | \$ 1,450,558 | \$ 222,046 |

\$74,476 reported as deferred outflows of resources related to pensions resulting for 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, 2023. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

| | |
|------------|------------|
| 2023 | \$ 292,071 |
| 2024 | 283,113 |
| 2025 | 266,595 |
| 2026 | 228,452 |
| 2027 | 81,187 |
| Thereafter | 2,618 |

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

| | 1% Decrease (1.25%) | Discount Rate (2.25%) | 1% Increase (3.25%) |
|---|------------------------|--------------------------|------------------------|
| County's proportionate share of the net pension liability (asset) | \$ 5,029,198 | \$ 4,622,023 | \$ 4,249,843 |

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

| | 2022 |
|--|--------------|
| Beginning balance | \$ 4,224,942 |
| Service Cost | 237,327 |
| Interest on the total pension liability | 80,119 |
| Changes of benefit terms | - |
| Differences between expected and actual experience in the measurement of the total pension liability | 353,413 |
| Changes of assumptions or other inputs | (126,389) |
| Benefit payments | (147,389) |
| Other changes | - |
| Ending balance of the total pension liability | \$ 4,622,023 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 1.93 percent at June 30, 2020 (measurement date) to 2.25 percent at June 30, 2021 (measurement date).

Changes in Benefit Terms. Reported compensation adjusted to reflect the assumed rate of pay as of the valuation date.

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 studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

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

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description

The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of the State Treasurer and a Board of Trustees. The plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report 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 County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan.

The County's contributions for the year ended June 30, 2022 were \$279,306.

d. Supplemental Retirement Income Plan for Non-Law Employees

Plan Description

The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of the State Treasurer and a Board of Trustees. The plan provides retirement benefits to non-law employees of the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan 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. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy

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

The County's contributions for non-law employees for the year ended June 30, 2022 were \$1,378,094.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

e. Registers of Deeds' Supplemental Pension Fund

Plan Description. Nash County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. ROSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 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, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$9,758 for the year ended June 30, 2022.

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

At June 30, 2022, the County reported an asset of \$148,889 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating ROSPF employers. At June 30, 2021, the County's proportion was 0.7749%, which was a decrease of 0.0332% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the County recognized pension expense of \$12,815. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 1,589 | \$ 1,806 |
| Changes of assumptions | 10,857 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 457 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 8,576 | 2,509 |
| County contributions subsequent to the measurement date | 9,758 | - |
| Total | <u>\$ 30,780</u> | <u>\$ 4,772</u> |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

\$9,758 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: | |
|----------------------------|-----------|
| 2023 | \$ 8,017 |
| 2024 | 5,110 |
| 2025 | (349) |
| 2026 | 3,472 |
| 2027 | - |
| Thereafter | - |
| | \$ 16,250 |

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

| | |
|---------------------------|--|
| Inflation | 2.50% |
| Salary Increases | 3.25% - 8.25% |
| Investment Rate of Return | 3.00%, net of pension plan investment expense, including inflation |

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

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

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2022 is 1.4%.

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

Discount rate. The discount rate used to measure the total pension liability was 3.00%. The projection of cash flows used to determine the discount rate assumed that contributions from 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.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

| | 1% Decrease (2.00%) | Discount Rate (3.00%) | 1% Increase (4.00%) |
|---|------------------------|--------------------------|------------------------|
| County's proportionate share of the net pension liability (asset) | \$ (118,264) | \$ 148,889 | \$ (174,625) |

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.

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

The net pension liability (asset) for LGERS and ROD was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability for LEOSSA was measured as of June 30, 2021, with an actuarial valuation date of December 31, 2020. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

| | LGERS | ROD | LEOSSA | Total |
|--|--------------|--------------|--------------|--------------|
| Proportionate Share of Net Pension Liability (Asset) | \$ 6,254,618 | \$ (148,889) | \$ - | \$ 6,105,729 |
| Proportionate of the Net Pension Liability (Asset) | 0.40784% | 0.77494% | n/a | |
| Total Pension Liability | \$ - | \$ - | \$ 4,622,023 | \$ 4,622,023 |
| Pension Expense (Revenue) | \$ 2,549,259 | \$ 12,815 | \$ 532,454 | \$ 3,094,528 |

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

| | LGERS | ROD | LEOSSA | Total |
|---|--------------|----------|------------|--------------|
| <u>Deferred Outflows of Resources</u> | | | | |
| Differences between expected and actual experience | \$ 1,989,819 | \$ 1,589 | \$ 475,386 | \$ 2,466,794 |
| Changes of assumptions | 3,929,498 | 10,857 | 900,696 | 4,841,051 |
| Net difference between projected and actual earnings on pension plan investment | - | - | - | - |
| Changes in proportion and differences between County contributions and proportionate share of contributions | - | 8,576 | - | 8,576 |
| County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date | 3,814,615 | 9,758 | 74,476 | 3,898,849 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Deferred Inflows of Resources

| | | | | | | | | |
|---|----|-----------|----|-------|----|---------|----|-----------|
| Differences between expected and actual experience | \$ | - | \$ | 1,806 | \$ | 67,762 | \$ | 69,568 |
| Changes of assumptions | | - | | - | | 154,284 | | 154,284 |
| Net difference between projected and actual earnings on pension plan investment | | 8,935,970 | | 457 | | - | | 8,936,427 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | | 394,198 | | 2,509 | | - | | 396,707 |

g. Other Postemployment Benefits

Plan Description. According to a County resolution, the County administers a single employer defined benefit plan to provide healthcare benefits (HCB Plan) and a Medicare Supplement Policy at age 65 to certain retirees of the County. This post employment health benefit is effective for retirees on or after January 1, 2001 and for employees hired before July 1, 2007, provided that they retire (including disability retirement) with unreduced benefits from the North Carolina Local Governmental Employees' Retirement System (System) and have worked the 10 years immediately prior to retirement with Nash County, the retiree will receive 100% premium coverage at the same rate as active employees coverage, retirees with 15 to 19 years credible service will receive 75% of the premium coverage from Nash County and retirees with 10 to 14 years of credible service will receive 50% of the premium costs from Nash County. The benefit applies only to the retired employee, not dependents. Retired employees may continue dependent coverage at the same level as prior to retirement at their personal expense; but not the supplement.

Benefits Provided. Effective for employees hired before July 1, 2012, the County will provide postemployment healthcare benefits to retirees to age 65 provided that they retire (including disability retirement) with unreduced benefits from the North Carolina Local Governmental Employees' System (System) and have at least twenty years of continuous credible service to Nash County. There is no supplement offered at age 65 to either the retiree or dependent. Retired employees may continue dependent coverage at the same level as prior to retirement at their personal expense. Employees hired on or after July 1, 2012 are not eligible to participate in the plan. The County pays the costs of coverage for these benefits as incurred on a pay-as-you-go basis. The County maintains health care coverage through a combination of self-insurance and private insurers.

| <u>Retired Employee's Continuous Years of Creditable Service</u> | <u>Hired Pre-July 1, 2007</u> | <u>Hired On or After July 1, 2007 and Before July 1, 2012</u> | <u>Hired On or After July 1, 2012</u> |
|--|---|---|---|
| Less than 10 years | Not eligible for coverage | Not eligible for coverage | Not eligible for coverage |
| 10-14 years | 50% of health care benefits and 50% Medicare Supplement at age 65 (if selected at retirement) | 50% of health care benefits paid by the County | Not eligible for coverage |
| 15-19 years | 75% of health care benefits and 75% Medicare supplement at age 65 (if selected at retirement) | 75% of health care benefits paid by the County | Not eligible for coverage |
| 20+ years | Full coverage of health care benefits and Medicare Supplement at age 65 (if selected at retirement) | Full coverage of health care benefits paid for by the County | Not eligible for coverage |

Funding Policy: The County's members pay the current active employee rate for dependent coverage, if the retiree elects to purchase the coverage. The County has chosen to fund the healthcare benefits on a pay as you go basis.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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

| | General Employees: | Law Enforcement Officers: |
|--|-----------------------|---------------------------------|
| Retirees and dependents receiving benefits | 191 | 7 |
| Terminated plan members entitled to but not yet receiving benefits | - | - |
| Active members | 269 | 91 |
| Total | 460 | 98 |

Total OPEB Liability

The County's total OPEB liability of \$74,544,759 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 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: | |
| General Employees | 3.25 to 8.41 percent, including inflation |
| Law Enforcement Officers | 3.25 to 7.90 percent, including inflation |
| Discount rate | 2.16 percent |
| Healthcare cost trend rates: | |
| Medical and Prescription Drug | 5.25 percent for 2020 decreasing to an ultimate rate of 4.50 percent by 2024 |
| Dental | 4.00% |

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

| | Total OPEB Liability |
|--|-------------------------|
| Balances at June 30, 2020 | \$ 69,066,261 |
| Changes for the Year: | |
| Service Cost | 1,281,033 |
| Interest | 1,538,911 |
| Differences between Expected and Actual experience | (180,749) |
| Changes of assumptions or other inputs | 4,273,774 |
| Benefit payments | (1,434,471) |
| Net Changes | 5,478,498 |
| Balances at June 30, 2021 | \$ 74,544,759 |

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

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

Sensitivity of the net OPEB liability to changes in the discount rate.

The following presents the net OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) and 1-percentage-point higher (3.16 percent) than the current discount rate:

| | 1% Decrease (1.16 percent) | Discount Rate (2.16 Percent) | 1% Increase (3.16 percent) |
|------------------------------|-------------------------------|---------------------------------|-------------------------------|
| Total OPEB liability (asset) | \$ 88,729,237 | \$ 74,544,759 | \$ 63,475,374 |

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculate using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| | 1% Decrease | Current | 1% Increase |
|------------------------------|---------------|---------------|---------------|
| Total OPEB liability (asset) | \$ 62,412,215 | \$ 74,544,759 | \$ 90,166,803 |

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

For the year ended June 30, 2022, the County recognized OPEB expense of \$3,895,408. At June 30, 2022 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows | Deferred Inflows |
|---|----------------------|---------------------|
| Differences between expected and actual experience | \$ - | \$ 3,397,391 |
| Changes of assumptions | 10,853,552 | 1,612,004 |
| Benefit payments and administrative costs made subsequent to the measurement date | 1,528,293 | - |
| Total | \$ 12,381,845 | \$ 5,009,395 |

\$1,528,293 reported as deferred outflows of resources related to OPEB resulting from County benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease in the total OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ended June 30 | |
|---------------------------|--------------|
| 2023 | \$ 1,079,072 |
| 2024 | 3,224,632 |
| 2025 | 1,470,056 |
| 2026 | 70,397 |
| 2027 | - |
| Thereafter | - |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

h. Other Employment Benefits

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

i. Nash Health Care Systems and Subsidiaries - Postemployment Retiree Health Plan

Please see the separately issued financial report of Nash Health Care Systems and Subsidiaries for a complete description of the Health Care Systems' Postemployment Retiree Health Plan.

3. Closure and Post-Closure Costs

State and federal laws and regulations require the County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$530,588 reported as landfill closure and post closure care liability at June 30, 2022 represents a cumulative amount reported to date based on the use of 100% of the total estimated capacity of the landfill. The County closed the facility on December 31, 1998. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County currently operates a Construction and Demolition landfill which was expanded in FY 2019. C & D closure liability is \$2,836,443 at June 30, 2022, based on the use of 81.3% of total estimated capacity. The County currently reports a combined liability of \$3,367,031 and will recognize the remaining estimated cost of closure and post closure care as the remaining estimated capacity is filled.

The County has met the requirements of a local government financial test that is one option under Federal and State laws and regulation that help determine if an entity is financially able to meet closure and post closure care requirements.

4. Deferred Outflows and Inflows of Resources

| | Deferred Outflows of <u>Resources</u> | Deferred Inflows of <u>Resources</u> |
|--|---|--|
| Charge on refunding of debt | \$ 1,047,360 | \$ - |
| Pensions - difference between expected and actual experience | | |
| LGERS | 1,989,819 | - |
| Register of Deeds | 1,589 | 1,806 |
| LEOSSA | 475,386 | 67,762 |
| OPEB | - | 3,397,391 |
| Changes of assumptions | | |
| LGERS | 3,929,499 | - |
| Register of Deeds | 10,857 | - |
| LEOSSA | 900,696 | 154,284 |
| OPEB | 10,853,552 | 1,612,004 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Deferred Outflows and Inflows of Resources (continued)

| | | |
|--|----------------------|----------------------|
| Pensions - difference between projected and actual investment | | |
| LGERS | - | 8,935,970 |
| Register of Deeds | - | 457 |
| Pensions - change in proportion and difference between employer contributions and proportionate share of contributions | | |
| LGERS | - | 394,198 |
| Register of Deeds | 8,576 | 2,509 |
| Contributions, benefits and admin costs paid subsequent to measurement date | | |
| LGERS | 3,814,616 | - |
| Register of Deeds | 9,758 | - |
| LEOSSA | 74,476 | - |
| Benefit payments for the OPEB plan paid subsequent to measurement date | 1,528,293 | - |
| Leases | | 230,361 |
| Prepaid taxes not yet earned (General Fund) | - | 149,601 |
| Total per Government-wide Statements | <u>\$ 24,644,477</u> | <u>\$ 14,946,343</u> |
| Leases | \$ - | \$ 230,361 |
| Prepaid taxes not yet earned (General Fund) | - | 149,601 |
| Taxes receivable, net (General) | - | 1,425,213 |
| Total per Fund Statements | <u>\$ -</u> | <u>\$ 1,805,175</u> |

5. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk financing pools administered by the North Carolina Association of County Commissioners Joint Risk Management Agency.

Through these pools, the County obtains property coverage equal to the replacement cost of owned property subject to total insured values, with sub-limits on coverage for specified perils; general, auto, professional, employment practices, and law enforcement liability coverage of \$2 million per occurrence. The pools also provide \$1 million in Cyber Event Coverage per loss occurrence. The County has the option to purchase higher liability and cyber limits. Auto physical damage for owned autos at actual cash value; crime coverage of \$250,000 per occurrence; and workers' compensation coverage up to the statutory limits are provided by the pools.

All property coverage and some liability coverage are subject to per occurrence deductibles, as selected by the County. The pools are audited annually by certified public accountants, and audited financial statements are available to the County upon request.

The pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000, up to a \$2 million limit for liability coverage and limits above the \$2,000,000 are provided by private reinsurers. For Cyber, the pool retains the first \$250,000 per loss occurrence. Single occurrence losses in excess of \$750,000 for workers' compensation are provided by a combination of the captive and a private reinsurer.

Through the captive, the Liability and Property Pool is reinsured for \$2,500,000 of annual aggregate losses in excess of \$500,000 per occurrence for property, auto physical damage and crime coverage, with additional limits of \$997,500,000 purchased through a group of commercial carriers through the multi-state public entity captive.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through commercial crime coverage with a \$250,000 occurrence limit. Individuals holding positions requiring statutory bonds are covered elsewhere.

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

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

6. Contingent Liabilities

a. Claims and Judgments

At June 30, 2022, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

b. Environmental Matters

During May 1993, the County discovered that property owned by the County, which was formerly leased to a service station is contaminated as a result of leakage from underground fuel storage tanks. Consultants hired by the County have assessed the extent of the contamination and estimated the cleanup cost to total approximately \$200,000. By letter dated November 30, 1993, the County has been notified that the cost is eligible for reimbursement for the North Carolina Commercial Trust Fund. In order to retain eligibility, the County must continue to proceed with corrective action. The Trust Fund has a \$20,000 deductible, which the County believes has been met as of June 30, 2021. To date, \$65,912 has been submitted for reimbursement of which \$42,079 has been reimbursed. The State has frozen spending pending revision of regulations governing cleanup of contaminated soil.

7. Long-Term Obligations

a. Leases

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

On 07/01/2021, Nash County, NC entered into a 16 month lease as Lessee for the use of Equipment DM475 - Social Service Dept. An initial lease liability was recorded in the amount of \$3,804. As of 06/30/2022, the value of the lease liability is \$762. Nash County is required to make quarterly fixed payments of \$763. The lease has an interest rate of 0.3870%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$3,804 with accumulated amortization of \$2,722 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Nash County, NC entered into a 24 month lease as Lessee for the use of 1104 Falls Road. An initial lease liability was recorded in the amount of \$56,073. As of 06/30/2022, the value of the lease liability is \$28,513. Nash County is required to make monthly fixed payments of \$2,251. The lease has an interest rate of 0.5140%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$56,073 with accumulated amortization of \$28,037 is included with Buildings on the Lease Class activities table found below. Nash County has 1 extension option(s), each for 60 months.

On 07/01/2021, Nash County, NC entered into a 34 month lease as Lessee for the use of Ricoh & KM Copiers. An initial lease liability was recorded in the amount of \$82,978. As of 06/30/2022, the value of the lease liability is \$53,874. Nash County is required to make monthly fixed payments of \$2,466. The lease has an interest rate of 0.7270%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$82,978 with accumulated amortization of \$28,751 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Nash County, NC entered into a 41 month lease as Lessee for the use of Copier - Senior Center. An initial lease liability was recorded in the amount of \$2,896. As of 06/30/2022, the value of the lease liability is \$2,055. Nash County is required to make monthly fixed payments of \$72. The lease has an interest rate of 0.7270%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$2,896 with accumulated amortization of \$835 is included with Equipment on the Lease Class activities table found below.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

On 07/01/2021, Nash County, NC entered into a 14 month lease as Lessee for the use of Anza Mailing Systems - Postage Meter. An initial lease liability was recorded in the amount of \$5,782. As of 06/30/2022, the value of the lease liability is \$0. Nash County is required to make quarterly fixed payments of \$1,449. The lease has an interest rate of 0.3870%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$5,782.07 with accumulated amortization of \$4,688 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Nash County, NC entered into a 58 month lease as Lessee for the use of Konica Minolta Bizhub - 120 West Washington Street. An initial lease liability was recorded in the amount of \$36,962. As of 06/30/2022, the value of the lease liability is \$29,444. Nash County is required to make monthly fixed payments of \$653. The lease has an interest rate of 1.0590%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$36,962 with accumulated amortization of \$7,638 is included with Equipment on the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset

| <u>Asset Class</u> | <u>Lease Asset Value</u> | <u>Accumulated Amortization</u> |
|--------------------|--------------------------|---------------------------------|
| Equipment | \$ 132,421 | \$ 44,635 |
| Buildings | 56,073 | 28,037 |
| Total Leases | <u>\$ 188,494</u> | <u>\$ 72,672</u> |

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

| Year Ending June 30 | <u>Governmental Activities</u> | |
|---------------------|--------------------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2023 | \$ 66,984 | \$ 662 |
| 2024 | 33,075 | 283 |
| 2025 | 8,084 | 114 |
| 2026 | 6,502 | 32 |
| Total | <u>\$ 114,647</u> | <u>\$ 1,091</u> |

b. Installment Purchase

Serviced by Governmental Activities:

\$19,034,000 Limited Obligation Refunding Bond Series 2016 on November 15, 2016, with interest due semi-annually on October 1 and April 1 and principal due on Oct 1 through 2030, interest rate of 2.07%. The County's outstanding note from direct borrowings related to governmental activities of \$18,419,000 is secured with collateral from buildings. The note contains provision that an event of default could require the County to prepay the obligations in in whole b) exercise all remedies available at law or in equity or under the Deed of Trust, include sale of the Mortgaged property, and apply the proceeds of any such sale or other disposition, after deducting all costs and expenses, including court costs and reasonable attorney's fees toward the principal component and accrued and unpaid interest of the balance.

\$ 15,822,000

\$14,000,000 October 11, 2016 to fund the courthouse expansion project, principal payments plus interest, at 1.85% rate, are due in annual installments through October 2031. The County's outstanding note from direct borrowings related to governmental activities of \$12,132,000 (Court House) is secured with collateral from the buildings. The note contains provision that an event of default could require the County to prepay the obligations in in whole b) exercise all remedies available at law or in equity or under the Deed of Trust, include sale of the Mortgaged property, and apply the proceeds of any such sale or other disposition, after deducting all costs and expenses, including court costs and reasonable attorney's fees toward the principal component and accrued and unpaid interest of the balance.

9,330,000

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

\$7,342,300 issued March 17, 2010 for Middlesex Elementary due in interest only quarterly installments through September 2012, thereafter, annual principal plus interest installments of \$399,274, interest rate of 2.05% through November 2042. The County's outstanding note from direct placement related to governmental activities of \$6,410,257 (Middlesex Elementary) is secured with collateral from the building. The note contains provision that an event of default could require the County to prepay the obligations in in whole b) exercise all remedies available at law or in equity or under the Deed of Trust, include sale of the Mortgaged property, and apply the proceeds of any such sale or other disposition, after deducting all costs and expenses, including court costs and reasonable attorney's fees toward the principal component and accrued and unpaid interest of the balance.

5,866,930

\$3,200,000 issued August 15, 2018 for Public Safety Radio Project, with semi-annual principal installments of \$320,000 plus interest at 2.6%. The first payment is on February 15, 2019, and final payment is due August 15, 2023. The County's outstanding note from direct placement related to governmental activities of \$2,880,000 (Radio Project) is secured with collateral from the equipment. The note contains provision that an event of default could require the County to prepay the obligations in in whole.

960,000

\$10,150,000 issued April 22, 2021 for the construction of a new elementary school (Northern Nash), with semi-annual principal installments ranging from \$675,000 to \$680,000 plus interest at 1.65%. The first payment is on August 1, 2021, and final payment is due February 1, 2036. This note is secured by the school building. Upon the occurrence of any event of default, the Lender may: (a) declare the entire amount of the principal component of the Installment Payments and accrued and unpaid interest component to the date of the declaration to be immediately due and payable; (b) exercise all remedies available at law or in equity or under the Deed of Trust, including the sale of the mortgaged property, and apply the proceeds of against the unpaid loan balance, or (c) proceed by appropriate court action to enforce performance by the County of the applicable covenants of the agreement.

9,475,000

\$16,000,000 issued September 22, 2021 for the construction of a new detention center, with annual principal installments ranging from \$1,066,000 to \$1,067,000 plus interest at 1.70%. The first payment is on August 1, 2022, and final payment is due August 1, 2036. This note is secured by the building. Upon the occurrence of any event of default, the Lender may: (a) declare the entire amount of the principal component of the Installment Payments and accrued and unpaid interest component to the date of the declaration to be immediately due and payable; (b) exercise all remedies available at law or in equity or under the Deed of Trust, including the sale of the mortgaged property, and apply the proceeds of against the unpaid loan balance, or (c) proceed by appropriate court action to enforce performance by the County of the applicable covenants of the agreement.

16,000,000

Total

\$57,453,930

Refunding

On December 18, 2014, the County issued \$3,787,000 of installment purchase refunding COPS bonds to be used for debt service payments of \$4,405,000 of COPS installments. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$10,744. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This refunding was undertaken to reduce total debt service payments over the next 7 years and resulted in an economic gain of \$501,256.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

On November 15, 2016, for the purpose of refunding a portion of the County's outstanding Limited Obligation Bonds, Series 2010, the County issued \$19,034,000 of limited obligation advance refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust to be used for all future debt service payments of \$16,540,000 of limited obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$2,494,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$1,645,175 and resulted in an economic gain of \$1,410,871.

On May 20, 2021, the County issued \$11,378,000 of general obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust to be used for all future debt service payments of \$11,290,000 of GO water bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$88,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 20 years by \$4,331,593 and resulted in an economic gain of \$2,115,416.

Serviced by Business-Type Activities:

\$1,122,000 issued on December 31, 2006 for Bailey Water Project, due in semi-annual installments of fixed principal \$56,100, plus interest of 2.305% through May 2027. The County's outstanding note from direct placement related to enterprise activities of \$448,800 (Bailey Water Project) is secured with collateral of the system. The note contains provision that an event of default could require the County to prepay the obligations in in whole. \$ 280,500

\$1,500,000 issued on October 19, 2006 for Bailey/BOR/Bentridge water line construction project due in semi-annual installments of fixed principal \$75,000, plus interest of 4.35% through October 2026. The County's outstanding note from direct placement related to enterprise activities of \$562,500 (Water line construction) is secured with collateral of the system. The note contains provision that an event of default could require the County to prepay the obligations in in whole. 337,500

Total \$ 618,000

Annual debt service requirements to maturity for the County's installment purchase contracts are as follows:

| Year Ending June 30 | Governmental Activities | | Business-Type Activities | |
|---------------------|-------------------------|---------------------|--------------------------|------------------|
| | Principal | Interest | Principal | Interest |
| 2023 | \$ 5,428,931 | \$ 1,096,203 | \$ 131,100 | \$ 20,332 |
| 2024 | 5,080,719 | 1,025,417 | 131,100 | 15,775 |
| 2025 | 4,731,744 | 929,104 | 131,100 | 11,220 |
| 2026 | 4,710,015 | 837,342 | 131,100 | 6,664 |
| 2027 | 4,671,541 | 746,103 | 93,600 | 2,109 |
| 2028-2032 | 21,208,135 | 2,403,325 | - | - |
| 2033-2037 | 9,497,953 | 912,640 | - | - |
| 2038-2042 | 1,742,280 | 254,090 | - | - |
| 2043-2047 | 382,610 | 13,391 | - | - |
| Total | <u>\$ 57,453,930</u> | <u>\$ 8,217,615</u> | <u>\$ 618,000</u> | <u>\$ 56,100</u> |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

c. General Obligation Indebtedness

Serviced by the General Fund:

The County issued \$9,310,000 General Obligation Bonds on October 15, 2013, which will be used to finance construction of two buildings at Nash Community College. Principal and interest are due annually, in installments ranging from \$470,000 to \$465,000, beginning fiscal year 2015 through November 2033; interest due in semi-annual installments at rates ranging from 2.0% to 3.7%.

\$ 5,580,000

Total Serviced by the General Fund

\$ 5,580,000

Serviced by Business-Type Activities:

Nash County's Water and Sewer District issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Central Nash Water and Sewer District Fund, are collateralized by the full faith credit and taxing power of the District. Principal and interest payments are appropriated when due. These bonds were refunded May 20, 2021.

The County issued \$11,378,000 in General Obligation Refunding Bonds on May 20, 2021, which was used to refinance the debt for the Central Nash Water District. Principal is due annually and interest is due semi-annually, in installments ranging from \$452,000 to \$694,000, beginning fiscal year 2022 through June 2041; interest due in semi-annual installments at 2.20%.

\$ 10,926,000

Total Serviced by the Enterprise Funds

\$ 10,926,000

The County's general obligation bonds payable at June 30, 2022, which are serviced by the business-type activities are comprised of the following individual issues:

Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

| Year Ending June 30 | Governmental Activities | | Business-Type Activities | |
|---------------------|-------------------------|---------------------|--------------------------|---------------------|
| | Principal | Interest | Principal | Interest |
| 2023 | \$ 465,000 | \$ 180,420 | \$ 469,000 | \$ 240,372 |
| 2024 | 465,000 | 161,820 | 480,000 | 230,054 |
| 2025 | 465,000 | 146,126 | 490,000 | 219,494 |
| 2026 | 465,000 | 133,339 | 502,000 | 208,714 |
| 2027 | 465,000 | 119,970 | 512,000 | 197,670 |
| 2028-2032 | 2,325,000 | 377,464 | 2,739,000 | 814,220 |
| 2033-2037 | 930,000 | 34,527 | 3,047,000 | 499,598 |
| 2038-2042 | - | - | 2,687,000 | 149,380 |
| Total | <u>\$ 5,580,000</u> | <u>\$ 1,153,666</u> | <u>\$ 10,926,000</u> | <u>\$ 2,559,502</u> |

d. State Revolving Loans

Serviced by Business-Type Activities

The County has an outstanding State Revolving Fund loan promissory note from direct borrowings related to enterprise activities, each secured solely from the revenues of the benefited enterprise system. The note contains provisions that in the event of default, any other monies due to the County from the State may be withheld by the State and applied to the payment of the revolving loan obligation. The note also contains a provision that if certain conditions of the revolving loan are not met, the State could require the County to prepay the note in whole and have further commitment of funds withdrawn.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

A revolving loan note from a direct borrowing was executed on July 16, 2018 in the amount of \$6,545,000, due in principal installments of \$363,611 on May 1 through 2040. Interest is due semi-annually on May 1 and November 1 at 1.03%. This revolving loan is being drawn down on a project cost reimbursement basis, and the first principal payment is due May 1, 2021.

\$ 6,545,000

Total Serviced by the Enterprise Funds

\$6,545,000

Annual debt service requirements to maturity for the County's revolving loans are as follows:

| Year Ending June 30 | <u>Business-Type Activities</u> | |
|---------------------|---------------------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2023 | \$ 363,611 | \$ 78,657 |
| 2024 | 363,611 | 63,668 |
| 2025 | 363,611 | 59,923 |
| 2026 | 363,611 | 56,178 |
| 2027 | 363,611 | 52,433 |
| 2028-2032 | 1,818,055 | 205,986 |
| 2033-2037 | 1,818,055 | 112,356 |
| 2038-2042 | 1,090,835 | 22,471 |
| Total | <u>\$ 6,545,000</u> | <u>\$ 651,672</u> |

e. Long-Term Obligation Activity:

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

| | Beginning | | | Ending Balance Current Portion of | |
|---|-------------------------|----------------------|----------------------|-----------------------------------|---------------------|
| | Balance July 1, 2021 | Increases | Decreases | June 30, 2022 | Balance |
| Governmental Activities: | | | | | |
| General obligation bonds | \$ 6,045,000 | \$ - | \$ 465,000 | \$ 5,580,000 | \$ 465,000 |
| Lease liabilities | - | 188,494 | 73,847 | 114,647 | 66,984 |
| Direct placement Installment purchase contracts | 18,144,303 | - | 1,842,373 | 16,301,930 | 1,513,931 |
| Direct borrowings placement | | | | | |
| Installment purchase contracts | 28,266,000 | 16,000,000 | 3,114,000 | 41,152,000 | 3,915,000 |
| Unamortized premium/discount | 233,793 | - | 22,648 | 211,145 | 21,114 |
| Compensated Absences | 2,954,637 | 3,396,910 | 3,321,508 | 3,030,039 | 151,502 |
| Net pension liability (LGERS) | 15,022,408 | - | 8,939,792 | 6,082,616 | - |
| Net pension liability (LEOSSA) | 4,224,942 | 397,081 | - | 4,622,023 | - |
| Total OPEB liability | 67,311,978 | 5,339,344 | - | 72,651,322 | - |
| Total governmental activities | <u>\$ 142,203,061</u> | <u>\$ 25,321,829</u> | <u>\$ 17,779,168</u> | <u>\$ 149,745,722</u> | <u>\$ 6,133,531</u> |

Business-type Activities:

Northern Nash Water and Sewer District:

| | | | | | |
|------------------------|------------------|----------------|----------------|------------------|----------------|
| Direct borrowing State | | | | | |
| Revolving Loans | \$ 6,217,750 | \$ 654,500 | \$ 327,250 | \$ 6,545,000 | \$ 363,611 |
| Compensated absences | 7,939 | 9,281 | 8,177 | 9,043 | 452 |
| Total | <u>6,225,689</u> | <u>663,781</u> | <u>335,427</u> | <u>6,554,043</u> | <u>364,063</u> |

Water and Sewer Fund:

| | | | | | |
|---|-------------------|----------------|----------------|-------------------|----------------|
| General Obligation Refunding | | | | | |
| Water Bonds | 11,378,000 | - | 452,000 | 10,926,000 | 469,000 |
| Direct placement Installment purchase contracts | 749,100 | - | 131,100 | 618,000 | 131,100 |
| Compensated absences | 43,278 | 50,597 | 44,577 | 49,298 | 2,465 |
| Net pension liability (LGERS) | 316,640 | - | 189,083 | 127,557 | - |
| Total OPEB liability | 628,504 | 49,854 | - | 678,358 | - |
| Total | <u>13,115,522</u> | <u>100,451</u> | <u>816,760</u> | <u>12,399,213</u> | <u>602,565</u> |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

| | Beginning Balance July 1, 2021 | Increases | Decreases | Ending Balance June 30, 2022 | Current Portion of Balance |
|---|--------------------------------------|------------|------------|---------------------------------|-------------------------------|
| Solid Waste Fund: | | | | | |
| Accrued landfill closure and post-closure costs | 3,367,031 | - | - | 3,367,031 | - |
| Compensated absences | 9,955 | 6,653 | 5,736 | 10,872 | 544 |
| Net pension liability (LGERS) | 108,159 | - | 63,713 | 44,446 | - |
| Total OPEB liability | 1,125,780 | 89,300 | - | 1,215,080 | - |
| Total | 4,610,925 | 95,953 | 69,449 | 4,637,429 | 544 |
| Total Business-type activities | \$ 17,726,447 | \$ 196,404 | \$ 886,209 | \$ 17,036,642 | \$ 603,109 |

Net pension liability for governmental activities are all typically liquidated in the General Fund. Compensated absences typically have been liquidated in the General Fund and are accounted for on a FIFO basis. The unfunded Special Separation Allowance has been liquidated in the General Fund. OPEB has been liquidated in the Employee Insurance Fund.

State statutes provide for a legal debt margin of 8% of the County's appraised valuation. The County had a legal debt margin of \$594,288,979 at June 30, 2022.

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

| | Beginning Balance | Additions | Payments / Reductions | Ending Balance | Current Portion |
|--------------------|----------------------|---------------|--------------------------|----------------|-----------------|
| Series 2003 Bonds | \$ 27,700,000 | \$ - | \$ 27,700,000 | \$ - | \$ - |
| Series 2012 Bonds | 66,695,000 | - | 66,695,000 | - | - |
| Series 2021A Bonds | - | 25,400,000 | - | 25,400,000 | 2,300,000 |
| Series 2022A Bonds | - | 66,265,000 | - | 66,265,000 | 550,000 |
| | \$ 94,395,000 | \$ 91,665,000 | \$ 94,395,000 | \$ 91,665,000 | \$ 2,850,000 |

Debt Related to Capital Assets

Of the total Governmental Activities debt listed only \$27,953,647 relates to assets the County holds title. Unspent restricted cash related to this debt amounts to \$8,606,871.

g. Conduit Debt Obligation

Nash County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed, as well as letters of credit and are payable solely from the payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the county, the Authority, the State, nor any political subdivision, thereof, is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2022, there were no outstanding balances.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

C. Interfund Balances and Activity

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

| | |
|--|---------------------|
| From the General Fund to the Revaluation Fund to provide funding for County revaluation in 2025. | \$ 100,000 |
| From the General Fund to the Detention Expansion Project fund to provide additional funding to support the project renovations at the existing facility. | 2,400,000 |
| From the General Fund to the Animal Facility Capital Project Fund to provide additional funding to support the project. | 1,440,000 |
| From the General Fund to the Northern Nash Water System Capital Project to provide funding for the origination fees required for the State Revolving Loan from the North Carolina Water Infrastructure Fund. | 13,090 |
| From the General Fund to the Miracle Park Capital Project Fund to provide additional funding to the parking area and begin Phase 2 of the Miracle Park project. | 552,000 |
| From the General Fund to the Abandoned Manufactured Home Grant Project Fund to provide additional funding to complete the project for all applicants. | 2,380 |
| From the Public Safety Radio Project Capital Fund to the General Fund to transfer available funds for debt service paid from the General Fund. | 59,155 |
| From the Economic Development Fund to the General Fund to purchase investment property. | 562,870 |
| From the ARPA Grant Fund to the General Fund for law enforcement services, parks and recreation services, and general administration services. | <u>4,562,945</u> |
| Total | <u>\$ 9,692,440</u> |

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.

Balances due to/from other funds as of June 30, 2022, consist of the following:

| | |
|---|---------------------|
| Due to the General Fund from the CDBG Grant Fund to cover fund costs. | \$ 226,279 |
| Due to the General Fund from the Hazard Mitigation Plan Fund to cover fund costs. | 235,986 |
| Due to the General Fund from the Single Family Rehab Grant Fund to cover fund costs. | 494 |
| Due to the General Fund from the COVID-19 Grant Fund to cover fund costs. | 82,325 |
| Due to the General Fund from the CDBG - Coronavirus Relief Grant Fund to cover fund costs. | 1,044 |
| Due to the General Fund from Abandoned Manufactured Mobile Home Fund to cover deficit cash. | 7,500 |
| Due to the General Fund from the NNWS Fund to cover deficit cash. | <u>1,040,890</u> |
| | <u>\$ 1,594,518</u> |

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

D. Net Investment in Capital Assets

Debt Related to Capital Activities - Of the Governmental Activities debt listed, only \$27,953,647 relates to assets the County holds title.

The total net investment in capital assets at June 30, 2022 is composed of the following elements:

| | Governmental Activities | Business-Type Activities |
|--|----------------------------|-----------------------------|
| Capital assets & Right to Use (Net of depreciation and amortization) | \$ 79,252,958 | \$ 39,501,018 |
| Add: | | |
| Deferred charges (capital related) | 63,316 | - |
| Total capital assets and related deferred charges | 79,316,274 | 39,501,018 |
| Total debt, gross | 63,359,722 | 18,089,000 |
| Less: | | |
| Other non-capital related debt | 35,406,075 | - |
| Capital related unspent debt issuances | 8,606,871 | - |
| Total capital debt | 19,346,776 | 18,089,000 |
| Net investment in capital assets | \$ 59,969,498 | \$ 21,412,018 |

E. Fund Balance

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

| | |
|--|---------------|
| Total Fund Balance - General Fund | \$ 56,862,182 |
| Less: | |
| Prepaid Assets | 17,998 |
| Leases | 2,762 |
| Stabilization by State Statute | 15,812,718 |
| Human Services | 4,154,360 |
| Economic Development | 1,676,667 |
| Education | - |
| Tax Revaluation | 511,838 |
| Appropriated fund balance in 2023 budget | 6,473,966 |
| Remaining Fund Balance | 28,211,873 |

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

| | General Fund | Nonmajor Governmental Funds |
|--------------|--------------|-----------------------------------|
| Encumbrances | \$ 2,864,169 | \$ 596,353 |

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE IV: Joint Ventures

Nash Community College

The County, in conjunction with the State of North Carolina and the Nash County Public School Board of Education, participates in a joint venture to operate the Nash Community College (Community College). Each of the three entities appoints four members of the twelve-member Board of Trustees of the Community College. The Community College is a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and for providing some financial support for the Community College's operation. The County has an ongoing financial responsibility for the college because of statutory responsibility to provide funding for the Community College's facilities. The County contributed \$2,395,226 to the Community College for operating purposes and \$415,000 for capital outlay during the year ended June 30, 2022. The participants in the joint venture do not have any equity interest in the Community College; therefore no equity interest has been reflected in the County's financial statements at June 30, 2022. Complete financial statements for the Community College may be obtained from the college's administrative offices at Old Carriage Road, Rocky Mount, North Carolina 27804.

Trillium

Effective July 1, 2017, the County transitioned its joint venture Local Management Entity (LME) participation from Eastpointe to Trillium Health Resources (Trillium). Trillium now operates with twenty-eight other counties (including Nash County). Nash County appoints two board members to the nineteen Central Regional Advisory board of Trillium. The County will have an ongoing financial responsibility of the joint venture because the Center's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Center, so no equity will be reflected in the financial statements. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$120,000 from the General Fund to Trillium to supplement its activities for the fiscal year ending June 30, 2022. Complete financial statement for Trillium may be obtained from Trillium's office at 201 W, 1st Street, Greenville, NC 27858-5872.

Rocky Mount - Wilson Airport Authority

The County in conjunction with the City of Rocky Mount, City of Wilson, County of Edgecombe and Wilson County participates in a joint venture to operate the Rocky Mount - Wilson Airport Authority (the Authority) for the joint benefit of all co-sponsors. Upon dissolution of the Authority, the assets would be shared in proportion to each sponsor's original contribution. The County's initial contribution totaled \$100,000, which represents one-seventh of the total contribution. A seven-member board governs the Authority, two from each City and one from each County. All co-sponsors are obligated by contract to contribute funds on an annual basis, as needed, to enable the Authority to operate the airport. The County contributed \$47,857 for operating purposes to the Authority during the year ended June 30, 2022. The participating governments have an equity interest in the joint venture. The County has a share of 14% in the joint venture, and accordingly, an equity interest has been reflected in the County's financial statements in the Statement of Net Position as a non-current asset in the amount of \$3,746,107 at June 30, 2022. This amount represents 14% of the net position of the Authority shown in their audited financial statement report dated June 30, 2021. Complete financial statements for the Authority can be obtained from the Authority's administrative office at 250 Airport Drive, Elm City, North Carolina 27822.

Joint Cooperative Agreement - Down East Home Consortium

The County, in conjunction with the City of Rocky Mount, Edgecombe County and several towns in the two counties, participated in a joint venture to operate the Down East HOME Consortium (the "DEHC"), with the City of Rocky Mount acting as Lead Agency. The agreement commenced on June 30, 1996. Each of the participating governments appointed one member to a DEHC Home Coordinating committee. As part of the agreement, each participating government was allocated a percentage of the federal HOME funds based on a proration of its population.

On September 17, 2018, Nash County Board of Commissioners approved a resolution to discontinue membership in the DEHC. While no future funding or match requirement will be allocated to Nash County (beginning FY 19), funding from prior years is still outstanding.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

A Memorandum of Understanding (MOU) between the City of Rocky Mount, Nash County, Edgecombe County, and the Town of Tarboro was executed October 4, 2021, with reconciled DEHC funds and the fiscal year DEHC allocations for jurisdictions who remained DEHC members. This MOU was amended November 15, 2021 to allow the Town of Sharpsburg to administer its own reconciled DEHC funds and fiscal year 2022 allocations. In a second amendment, effective August 15, 2022, Nash County agreed to administer fiscal year 2022 DEHC allocations for the participating governments.

Complete financial statements for the DEHC may be obtained from the DEHC's administrative offices at 331 S. Franklin Street, Rocky Mount, North Carolina 27802.

Braswell Memorial Library

The County, in conjunction with the Library Association, the City of Rocky Mount and Edgecombe County, participates in a joint venture to operate the Braswell Memorial Library (Library). Each of the entities appoints members of the thirteen-member Board of Trustees of the Library with five from Nash County, four from the City of Rocky Mount, one from Edgecombe County and three ex-officio members. The County contributed \$841,880 to the Library's operating purposes and \$15,000 for branch library needs during the year ended June 30, 2022. In addition, the County has contributed \$129,310 of State funds; primarily the State equalizing and block grants, to supplement the County's funding. Complete financial statements for the Library may be obtained from the Library's administrative offices at 727 N. Grace Street, Rocky Mount, North Carolina 27804.

NOTE V: Related Party Transactions

Nash County Healthcare Systems

During 1995, Nash County Healthcare Systems (Systems) renegotiated the existing operating lease agreement with Nash County for the use of the land and building originally purchased by the County (the "First Amendment"). Systems prepaid the lease amount of \$12 million in 1995. The renegotiated lease agreement, before extensions, was scheduled to expire in May 2000. During December 1997, Systems and the County extended the lease through May 2011 (the "Second Amendment"). Under the Second Amendment, additional considerations of \$300,000 per year was paid through 2001. During May 2001, Systems and the County extended the lease through May 2031 (the "Third Amendment"). Under the Third Amendment, Systems will pay the County additional consideration of 4.5 percent of System's net income, as defined from its immediately preceding fiscal year beginning with the lease year starting May 2002. In addition, the Third Amendment provided that additional consideration of \$300,000 would be paid to the County for the lease year ending April 2002. As of January 1, 2012, Systems and the County amended and restated the existing operating agreement (the Restated Agreement). The term of the restated Agreement expires on December 31, 2046, provided, however, that if any of the Series 2003 Bonds or any other additional bonds issued are outstanding as of the date of termination the term shall be extended until such time the additional bonds are paid in full but in no event shall the term be extended beyond December 31, 2049. Under the Restated Agreement, Systems will pay the County consideration of 4.5% of Systems' net income, as defined, from its immediate preceding fiscal year.

Payment to the County in 2022, related to this agreement from 2021 calculations was \$2,292,316. Due to Systems' net loss or agreement calculations in 2020, 2019, 2018, 2017, and 2016 there were no payments made to the County in 2021, 2020, 2019, 2018, 2017 and 2016.

NOTE VI: Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies 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.

**NASH COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Coronavirus Disease (COVID-19)

During the fiscal year 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic has had significant effects on global markets, supply chains, businesses, and communities. Specific to the County, COVID-19 is expected to impact various parts of its fiscal year 2021-22 operations and financial results. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as events associated with the pandemic continue to develop.

NOTE VII: Significant Effects of Subsequent Events

On October 21, 2022, the County purchased 28 acres of land in the Middlesex area of Nash County for economic development. The purchase price of the land was \$323,540.

NOTE VIII: Prior Period Adjustment

Prior Period Adjustments were made to the General Fund that increased fund balance by \$1,835,079. These adjustments were to record the June 2021 local option sales tax receivable, which increased fund balance by \$1,792,251 and to record the June 2021 franchise tax distribution receivable, which increased fund balance by \$42,828.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally accepted accounting principals.

- 1 ~ Schedule of County's Proportionate Share of Net Pension Liability (Asset) for (LGERS)
- 2 ~ Schedule of County Contributions (LGERS)
- 3 ~ Schedule of County's Proportionate Share of Net Pension Asset Register of Deeds'
Supplemental Pension Fund
- 4 ~ Schedule of County Contributions Register of Deeds' Supplemental Pension Fund
- 5 ~ Schedule of Changes in Total Pension Liability for the Law Enforcement Officers' Special
Separation Allowance.
- 6 ~ Schedule of Liability as a Percentage of Covered Payroll for the Law Enforcement Officers'
Special Separation Allowance.
- 7 ~ Schedule of Changes in the Total OPEB Liability and Related Ratios

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Nash County, North Carolina
Schedule of the County's Proportionate Share of Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last Nine Fiscal Years*

| Local Government Employees' Retirement System | | | | | |
|---|---------------|---------------|----------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| County's proportion of the net pension liability (asset) (%) | 0.408% | 0.432% | 0.440% | 0.448% | 0.457% |
| County's proportion of the net pension liability (asset) (\$) | \$ 6,254,618 | \$ 15,447,206 | \$ 12,004,041 | \$ 10,619,789 | \$ 6,977,416 |
| County's covered payroll | \$ 30,806,853 | \$ 30,806,853 | \$ 29,889,575 | \$ 28,220,995 | \$ 27,818,357 |
| County's proportionate share of the net pension liability(asset) as a percentage of its covered payroll | 20.30% | 50.14% | 40.16% | 37.63% | 25.08% |
| Plan fiduciary net position as a percentage of the total pension liability** | 95.51% | 88.61% | 90.86% | 91.63% | 94.18% |
| | 2017 | 2016 | 2015 | 2014 | |
| County's proportion of the net pension liability (asset) (%) | 0.459% | 0.454% | 0.133% | 0.140% | |
| County's proportion of the net pension liability (asset) (\$) | \$ 9,741,518 | \$ 2,039,095 | \$ (2,729,877) | \$ 5,559,231 | |
| County's covered payroll | \$ 27,356,637 | \$ 26,653,776 | \$ 26,582,280 | \$ 24,856,328 | |
| County's proportionate share of the net pension liability(asset) as a percentage of its covered payroll | 35.61% | 7.65% | -10.27% | 22.37% | |
| Plan fiduciary net position as a percentage of the total pension liability** | 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.

This schedule will not present 10 years' worth of information until fiscal year 2023.

Nash County, North Carolina
Schedule of County Contributions
Local Government Employees' Retirement System
Last Nine Fiscal Years

| Local Government Employees' Retirement System | | | | | |
|--|---------------|---------------|--------------|---------------|---------------|
| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
| Contractually required contribution | \$ 3,814,615 | \$ 3,200,785 | \$ 2,806,260 | \$ 2,367,216 | \$ 2,163,717 |
| Contributions in relation to the contractually required contribution | 3,814,615 | 3,200,785 | 2,806,260 | 2,367,216 | 2,163,717 |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 33,147,927 | \$ 30,806,853 | \$30,806,853 | \$ 29,889,575 | \$ 28,220,995 |
| Contributions as a percentage of covered payroll | 11.51% | 10.39% | 9.11% | 7.92% | 7.67% |
| | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | |
| Contractually required contribution | \$ 2,065,349 | \$ 1,862,572 | \$ 1,896,931 | \$ 1,886,865 | |
| Contributions in relation to the contractually required contribution | 2,065,349 | 1,862,572 | 1,896,931 | 1,886,865 | |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | |
| County's covered payroll | \$ 27,818,357 | \$ 27,356,637 | \$26,653,776 | \$ 26,582,280 | |
| Contributions as a percentage of covered payroll | 7.42% | 6.81% | 7.12% | 7.10% | |

* Information is not required to be presented retroactively.

This schedule will not present 10 years' worth of information until fiscal year 2023.

Nash County, North Carolina
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Register of Deeds' Supplemental Pension Fund
Last Nine Fiscal Years

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|--------------|--------------|--------------|--------------|-------------|
| County's proportion of the net pension asset (%) | 0.775% | 0.808% | 0.769% | 0.852% | 0.833% |
| County's proportionate share of the net pension asset (\$) | \$ (148,889) | \$ (185,210) | \$ (151,721) | \$(141,113) | \$(142,234) |
| Plan fiduciary net position as a percentage of the total pension liability ** | 156.53% | 173.62% | 164.11% | 153.31% | 153.77% |
| | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | |
| County's proportion of the net pension asset (%) | 0.832% | 0.835% | 0.841% | 0.857% | |
| County's proportionate share of the net pension asset (\$) | \$ (155,609) | \$ (193,505) | \$ (190,650) | \$ (183,092) | |
| Plan fiduciary net position as a percentage of the total pension liability ** | 160.17% | 197.29% | 193.88% | 190.50% | |

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

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

This schedule will NOT present 10 years' worth of information until fiscal year 2023.

**Nash County, North Carolina
 Schedule of County Contributions
 Register of Deeds' Supplemental Pension Fund
 Last Nine Fiscal Years***

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|--------------|--------------|--------------|--------------|--------------|
| County's required contribution | \$ 9,758 | \$ 9,300 | \$ 7,738 | \$ 7,305 | \$ 7,291 |
| Contributions in relation to contractually required contribution | <u>9,758</u> | <u>9,300</u> | <u>7,738</u> | <u>7,305</u> | <u>7,291</u> |
| Contribution deficiency (excess) | <u>\$ -</u> |
| | | | | | |
| | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | |
| County's required contribution | \$ 7,240 | \$ 6,799 | \$ 6,682 | \$ 6,867 | |
| Contributions in relation to contractually required contribution | <u>7,240</u> | <u>6,799</u> | <u>6,682</u> | <u>6,867</u> | |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | |

*This schedule will not present 10 years' worth of information until fiscal year 2023.

Nash County, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Last Six Fiscal Years*

| | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|---------------------|---------------------|---------------------|
| Beginning Balance | \$ 4,224,942 | \$ 3,000,531 | \$ 2,514,518 |
| Service Cost | 237,327 | 140,395 | 133,276 |
| Interest on the total pension liability | 80,119 | 96,078 | 90,225 |
| Changes of benefit terms | - | - | - |
| Differences between expected and actual experience in the measurement of the total pension liability | 353,413 | (99,650) | 235,777 |
| Changes of assumptions or other inputs | (126,389) | 1,194,270 | 98,363 |
| Benefit payments | (147,389) | (106,682) | (71,628) |
| Other changes | - | - | - |
| Ending balance of the total pension liability | <u>\$ 4,622,023</u> | <u>\$ 4,224,942</u> | <u>\$ 3,000,531</u> |
| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Beginning Balance | \$ 2,341,157 | \$ 2,019,702 | \$ 1,939,698 |
| Service Cost | 131,672 | 112,396 | 108,605 |
| Interest on the total pension liability | 73,256 | 76,739 | 68,511 |
| Changes of benefit terms | - | - | - |
| Differences between expected and actual experience in the measurement of the total pension liability | 127,087 | 35,774 | - |
| Changes of assumptions or other inputs | (112,798) | 159,813 | (55,869) |
| Benefit payments | (45,856) | (63,267) | (41,243) |
| Other changes | - | - | - |
| Ending balance of the total pension liability | <u>\$ 2,514,518</u> | <u>\$ 2,341,157</u> | <u>\$ 2,019,702</u> |

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

*This schedule will not present 10 years' worth of information until fiscal year 2026.

Nash County, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll
Law Enforcement Officers' Special Separation Allowance
Last Six Fiscal Years*

| | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|---|--------------|--------------|--------------|
| Total pension liability | \$ 4,622,023 | \$ 4,224,942 | \$ 3,000,531 |
| Covered-Employee payroll | 5,232,640 | 4,895,516 | 4,934,201 |
| Total pension liability as a percentage of covered-employee payroll | 88.33% | 86.30% | 60.81% |
| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Total pension liability | \$ 2,514,518 | \$ 2,341,157 | \$ 2,019,702 |
| Covered-Employee payroll | 4,550,839 | 4,478,620 | 4,064,900 |
| Total pension liability as a percentage of covered-employee payroll | 55.25% | 52.27% | 49.69% |

Note to the schedules:

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

*This schedule will not present 10 years' worth of information until fiscal year 2026.

Nash County, North Carolina
Schedule of Changes in Total OPEB Liability and Related Ratios
Healthcare Benefits Plan
Last Five Fiscal Years

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|---------------------|---------------------|----------------------|----------------------|---------------------|
| Total OPEB Liability | | | | | |
| Service cost | \$ 1,281,033 | \$ 1,112,077 | \$ 995,436 | \$ 1,364,968 | \$ 1,549,505 |
| Interest | 1,538,911 | 2,069,208 | 2,067,040 | 2,115,565 | 1,899,497 |
| Changes of benefit terms | - | - | - | - | - |
| Differences between expected and actual experience | (180,749) | (3,336,336) | (182,215) | (6,474,724) | (125,628) |
| Changes of assumptions | 4,273,774 | 11,933,217 | 3,363,437 | (1,983,313) | (5,816,560) |
| Benefit payments | <u>(1,434,471)</u> | <u>(1,427,822)</u> | <u>(1,317,562)</u> | <u>(1,305,949)</u> | <u>(1,071,621)</u> |
| Net change in total OPEB liability | 5,478,498 | 10,350,344 | 4,926,136 | (6,283,453) | (3,564,807) |
| Total OPEB liability - beginning | <u>69,066,261</u> | <u>58,715,917</u> | <u>53,789,781</u> | <u>60,073,234</u> | <u>63,638,041</u> |
| Total OPEB liability - ending | <u>\$74,544,759</u> | <u>\$69,066,261</u> | <u>\$ 58,715,917</u> | <u>\$ 53,789,781</u> | <u>\$60,073,234</u> |
| | | | | | |
| Covered payroll | \$ 14,750,623 | \$ 14,750,623 | \$ 15,367,273 | \$ 15,367,273 | \$ 18,149,878 |
| | | | | | |
| Total OPEB liability as a percentage of covered-employee payroll | 505.37% | 468.23% | 382.08% | 350.03% | 330.98% |

Notes to Schedule

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

| <u>Fiscal Year</u> | <u>Rate</u> |
|--------------------|-------------|
| 2022 | 2.16% |
| 2021 | 2.21% |
| 2020 | 3.50% |
| 2019 | 3.89% |
| 2018 | 3.56% |

* Plan measurement date is the reporting date. Employer measurement date is one year prior to reporting date.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

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Combining and Individual Fund
Statements and Schedules

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MAJOR GOVERNMENTAL FUNDS

- **General Fund:** This fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.
- **American Rescue Plan Fund:** The fund is used to account for resources provided by the government to assist with COVID relief.
- **Detention Facility Project Fund:** This capital project fund is used to account for the Detention Facility Project.

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Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|---|-------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| Revenues | | | |
| Ad valorem Taxes | | | |
| Current year | \$ 52,155,481 | \$ 55,167,895 | \$ 3,012,414 |
| Prior Year | 425,000 | 453,499 | 28,499 |
| Penalties and interest | 200,000 | 245,611 | 45,611 |
| Total | <u>52,780,481</u> | <u>55,867,005</u> | <u>3,086,524</u> |
| Other Taxes and Licenses | | | |
| Local option sales taxes | 17,447,195 | 21,604,595 | 4,157,400 |
| Real estate transfer taxes | 305,000 | 655,717 | 350,717 |
| Rental vehicle tax | 85,000 | 89,839 | 4,839 |
| Privilege licenses | 5,125 | 4,830 | (295) |
| Total | <u>17,842,320</u> | <u>22,354,981</u> | <u>4,512,661</u> |
| Unrestricted Intergovernmental Revenues | | | |
| Beer and wine | 180,500 | 163,848 | (16,652) |
| ABC 5% bottle tax | 240,000 | 207,002 | (32,998) |
| Video programming tax | 96,000 | 92,645 | (3,355) |
| Total | <u>516,500</u> | <u>463,495</u> | <u>(53,005)</u> |
| Restricted Intergovernmental Revenues | | | |
| Restricted state DSS | 10,832,589 | 10,385,428 | (447,161) |
| Restricted State health | 1,987,512 | 1,598,924 | (388,588) |
| Restricted State other | 2,418,011 | 2,283,675 | (134,336) |
| Restricted federal health | 1,957,420 | 2,486,384 | 528,964 |
| Restricted local grants | 118,661 | 363,034 | 244,373 |
| Total | <u>17,314,193</u> | <u>17,117,445</u> | <u>(196,748)</u> |
| Permits and Fees | | | |
| Register of Deeds | 385,000 | 493,939 | 108,939 |
| Building permits | 460,000 | 673,939 | 213,939 |
| Inspection Fees | 18,000 | 28,545 | 10,545 |
| Imaging system payback | 21,170 | - | (21,170) |
| Other permits and fees | 386,800 | 422,693 | 35,893 |
| Total | <u>1,270,970</u> | <u>1,619,116</u> | <u>348,146</u> |
| Sales and Services | | | |
| Sheriff's officer fees | 10,000 | 14,765 | 4,765 |
| Court Processing Fee | 175,000 | 106,182 | (68,818) |
| Jail Fees | 70,000 | 72,811 | 2,811 |
| Environmental fees | 163,940 | 223,820 | 59,880 |
| Ambulance collections | 2,815,000 | 3,174,608 | 359,608 |
| Ambulance cost settlement | 500,000 | 528,520 | 28,520 |
| Local health | 191,500 | 322,806 | 131,306 |
| Lease revenue | - | 44,862 | 44,862 |
| Other sales and services | 106,710 | 85,510 | (21,200) |
| Total | <u>4,032,150</u> | <u>4,573,884</u> | <u>541,734</u> |

Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|----------------------------------|-----------------------|------------------------|------------------------------------|
| | Budget | Actual | |
| Interest on investments | 85,000 | 96,799 | 11,799 |
| Miscellaneous | | | |
| Nash general lease | 2,292,316 | 2,292,316 | - |
| Contribution from ABC Board | 600,000 | 1,242,767 | 642,767 |
| TDA funds - economic development | 110,900 | 121,000 | 10,100 |
| Interest on lease receivable | - | 1,632 | 1,632 |
| Miscellaneous | 772,301 | 750,794 | (21,507) |
| Total | <u>3,775,517</u> | <u>4,408,509</u> | <u>632,992</u> |
| Total Revenues | <u>97,617,131</u> | <u>106,501,234</u> | <u>8,884,103</u> |
| Expenditures | | | |
| General Government: | | | |
| Governing Body | | | |
| Salaries and employee benefits | 82,875 | 82,789 | 86 |
| Other operating expenditures | 53,124 | 45,366 | 7,758 |
| Total | <u>135,999</u> | <u>128,155</u> | <u>7,844</u> |
| Administration | | | |
| Salaries and employee benefits | 530,576 | 499,677 | 30,899 |
| Professional services | 3,075 | 3,075 | - |
| Other operating expenditures | 31,918 | 27,214 | 4,704 |
| Total | <u>565,569</u> | <u>529,966</u> | <u>35,603</u> |
| Finance | | | |
| Salaries and employee benefits | 659,821 | 659,347 | 474 |
| Other operating expenditures | 24,517 | 21,473 | 3,044 |
| Total | <u>684,338</u> | <u>680,820</u> | <u>3,518</u> |
| Human Resources | | | |
| Salaries and employee benefits | 303,455 | 299,494 | 3,961 |
| Professional services | 6,835 | 6,835 | - |
| Other operating expenditures | 11,665 | 8,357 | 3,308 |
| Total | <u>321,955</u> | <u>314,686</u> | <u>7,269</u> |
| Board of Elections | | | |
| Salaries and employee benefits | 240,415 | 237,815 | 2,600 |
| Other operating expenditures | 64,800 | 54,200 | 10,600 |
| Total | <u>305,215</u> | <u>292,015</u> | <u>13,200</u> |
| Election Cost | | | |
| Salaries and employee benefits | 87,982 | 75,040 | 12,942 |
| Other operating expenditures | 141,000 | 106,077 | 34,923 |
| Total | <u>228,982</u> | <u>181,117</u> | <u>47,865</u> |

**Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|---|------------------|------------------|------------------------------------|
| | Budget | Actual | |
| Tax Supervisor and Data Processing | | | |
| Salaries and employee benefits | 1,596,470 | 1,543,096 | 53,374 |
| Professional services | 36,445 | 29,096 | 7,349 |
| Other operating expenditures | 352,754 | 337,393 | 15,361 |
| Capital Outlay | 21,745 | 21,325 | 420 |
| Total | <u>2,007,414</u> | <u>1,930,910</u> | <u>76,504</u> |
| Legal | | | |
| Professional services | 328,100 | 317,443 | 10,657 |
| Total | <u>328,100</u> | <u>317,443</u> | <u>10,657</u> |
| Register of Deeds | | | |
| Salaries and employee benefits | 331,619 | 317,628 | 13,991 |
| Other operating expenditures | 104,398 | 66,678 | 37,720 |
| Total | <u>436,017</u> | <u>384,306</u> | <u>51,711</u> |
| Management Information Services | | | |
| Salaries and employee benefits | 660,600 | 658,323 | 2,277 |
| Professional services | 8,550 | 8,358 | 192 |
| Other operating expenditures | 19,500 | 17,873 | 1,627 |
| Total | <u>688,650</u> | <u>684,554</u> | <u>4,096</u> |
| Technology | | | |
| Other operating expenditures | 902,650 | 805,963 | 96,687 |
| Capital Outlay | 44,293 | 103,060 | (58,767) |
| Total | <u>946,943</u> | <u>909,023</u> | <u>37,920</u> |
| PIO Communications | | | |
| Salaries and employee benefits | 158,007 | 141,842 | 16,165 |
| Professional services | 5,000 | 273 | 4,727 |
| Other operating expenditures | 12,420 | 10,111 | 2,309 |
| Total | <u>175,427</u> | <u>152,226</u> | <u>23,201</u> |
| Public Buildings | | | |
| Professional services | 15,256 | 15,146 | 110 |
| Other operating expenditures | 392,421 | 351,792 | 40,629 |
| Capital Outlay | 154,018 | 83,566 | 70,452 |
| Total | <u>561,695</u> | <u>450,504</u> | <u>111,191</u> |
| Non-Departmental Costs | | | |
| Salaries and employee benefits | 2,374,116 | 2,348,948 | 25,168 |
| Professional services | 280,500 | 254,451 | 26,049 |
| Other operating expenditures | 494,604 | 493,594 | 1,010 |
| Other assistance | 412,945 | 412,944 | 1 |
| Total | <u>3,562,165</u> | <u>3,509,937</u> | <u>52,228</u> |

Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|------------------------------------|-------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| Administration Building | | | |
| Salaries and employee benefits | 705,382 | 704,628 | 754 |
| Professional services | 1,343 | 1,185 | 158 |
| Other operating expenditures | 295,684 | 286,778 | 8,906 |
| Capital Outlay | 220,637 | 21,427 | 199,210 |
| Total | <u>1,223,046</u> | <u>1,014,018</u> | <u>209,028</u> |
| Court Facilities | | | |
| Salaries and employee benefits | 2,700 | 2,700 | - |
| Professional services | 17,800 | 10,903 | 6,897 |
| Other operating expenditures | 306,771 | 284,544 | 22,227 |
| Capital Outlay | 54,617 | 54,617 | - |
| Total | <u>381,888</u> | <u>352,764</u> | <u>29,124</u> |
| County Capital Improvements | | | |
| Professional services | 3,485 | - | 3,485 |
| Capital Outlay | 1,389,473 | - | 1,389,473 |
| Total | <u>1,392,958</u> | <u>-</u> | <u>1,392,958</u> |
| Grants | | | |
| Salaries and employee benefits | 249,149 | 248,897 | 252 |
| Other operating expenditures | 8,255 | 5,483 | 2,772 |
| Grants and donations | 58,100 | 43,120 | 14,980 |
| Total | <u>315,504</u> | <u>297,500</u> | <u>18,004</u> |
| Total General Government | <u>14,261,865</u> | <u>12,129,944</u> | <u>2,131,921</u> |
| Public safety: | | | |
| Building Security | | | |
| Salaries and employee benefits | 70,000 | - | 70,000 |
| Operating expenditures | - | 1,558 | (1,558) |
| Total | <u>70,000</u> | <u>1,558</u> | <u>68,442</u> |
| Sheriff | | | |
| Salaries and employee benefits | 5,871,313 | 5,815,531 | 55,782 |
| Professional services | 9,882 | 9,587 | 295 |
| Other operating expenditures | 1,580,417 | 1,224,374 | 356,043 |
| Grants and Donations | 77,678 | 44,053 | 33,625 |
| Capital Outlay | 279,481 | 256,995 | 22,486 |
| Total | <u>7,818,771</u> | <u>7,350,540</u> | <u>468,231</u> |
| Highway Safety Grant | | | |
| Salaries and employee benefits | 127,399 | 122,561 | 4,838 |
| Other operating expenditures | - | 59 | (59) |
| Total | <u>127,399</u> | <u>122,620</u> | <u>4,779</u> |

**Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|-----------------------------------|------------------|------------------|------------------------------------|
| | Budget | Actual | |
| Court Security | | | |
| Salaries and employee benefits | 1,311,758 | 1,293,823 | 17,935 |
| Total | 1,311,758 | 1,293,823 | 17,935 |
| School Officers NCPS | | | |
| Salaries and employee benefits | 353,652 | 347,905 | 5,747 |
| Other operating expenditures | 24,300 | 17,460 | 6,840 |
| Total | 377,952 | 365,365 | 12,587 |
| Jail | | | |
| Salaries and employee benefit | 3,136,786 | 2,631,917 | 504,869 |
| Professional services | 546,362 | 475,596 | 70,766 |
| Other operating expenditures | 1,550,945 | 1,400,830 | 150,115 |
| Capital outlay | 62,022 | 47,088 | 14,934 |
| Total | 5,296,115 | 4,555,431 | 740,684 |
| Court Liaison Grant - ARRA | | | |
| Salaries and employee benefits | 70,290 | 70,211 | 79 |
| Other operating expenditures | 45,761 | 40,109 | 5,652 |
| Total | 116,051 | 110,320 | 5,731 |
| Communications | | | |
| Salaries and employee benefits | 1,853,757 | 1,816,479 | 37,278 |
| Other operating expenditures | 124,223 | 94,325 | 29,898 |
| Capital outlay | 763,434 | 48,198 | 715,236 |
| Total | 2,741,414 | 1,959,002 | 782,412 |
| Emergency services | | | |
| Salaries and employee benefits | 580,003 | 498,386 | 81,617 |
| Other operating expenditures | 78,881 | 69,942 | 8,939 |
| Grants and Donations | 60,887 | 12,319 | 48,568 |
| Capital outlay | 64,571 | 60,823 | 3,748 |
| Total | 784,342 | 641,470 | 142,872 |
| Emergency Medical Services | | | |
| Salaries and employee benefit | 6,448,803 | 6,349,158 | 99,645 |
| Professional services | 217,530 | 213,025 | 4,505 |
| Other operating expenditures | 1,142,792 | 1,123,065 | 19,727 |
| Capital Outlay | 1,001,201 | 49,399 | 951,802 |
| Total | 8,810,326 | 7,734,647 | 1,075,679 |

Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|------------------------------------|-------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| Fire and Rescue | | | |
| Professional services | 278,860 | 254,360 | 24,500 |
| Total | <u>278,860</u> | <u>254,360</u> | <u>24,500</u> |
| Animal Control | | | |
| Salaries and employee benefits | 298,586 | 245,972 | 52,614 |
| Professional services | 44,050 | 42,695 | 1,355 |
| Other operating expenditures | 54,841 | 47,992 | 6,849 |
| Total | <u>397,477</u> | <u>336,659</u> | <u>60,818</u> |
| Forestry | | | |
| Other operating expenditures | 118,766 | 111,711 | 7,055 |
| Total | <u>118,766</u> | <u>111,711</u> | <u>7,055</u> |
| Medical Examiner | | | |
| Professional services | 85,000 | 67,450 | 17,550 |
| Total | <u>85,000</u> | <u>67,450</u> | <u>17,550</u> |
| Total Public Safety | <u>28,334,231</u> | <u>24,904,956</u> | <u>3,429,275</u> |
| Transportation: | | | |
| Airport | | | |
| Other operating expenditures | 47,857 | 47,857 | - |
| Total | <u>47,857</u> | <u>47,857</u> | <u>-</u> |
| Rural Transportation Planning | | | |
| Salaries and employee benefits | 98,694 | 98,614 | 80 |
| Professional services | 152,225 | 105,179 | 47,046 |
| Other operating expenditures | 29,148 | 19,682 | 9,466 |
| Total | <u>280,067</u> | <u>223,475</u> | <u>56,592</u> |
| Total transportation | <u>327,924</u> | <u>271,332</u> | <u>56,592</u> |
| Economic and Physical Development: | | | |
| Planning | | | |
| Salaries and employee benefits | 336,579 | 334,140 | 2,439 |
| Professional services | 106,262 | 70,979 | 35,283 |
| Other operating expenditures | 45,368 | 40,393 | 4,975 |
| Total | <u>488,209</u> | <u>445,512</u> | <u>42,697</u> |

Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|-------------------------------------|------------------|------------------|------------------------------------|
| | Budget | Actual | |
| Inspections | | | |
| Salaries and employee benefits | 433,114 | 408,329 | 24,785 |
| Other operating expenditures | 35,535 | 34,459 | 1,076 |
| Total | <u>468,649</u> | <u>442,788</u> | <u>25,861</u> |
| Cooperative Extension | | | |
| Salaries and employee benefits | 102,413 | 102,087 | 326 |
| Professional services | 238,890 | 235,611 | 3,279 |
| Other operating expenditures | 64,733 | 55,100 | 9,633 |
| Grants and Donations | 4,948 | 2,862 | 2,086 |
| Capital outlay | 7,725 | 500 | 7,225 |
| Total | <u>418,709</u> | <u>396,160</u> | <u>22,549</u> |
| Soil Conservation | | | |
| Salaries and employee benefits | 343,012 | 291,299 | 51,713 |
| Other operating expenditures | 32,761 | 13,380 | 19,381 |
| Total | <u>375,773</u> | <u>304,679</u> | <u>71,094</u> |
| Economic Development | | | |
| Salaries and employee benefits | 328,037 | 306,826 | 21,211 |
| Professional services | 355,723 | 53,635 | 302,088 |
| Operating expenditures | 129,116 | 125,918 | 3,198 |
| Capital outlay | 1,287,870 | 961,944 | 325,926 |
| Outside allocations/grants | 10,000 | 10,000 | - |
| Economic development incentives | 1,483,411 | 1,473,229 | 10,182 |
| Total | <u>3,594,157</u> | <u>2,931,552</u> | <u>662,605</u> |
| Total Economic and Physical Develop | <u>5,345,497</u> | <u>4,520,691</u> | <u>824,806</u> |
| Human services: | | | |
| Health | | | |
| Administration | | | |
| Salaries and employee benefits | 1,633,913 | 1,343,095 | 290,818 |
| Professional services | 109,683 | 106,323 | 3,360 |
| Other operating expenditures | 476,546 | 386,676 | 89,870 |
| Total | <u>2,220,142</u> | <u>1,836,094</u> | <u>384,048</u> |
| Family Planning | | | |
| Salaries and employee benefits | 939,897 | 715,263 | 224,634 |
| Professional services | 82,658 | 77,763 | 4,895 |
| Other operating expenditures | 170,108 | 100,009 | 70,099 |
| Total | <u>1,192,663</u> | <u>893,035</u> | <u>299,628</u> |

**Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|----------------------------------|----------------|----------------|------------------------------------|
| | Budget | Actual | |
| CDC Advancing Equity | | | |
| Salaries and employee benefits | 25,000 | - | 25,000 |
| Other operating expenditures | 14,900 | - | 14,900 |
| Total | <u>39,900</u> | <u>-</u> | <u>39,900</u> |
| CAP | | | |
| Salaries and employee benefits | 322,207 | 321,637 | 570 |
| Other operating expenditures | 134,304 | 52,855 | 81,449 |
| Total | <u>456,511</u> | <u>374,492</u> | <u>82,019</u> |
| Child Service Coordinator | | | |
| Salaries and employee benefits | 232,917 | 223,848 | 9,069 |
| Professional services | 505 | 105 | 400 |
| Other operating expenditures | 22,516 | 10,686 | 11,830 |
| Total | <u>255,938</u> | <u>234,639</u> | <u>21,299</u> |
| Child Health | | | |
| Salaries and employee benefits | 463,338 | 426,918 | 36,420 |
| Professional services | 35,738 | 29,286 | 6,452 |
| Other operating expenditures | 49,534 | 45,386 | 4,148 |
| Grants and Donations | 365,000 | 250,000 | 115,000 |
| Total | <u>913,610</u> | <u>751,590</u> | <u>162,020</u> |
| Maternal Health | | | |
| Salaries and employee benefits | 717,381 | 700,796 | 16,585 |
| Professional services | 73,068 | 72,674 | 394 |
| Other operating expenditures | 59,050 | 45,445 | 13,605 |
| Total | <u>849,499</u> | <u>818,915</u> | <u>30,584</u> |
| AIDS | | | |
| Salaries and employee benefits | 54,118 | 54,039 | 79 |
| Other operating expenditures | 12,756 | 9,313 | 3,443 |
| Total | <u>66,874</u> | <u>63,352</u> | <u>3,522</u> |
| Health Promotion | | | |
| Salaries and employee benefits | 89,092 | 76,936 | 12,156 |
| Other operating expenditures | 6,918 | 2,392 | 4,526 |
| Total | <u>96,010</u> | <u>79,328</u> | <u>16,682</u> |
| Environmental Health | | | |
| Salaries and employee benefits | 901,998 | 891,210 | 10,788 |
| Other operating expenditures | 65,894 | 56,774 | 9,120 |
| Grants and Donations | 16,000 | 10,359 | 5,641 |
| Total | <u>983,892</u> | <u>958,343</u> | <u>25,549</u> |

**Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|-------------------------------------|----------------|----------------|------------------------------------|
| | Budget | Actual | |
| Tuberculosis | | | |
| Salaries and employee benefits | 171,745 | 126,601 | 45,144 |
| Professional services | 5,000 | 887 | 4,113 |
| Other operating expenditures | 9,730 | 8,462 | 1,268 |
| Total | <u>186,475</u> | <u>135,950</u> | <u>50,525</u> |
| WIC Administration | | | |
| Salaries and employee benefits | 564,298 | 399,580 | 164,718 |
| Professional services | 27,000 | 24,892 | 2,108 |
| Other operating expenditures | 18,989 | 14,088 | 4,901 |
| Total | <u>610,287</u> | <u>438,560</u> | <u>171,727</u> |
| Communicable Disease | | | |
| Salaries and employee benefits | 149,296 | 143,449 | 5,847 |
| Professional services | 35,900 | 35,900 | - |
| Other operating expenditures | 21,004 | 19,563 | 1,441 |
| Total | <u>206,200</u> | <u>198,912</u> | <u>7,288</u> |
| Healthy Start Baby Love Plus | | | |
| Salaries and employee benefits | 83,294 | 80,455 | 2,839 |
| Professional services | 57,105 | 53,954 | 3,151 |
| Other operating expenditures | 8,519 | 7,090 | 1,429 |
| Total | <u>148,918</u> | <u>141,499</u> | <u>7,419</u> |
| Breast and Cervical Cancer | | | |
| Salaries and employee benefits | 16,062 | 15,932 | 130 |
| Professional services | 55,288 | 41,459 | 13,829 |
| Total | <u>71,350</u> | <u>57,391</u> | <u>13,959</u> |
| Immunization Action Pan | | | |
| Salaries and employee benefits | 38,710 | 38,408 | 302 |
| Other operating expenditures | 838 | 514 | 324 |
| Total | <u>39,548</u> | <u>38,922</u> | <u>626</u> |
| Lead Grant | | | |
| Other operating expenditures | 14,450 | - | 14,450 |
| Total | <u>14,450</u> | <u>-</u> | <u>14,450</u> |
| Bioterrorism Program | | | |
| Salaries and employee benefits | 26,373 | 15,288 | 11,085 |
| Other operating expenditures | 11,042 | 3,244 | 7,798 |
| Total | <u>37,415</u> | <u>18,532</u> | <u>18,883</u> |

**Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|---------------------------------|-------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| OB Case Management | | | |
| Salaries and employee benefits | 254,277 | 238,224 | 16,053 |
| Professional services | 105 | 105 | - |
| Other operating expenditures | 22,916 | 10,889 | 12,027 |
| Total | <u>277,298</u> | <u>249,218</u> | <u>28,080</u> |
| Total Health | <u>8,666,980</u> | <u>7,288,772</u> | <u>1,378,208</u> |
| Office of Juvenile Justice | | | |
| Other operating expenditures | 437,853 | 437,853 | - |
| Total | <u>437,853</u> | <u>437,853</u> | <u>-</u> |
| Mental Health | | | |
| Mental Health Center | 120,000 | 120,000 | - |
| Alcoholic Rehabilitation | 233,140 | 200,142 | 32,998 |
| Men's Christian Home | 6,860 | 6,860 | - |
| Total | <u>360,000</u> | <u>327,002</u> | <u>32,998</u> |
| Home Care Community Block Grant | | | |
| Other operating expenditures | 864,711 | 845,702 | 19,009 |
| Total | <u>864,711</u> | <u>845,702</u> | <u>19,009</u> |
| Social Services: | | | |
| General | | | |
| Salaries | 10,673,524 | 9,821,617 | 851,907 |
| Professional services | 42,900 | 24,107 | 18,793 |
| Assistance payments | 2,261,805 | 2,195,279 | 66,526 |
| Other operating expenditures | 487,782 | 433,361 | 54,421 |
| Capital outlay | 77,852 | 118,561 | (40,709) |
| Total | <u>13,543,863</u> | <u>12,592,925</u> | <u>950,938</u> |
| Title IVD-1571 | | | |
| Salaries and employee benefits | 1,255,605 | 1,216,798 | 38,807 |
| Other operating expenditures | 49,751 | 42,075 | 7,676 |
| Total | <u>1,305,356</u> | <u>1,258,873</u> | <u>46,483</u> |
| Social Services - Other | | | |
| Special assistance | 668,207 | 488,752 | 179,455 |
| Other assistance | 876,423 | 669,488 | 206,935 |
| Total | <u>1,544,630</u> | <u>1,158,240</u> | <u>386,390</u> |
| DNS - County Only Participation | | | |
| Non-reimbursable | 113,708 | 50,249 | 63,459 |
| Foster children | 4,000 | 2,424 | 1,576 |
| Pauper burials | 8,000 | 2,711 | 5,289 |
| Total | <u>125,708</u> | <u>55,384</u> | <u>70,324</u> |
| Total social services | <u>16,519,557</u> | <u>15,065,422</u> | <u>1,454,135</u> |

**Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|---|------------|------------|------------------------------------|
| | Budget | Actual | |
| Aging | | | |
| Salaries and employee benefits | 302,212 | 301,487 | 725 |
| Other operating expenditures | 85,200 | 52,459 | 32,741 |
| Grants and donations | 57,596 | 7,376 | 50,220 |
| Capital outlay | - | 2,896 | (2,896) |
| Total | 445,008 | 364,218 | 80,790 |
| Senior Center Caregiver Grant | | | |
| Salaries and employee benefits | 17,850 | 17,830 | 20 |
| Other operating expenditures | 2,093 | 2,093 | - |
| Grants and donations | 4,700 | 4,691 | 9 |
| Total | 24,643 | 24,614 | 29 |
| Senior Health Insurance Info Program | | | |
| Other operating expenditures | 26,455 | 3,913 | 22,542 |
| Total | 26,455 | 3,913 | 22,542 |
| Medical Impr Patient Provider Act | | | |
| Other operating expenditures | 4,839 | 4,839 | - |
| Total | 4,839 | 4,839 | - |
| Veteran's Services | | | |
| Salaries and employee benefits | 106,163 | 88,078 | 18,085 |
| Professional services | 24,478 | 19,541 | 4,937 |
| Other operating expenditures | 3,425 | 2,020 | 1,405 |
| Total | 134,066 | 109,639 | 24,427 |
| Local Human Services | | | |
| Spaulding Center | 24,000 | 24,000 | - |
| Tri-County industries | 42,000 | 42,000 | - |
| Beaver Control BMAP | 6,000 | 6,000 | - |
| Nash County Arts Council | 30,000 | 30,000 | - |
| Nashville Boys Cub | 12,500 | 12,500 | - |
| House the Children | 30,000 | 30,000 | - |
| Downeast Partnership for Children | 10,000 | 10,000 | - |
| Peacemakers | 10,000 | 10,000 | - |
| Other outside allocations | 531,000 | 248,965 | 282,035 |
| Total | 695,500 | 413,465 | 282,035 |
| Total Human Services | 28,179,612 | 24,885,439 | 3,294,173 |

**Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|-----------------------------------|---------------------|--------------------|------------------------------------|
| | Budget | Actual | |
| Cultural: | | | |
| Recreation | | | |
| Salaries and employee benefits | 474,600 | 464,665 | 9,935 |
| Professional services | 113,130 | 113,124 | 6 |
| Other operating expenditures | 144,826 | 139,074 | 5,752 |
| Capital outlay | 15,456 | 15,000 | 456 |
| Grants and donations | 36,110 | 34,712 | 1,398 |
| Total | <u>784,122</u> | <u>766,575</u> | <u>17,547</u> |
| Facility Maintenance | | | |
| Salaries and employee benefits | 214,055 | 213,002 | 1,053 |
| Other operating expenditures | 181,955 | 173,148 | 8,807 |
| Capital outlay | 57,218 | 37,708 | 19,510 |
| Total | <u>453,228</u> | <u>423,858</u> | <u>29,370</u> |
| Libraries | | | |
| Braswell Library | 841,880 | 841,880 | - |
| NC Library Block Grant | 129,772 | 129,772 | - |
| Local libraries | 75,000 | 75,000 | - |
| Total | <u>1,046,652</u> | <u>1,046,652</u> | <u>-</u> |
| Total Cultural | <u>2,284,002</u> | <u>2,237,085</u> | <u>46,917</u> |
| Education: | | | |
| Nash Community College | | | |
| Operating expenditures | 2,395,226 | 2,395,226 | - |
| Capital outlay | 415,000 | 415,000 | - |
| Total | <u>2,810,226</u> | <u>2,810,226</u> | <u>-</u> |
| Nash County Public Schools | | | |
| Operating expenditures | 20,500,261 | 20,500,261 | - |
| Capital outlay | 1,396,890 | 1,396,890 | - |
| Total | <u>21,897,151</u> | <u>21,897,151</u> | <u>-</u> |
| Total Education | <u>24,707,377</u> | <u>24,707,377</u> | <u>-</u> |
| Debt service: | | | |
| Principal retirement | 5,467,660 | 5,467,658 | 2 |
| Interest and fees | 1,125,141 | 1,120,075 | 5,066 |
| Total debt service | <u>6,592,801</u> | <u>6,587,733</u> | <u>5,068</u> |
| Total expenditures | <u>110,033,309</u> | <u>100,244,557</u> | <u>9,788,752</u> |
| Revenue over (under) expenditures | <u>(12,416,178)</u> | <u>6,256,677</u> | <u>18,672,855</u> |

Nash County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|-------------------|----------------------|------------------------------------|
| | Budget | Actual | |
| Other financing sources (uses): | | | |
| Transfers to other funds: | | | |
| Enterprise Funds | (13,090) | (13,090) | - |
| Special revenue funds | (2,380) | (2,380) | - |
| Capital project funds | (4,392,000) | (4,392,000) | - |
| Tax Revaluation Fund | (100,000) | (100,000) | - |
| Transfers from other funds | | | |
| Special revenue funds | - | 4,562,945 | 4,562,945 |
| Capital project funds | 856,451 | 59,155 | (797,296) |
| Economic Development Fund | 562,870 | 562,870 | - |
| Lease liabilities issued | - | 132,421 | 132,421 |
| Issuance of debt | 282,000 | - | (282,000) |
| Appropriated fund balance | 15,222,327 | - | (15,222,327) |
| Total other financing sources (uses) | <u>12,416,178</u> | <u>809,921</u> | <u>(11,606,257)</u> |
| Excess of revenues and other sources over (under expenditures and other uses) | <u>\$ -</u> | <u>7,066,598</u> | <u>\$ 7,066,598</u> |
| | | | |
| Fund balance, beginning, as previously reported | | 45,772,000 | |
| Prior Period Adjustment (see Note IX) | | <u>1,835,079</u> | |
| Fund balance, beginning | | <u>47,607,079</u> | |
| | | | |
| Fund balance, ending | | <u>\$ 54,673,677</u> | |

Nash County, North Carolina
Revaluation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|-----------|------------|------------------------------------|
| | Budget | Actual | |
| REVENUES | | | |
| Investment earnings | \$ - | \$ 776 | \$ 776 |
| EXPENDITURES | | | |
| Revaluation of tax base | 100,000 | - | 100,000 |
| Revenues over (under) expenditures | (100,000) | 776 | 100,776 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfer from other funds | 100,000 | 100,000 | - |
| Total other financing sources (uses) | 100,000 | 100,000 | - |
| Revenues and other sources over (under) expenditures and other uses | \$ - | 100,776 | \$ 100,776 |
| Fund balance, beginning | | 411,062 | |
| Fund balance, ending | | \$ 511,838 | |

Nash County, North Carolina
Economic Development Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|----------------|---------------------|------------------------------------|
| | <u>Budget</u> | <u>Actual</u> | |
| <u>REVENUES</u> | | | |
| Sale of Assets | \$ - | \$ 1,597,083 | \$ 1,597,083 |
| Miscellaneous income | - | 2,000 | 2,000 |
| Total revenues | <u>-</u> | <u>1,599,083</u> | <u>1,599,083</u> |
| <u>EXPENDITURES</u> | | | |
| Economic and physical development | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Revenues Over (Under) Expenditures | <u>-</u> | <u>1,599,083</u> | <u>1,599,083</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Transfers to other funds | (562,870) | (562,870) | - |
| Appropriated fund balance | <u>562,870</u> | <u>-</u> | <u>(562,870)</u> |
| Total other financing sources (uses) | <u>-</u> | <u>(562,870)</u> | <u>(562,870)</u> |
| Revenues and other sources over (under) expenditures and other uses | <u>\$ -</u> | 1,036,213 | <u>\$ 1,036,213</u> |
| <u>FUND BALANCE</u> | | | |
| Beginning of year- July 1 | | <u>640,454</u> | |
| End of year- June 30 | | <u>\$ 1,676,667</u> | |

Nash County, North Carolina
American Rescue Plan Act Grant Project Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Year Ended June 30, 2022

| | Project Authorization | Actual | | Actual Total to Date | Variance Positive (Negative) |
|--|--------------------------|--------------------------|---------------------------|----------------------------|------------------------------------|
| | | Actual Prior Years | Actual Current Year | | |
| REVENUES | | | | | |
| Restricted Intergovernmental: | | | | | |
| ARPA Grant Funds | \$ 18,316,281 | \$ - | \$ 4,616,330 | \$ 4,616,330 | \$(13,699,951) |
| Investment Earnings | - | 60 | 17,232 | 17,292 | 17,292 |
| Total Revenue | <u>18,316,281</u> | <u>60</u> | <u>4,633,562</u> | <u>4,633,622</u> | <u>(13,682,659)</u> |
| EXPENDITURES | | | | | |
| General Government | | | | | |
| Lost Revenue - Administration | 662,055 | - | 54,422 | 54,422 | 607,633 |
| Lost Revenue - High Speed Internet | 4,500,000 | - | - | - | 4,500,000 |
| Supplies | 16,281 | - | 16,255 | 16,255 | 26 |
| Water and Sewer Projects | 8,300,000 | - | - | - | 8,300,000 |
| Total | <u>13,478,336</u> | <u>-</u> | <u>70,677</u> | <u>70,677</u> | <u>13,407,659</u> |
| Revenues over (under) expenditures | <u>4,837,945</u> | <u>60</u> | <u>4,562,885</u> | <u>4,562,945</u> | <u>(275,000)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer to other funds | (4,837,945) | - | (4,562,945) | (4,562,945) | 275,000 |
| Total Other Financing Sources (Uses) | <u>(4,837,945)</u> | <u>-</u> | <u>(4,562,945)</u> | <u>(4,562,945)</u> | <u>275,000</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 60</u> | <u>(60)</u> | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance, beginning | | | <u>60</u> | | |
| Fund balance, ending | | | <u>\$ -</u> | | |

Nash County, North Carolina
Detention Facility Project Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|---|--------------------------|--------------------|---------------------------|----------------------|------------------------------------|
| REVENUES | | | | | |
| Federal Inmate Revenue | \$ 64,351 | \$ 64,351 | \$ - | \$ 64,351 | \$ - |
| Miscellaneous Revenue | 1,000 | 999 | - | 999 | (1) |
| Investment Earnings | 3,028 | - | 4,213 | 4,213 | 1,185 |
| Total Revenue | <u>68,379</u> | <u>65,350</u> | <u>4,213</u> | <u>69,563</u> | <u>1,184</u> |
| EXPENDITURES | | | | | |
| Public Safety: | | | | | |
| Detention Facility Improvements | | | | | |
| Building Improvements | 1,064,351 | 1,042,758 | 8,571 | 1,051,329 | 13,022 |
| Facility Improvement Expenditures | <u>1,064,351</u> | <u>1,042,758</u> | <u>8,571</u> | <u>1,051,329</u> | <u>13,022</u> |
| Detention Facility Renovation and Expansion | | | | | |
| Property Surveying | 29,952 | - | - | - | 29,952 |
| Construction | 18,337,250 | - | 7,237,130 | 7,237,130 | 11,100,120 |
| Engineering, survey, and design | 909,126 | 651,980 | 129,332 | 781,312 | 127,814 |
| Legal and professional services | 125,000 | 17,456 | 106,595 | 124,051 | 949 |
| Contingency | 2,700 | - | - | - | 2,700 |
| Detention Facility Renovation and Expansion | <u>19,404,028</u> | <u>669,436</u> | <u>7,473,057</u> | <u>8,142,493</u> | <u>11,261,535</u> |
| Total expenditures | <u>20,468,379</u> | <u>1,712,194</u> | <u>7,481,628</u> | <u>9,193,822</u> | <u>11,274,557</u> |
| Revenues over (under) expenditures | <u>(20,400,000)</u> | <u>(1,646,844)</u> | <u>(7,477,415)</u> | <u>(9,124,259)</u> | <u>11,275,741</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Detention Facility Improvements | | | | | |
| Transfers from General Fund | 1,000,000 | 1,000,000 | - | 1,000,000 | - |
| Detention Facility Renovation and Expansion | | | | | |
| Transfers from General Fund | 3,400,000 | 1,000,000 | 2,400,000 | 3,400,000 | - |
| Loan proceeds | 16,000,000 | - | 16,000,000 | 16,000,000 | - |
| Appropriated fund balance | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>20,400,000</u> | <u>2,000,000</u> | <u>18,400,000</u> | <u>20,400,000</u> | <u>-</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 353,156</u> | 10,922,585 | <u>\$ 11,275,741</u> | <u>\$ 11,275,741</u> |
| Fund balance, beginning | | | 353,156 | | |
| Fund balance, ending | | | <u>\$ 11,275,741</u> | | |

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NON-MAJOR GOVERNMENTAL FUNDS

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

Exhibit C-1

| | Special Revenue Funds | | | | | | |
|---|--|---------------------------|--|---------------------------------|--|-----------------------------|-------------------|
| | Rural Operating Assistance Fund | Fire Districts Fund | Emergency Telephone System Fund | Controlled Substance Fund | Federal Asset Forfeiture Fund | Stormwater Maint Fund | Tourism Fund |
| ASSETS | | | | | | | |
| Current Assets: | | | | | | | |
| Cash and cash equivalents | \$223,920 | \$ 816,783 | \$ 880,820 | \$ 30,591 | \$ 400,914 | \$ 80,753 | \$ 459,119 |
| Restricted cash and cash equivalents | - | - | - | - | - | - | - |
| Accounts receivable | - | - | - | - | - | - | - |
| Due from other governments | - | 62,073 | 31,397 | - | - | - | - |
| Total assets | <u>\$ 223,920</u> | <u>\$ 878,856</u> | <u>\$ 912,217</u> | <u>\$ 30,591</u> | <u>\$ 400,914</u> | <u>\$ 80,753</u> | <u>\$ 459,119</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | \$ 863 | \$ 49,088 | \$ 1,791 | \$ 564 | \$ 4,368 | \$ - | \$ 27,907 |
| Due to other funds | - | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - | - |
| Total liabilities | <u>863</u> | <u>49,088</u> | <u>1,791</u> | <u>564</u> | <u>4,368</u> | <u>-</u> | <u>27,907</u> |
| Fund balances: | | | | | | | |
| Restricted: | | | | | | | |
| Stabilization by State Statute | - | 62,073 | 31,397 | - | - | - | - |
| Public Safety | - | 767,695 | 879,029 | - | 396,546 | - | - |
| Transportation | 223,057 | - | - | - | - | - | - |
| Economic Development | - | - | - | - | - | 80,753 | 431,212 |
| Education | - | - | - | - | - | - | - |
| Human Services | - | - | - | - | - | - | - |
| Committed: | | | | | | | |
| Economic Development | - | - | - | - | - | - | - |
| Public Safety | - | - | - | 30,027 | - | - | - |
| Assigned: | | | | | | | |
| Capital Projects | - | - | - | - | - | - | - |
| Unassigned | | | | | | | |
| Total fund balances | <u>223,057</u> | <u>829,768</u> | <u>910,426</u> | <u>30,027</u> | <u>396,546</u> | <u>80,753</u> | <u>431,212</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 223,920</u> | <u>\$ 878,856</u> | <u>\$ 912,217</u> | <u>\$ 30,591</u> | <u>\$ 400,914</u> | <u>\$ 80,753</u> | <u>\$ 459,119</u> |

(continued)

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

Exhibit C-1
(continued)

| | Special Revenue Funds | | | | | | |
|--|---------------------------------------|-----------------------------------|-------------------------------------|-----------------------|--------------------------------------|------------------------------------|--------------------------------------|
| | Homeland Security Grant Fund | Single Family Rehab Fund | Urgent Repair Program Fund | CDBG Grant Fund | Hazard Mitigation Plan Fund | Storm Debris Removal Fund | COVID 19 Grant Project Fund |
| ASSETS | | | | | | | |
| Current Assets: | | | | | | | |
| Cash and cash equivalents | \$ 57 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted cash and cash equivalents | - | - | - | - | - | - | - |
| Accounts receivable | - | - | - | - | - | - | 22,024 |
| Due from other governments | 150 | 11,575 | - | 124,489 | 270,830 | - | 58,008 |
| Total assets | <u>\$ 207</u> | <u>\$ 11,575</u> | <u>\$ -</u> | <u>\$ 124,489</u> | <u>\$ 270,830</u> | <u>\$ -</u> | <u>\$ 80,032</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | \$ - | \$ 11,575 | \$ - | \$ - | \$ 34,844 | \$ - | \$ 30 |
| Due to other funds | - | 494 | - | 226,279 | 235,986 | - | 82,325 |
| Unearned revenues | - | - | - | - | - | - | - |
| Total liabilities | <u>-</u> | <u>12,069</u> | <u>-</u> | <u>226,279</u> | <u>270,830</u> | <u>-</u> | <u>82,355</u> |
| Fund balances: | | | | | | | |
| Restricted: | | | | | | | |
| Stabilization by State Statute | 150 | 11,575 | - | 124,489 | 270,830 | - | 80,032 |
| Public Safety | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - |
| Economic Development | - | - | - | - | - | - | - |
| Education | - | - | - | - | - | - | - |
| Human Services | - | - | - | - | - | - | - |
| Committed: | | | | | | | |
| Economic Development | - | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | - | - |
| Assigned: | | | | | | | |
| Capital Projects | - | - | - | - | - | - | - |
| Unassigned | 57 | (12,069) | - | (226,279) | (270,830) | - | (82,355) |
| Total fund balances | <u>207</u> | <u>(494)</u> | <u>-</u> | <u>(101,790)</u> | <u>-</u> | <u>-</u> | <u>(2,323)</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 207</u> | <u>\$ 11,575</u> | <u>\$ -</u> | <u>\$ 124,489</u> | <u>\$ 270,830</u> | <u>\$ -</u> | <u>\$ 80,032</u> |

(continued)

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

Exhibit C-1
(continued)

| | Special Revenue Funds | | | | | Total Non-Major Special Revenue Funds |
|---|---------------------------------|--------------------------------|--------------------------|--|--|---|
| | Representative Payee Fund | Fines & Forfeitures Fund | CDBG-CV Grant Fund | Abandoned Manufactured Homes Fund | Downeast Home Consortium Fund | |
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and cash equivalents | \$ 18,833 | \$ 32,143 | \$ - | \$ - | \$ 99,960 | \$ 3,043,893 |
| Restricted cash and cash equivalents | - | - | - | - | - | - |
| Accounts receivable | - | - | - | - | - | 22,024 |
| Due from other governments | - | - | - | 10,600 | - | 569,122 |
| Total assets | <u>\$ 18,833</u> | <u>\$ 32,143</u> | <u>\$ -</u> | <u>\$ 10,600</u> | <u>\$ 99,960</u> | <u>\$ 3,635,039</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ - | \$ 32,143 | \$ - | \$ - | \$ - | \$ 163,173 |
| Due to other funds | - | - | 1,044 | 7,500 | - | 553,628 |
| Unearned revenues | - | - | - | - | - | - |
| Total liabilities | <u>-</u> | <u>32,143</u> | <u>1,044</u> | <u>7,500</u> | <u>-</u> | <u>716,801</u> |
| Fund balances: | | | | | | |
| Restricted: | | | | | | |
| Stabilization by State Statute | - | - | - | 10,600 | - | 591,146 |
| Public Safety | - | - | - | - | - | 2,043,270 |
| Transportation | - | - | - | - | - | 223,057 |
| Economic Development | - | - | - | - | 99,960 | 611,925 |
| Education | - | - | - | - | - | - |
| Human Services | 18,833 | - | - | - | - | 18,833 |
| Committed: | | | | | | |
| Economic Development | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | 30,027 |
| Assigned: | | | | | | |
| Capital Projects | - | - | - | - | - | - |
| Unassigned | - | - | (1,044) | (7,500) | - | (600,020) |
| Total fund balances | <u>18,833</u> | <u>-</u> | <u>(1,044)</u> | <u>3,100</u> | <u>99,960</u> | <u>2,918,238</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 18,833</u> | <u>\$ 32,143</u> | <u>\$ -</u> | <u>\$ 10,600</u> | <u>\$ 99,960</u> | <u>\$ 3,635,039</u> |

(continued)

**Nash County, North Carolina
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022**

Exhibit C-1
(continued)

| | Capital Project Funds | | | | | |
|---|-----------------------|--------------------------------|---|-----------------------------|----------------------------|------------------------------|
| | Capital Reserve Fund | Middlesex Industrial Park Fund | Senior Center/Miracle Park Capital Fund | School Capital Project Fund | Public Safety Project Fund | Animal Facility Project Fund |
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and cash equivalents | \$ 4,393,489 | \$ 312,564 | \$ 517,095 | \$ 1,152,038 | \$ - | \$ 2,509,909 |
| Restricted cash and cash equivalents | - | - | - | 5,253,891 | - | - |
| Accounts receivable | - | - | - | - | - | - |
| Due from other governments | - | - | - | - | - | - |
| Total assets | <u>\$ 4,393,489</u> | <u>\$ 312,564</u> | <u>\$ 517,095</u> | <u>\$ 6,405,929</u> | <u>\$ -</u> | <u>\$ 2,509,909</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ - | \$ 39 | \$ - | \$ 601,894 | \$ - | \$ - |
| Due to other funds | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - |
| Total liabilities | <u>-</u> | <u>39</u> | <u>-</u> | <u>601,894</u> | <u>-</u> | <u>-</u> |
| Fund balances: | | | | | | |
| Restricted: | | | | | | |
| Stabilization by State Statute | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Economic Development | - | - | - | - | - | - |
| Education | - | - | - | 5,804,035 | - | - |
| Human Services | - | - | - | - | - | - |
| Committed: | | | | | | |
| Economic Development | - | - | 517,095 | - | - | - |
| Public Safety | - | - | - | - | - | 2,509,909 |
| Assigned: | | | | | | |
| Capital Projects | 4,393,489 | - | - | - | - | - |
| Unassigned | | | | | | |
| Unassigned | - | 312,525 | - | - | - | - |
| Total fund balances | <u>4,393,489</u> | <u>312,525</u> | <u>517,095</u> | <u>5,804,035</u> | <u>-</u> | <u>2,509,909</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 4,393,489</u> | <u>\$ 312,564</u> | <u>\$ 517,095</u> | <u>\$ 6,405,929</u> | <u>\$ -</u> | <u>\$ 2,509,909</u> |

(continued)

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

Exhibit C-1
(continued)

| | Capital Project Funds | | | Total Non-Major Capital Project Funds | Total Non-Major Governmental Funds |
|---|--|--|--|---|---|
| | Highspeed Internet Project Fund | Courthouse Expansion Capital Project Fund | State Grants Capital Project Fund | | |
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash and cash equivalents | \$ 593,135 | \$ 8,611 | \$ - | \$ 9,486,841 | \$ 12,530,734 |
| Restricted cash and cash equivalents | - | - | 1,084,270 | 6,338,161 | 6,338,161 |
| Accounts receivable | - | - | - | - | 22,024 |
| Due from other governments | - | - | - | - | 569,122 |
| Total assets | <u>\$ 593,135</u> | <u>\$ 8,611</u> | <u>\$ 1,084,270</u> | <u>\$ 15,825,002</u> | <u>\$ 19,460,041</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 601,933 | \$ 765,106 |
| Due to other funds | - | - | - | - | 553,628 |
| Unearned revenues | - | - | 1,084,270 | 1,084,270 | 1,084,270 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>1,084,270</u> | <u>1,686,203</u> | <u>2,403,004</u> |
| Fund balances: | | | | | |
| Restricted: | | | | | |
| Stabilization by State Statute | - | - | - | - | 591,146 |
| Public Safety | - | - | - | - | 2,043,270 |
| Transportation | - | - | - | - | 223,057 |
| Economic Development | - | - | - | - | 611,925 |
| Education | - | - | - | 5,804,035 | 5,804,035 |
| Human Services | - | - | - | - | 18,833 |
| Committed: | | | | | |
| Economic Development | 593,135 | - | - | 1,110,230 | 1,110,230 |
| Public Safety | - | 8,611 | - | 2,518,520 | 2,548,547 |
| Assigned: | | | | | |
| Capital Projects | - | - | - | 4,393,489 | 4,393,489 |
| Unassigned | - | - | - | 312,525 | (287,495) |
| Total fund balances | <u>593,135</u> | <u>8,611</u> | <u>-</u> | <u>14,138,799</u> | <u>17,057,037</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 593,135</u> | <u>\$ 8,611</u> | <u>\$ 1,084,270</u> | <u>\$ 15,825,002</u> | <u>\$ 19,460,041</u> |

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

Exhibit C-2

| | Special Revenue Funds | | | | | | |
|---|--|---------------------------|--|---------------------------------|--|-----------------------------|-------------------|
| | Rural Operating Assistance Fund | Fire Districts Fund | Emergency Telephone System Fund | Controlled Substance Fund | Federal Asset Forfeiture Fund | Stormwater Maint Fund | Tourism Fund |
| REVENUES | | | | | | | |
| Ad valorem taxes | \$ - | \$ 4,334,452 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted Intergovernmental | 165,098 | - | 384,033 | 12,940 | 405,011 | 23,700 | 600,000 |
| Donations | - | - | - | - | - | - | - |
| Investment earnings | - | 1,253 | 1,305 | 52 | 571 | 118 | 623 |
| Sales and services | - | - | - | - | - | - | - |
| Miscellaneous | - | - | 20,556 | 2,600 | 45,605 | - | - |
| Total revenues | <u>165,098</u> | <u>4,335,705</u> | <u>405,894</u> | <u>15,592</u> | <u>451,187</u> | <u>23,818</u> | <u>600,623</u> |
| EXPENDITURES | | | | | | | |
| General Government | - | - | - | - | - | - | - |
| Public Safety | - | 4,209,047 | 167,079 | 11,527 | 383,264 | - | - |
| Transportation | 6,638 | - | - | - | - | - | - |
| Economic Development | - | - | - | - | - | - | 587,586 |
| Education | - | - | - | - | - | - | - |
| Human Services | - | - | - | - | - | - | - |
| Cultural and Recreational | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | |
| Principal | - | - | - | - | - | - | 27,560 |
| Interest | - | - | - | - | - | - | 200 |
| Total expenditures | <u>6,638</u> | <u>4,209,047</u> | <u>167,079</u> | <u>11,527</u> | <u>383,264</u> | <u>-</u> | <u>615,346</u> |
| Revenues over (under) Expenditures | <u>158,460</u> | <u>126,658</u> | <u>238,815</u> | <u>4,065</u> | <u>67,923</u> | <u>23,818</u> | <u>(14,723)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers from other funds | - | - | - | - | - | - | - |
| Transfers to other funds | - | - | - | - | - | - | - |
| Lease liabilities issued | - | - | - | - | - | - | 56,073 |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>56,073</u> |
| Change in Fund Balances | 158,460 | 126,658 | 238,815 | 4,065 | 67,923 | 23,818 | 41,350 |
| Fund balance, beginning | 64,597 | 703,110 | 671,611 | 25,962 | 328,623 | 56,935 | 389,862 |
| Fund balance, ending | <u>\$ 223,057</u> | <u>\$ 829,768</u> | <u>\$ 910,426</u> | <u>\$ 30,027</u> | <u>\$ 396,546</u> | <u>\$ 80,753</u> | <u>\$ 431,212</u> |

(continued)

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

Exhibit C-2
(continued)

| | Special Revenue Funds | | | | | | |
|---|---------------------------------------|-----------------------------------|-------------------------------------|-----------------------|--------------------------------------|------------------------------------|--------------------------------------|
| | Homeland Security Grant Fund | Single Family Rehab Fund | Urgent Repair Program Fund | CDBG Grant Fund | Hazard Mitigation Plan Fund | Storm Debris Removal Fund | COVID 19 Grant Project Fund |
| REVENUES | | | | | | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted Intergovernmental Donations | - | 96,293 | 49,958 | 675,522 | 34,844 | 385,263 | 400,678 |
| Investment earnings | - | - | 10 | - | - | - | 15 |
| Sales and services | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | 24,489 | - | - | - |
| Total revenues | <u>-</u> | <u>96,293</u> | <u>49,968</u> | <u>700,011</u> | <u>34,844</u> | <u>385,263</u> | <u>400,693</u> |
| EXPENDITURES | | | | | | | |
| General Government | - | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - |
| Economic Development | - | 96,293 | 100,000 | 801,801 | 34,844 | 385,263 | - |
| Education | - | - | - | - | - | - | - |
| Human Services | - | - | - | - | - | - | 450,321 |
| Cultural and Recreational | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | |
| Principal | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - |
| Total expenditures | <u>-</u> | <u>96,293</u> | <u>100,000</u> | <u>801,801</u> | <u>34,844</u> | <u>385,263</u> | <u>450,321</u> |
| Revenues over (under) Expenditures | <u>-</u> | <u>-</u> | <u>(50,032)</u> | <u>(101,790)</u> | <u>-</u> | <u>-</u> | <u>(49,628)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers from other funds | - | - | - | - | - | - | - |
| Transfers to other funds | - | - | - | - | - | - | - |
| Lease liabilities issued | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in Fund Balances | - | - | (50,032) | (101,790) | - | - | (49,628) |
| Fund balance, beginning | 207 | (494) | 50,032 | - | - | - | 47,305 |
| Fund balance, ending | <u>\$ 207</u> | <u>\$ (494)</u> | <u>\$ -</u> | <u>\$ (101,790)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (2,323)</u> |

(continued)

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

Exhibit C-2
(continued)

| | Special Revenue Funds | | | | | Total Non-Major Special Revenue Funds |
|---|---------------------------------|--------------------------------|--------------------------|--|--|---|
| | Representative Payee Fund | Fines & Forfeitures Fund | CDBG-CV Grant Fund | Abandoned Manufactured Homes Fund | Downeast Home Consortium Fund | |
| REVENUES | | | | | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,334,452 |
| Restricted Intergovernmental | 107,594 | - | 52,973 | 10,600 | 100,000 | 3,504,507 |
| Donations | - | - | - | - | - | - |
| Investment earnings | 33 | - | - | - | - | 3,980 |
| Sales and services | - | 477,780 | - | - | - | 477,780 |
| Miscellaneous | - | - | - | 6,140 | - | 99,390 |
| Total revenues | <u>107,627</u> | <u>477,780</u> | <u>52,973</u> | <u>16,740</u> | <u>100,000</u> | <u>8,420,109</u> |
| EXPENDITURES | | | | | | |
| General Government | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | 4,770,917 |
| Transportation | - | - | - | - | - | 6,638 |
| Economic Development | - | - | - | 16,020 | 40 | 2,021,847 |
| Education | - | 477,780 | - | - | - | 477,780 |
| Human Services | 106,795 | - | 54,017 | - | - | 611,133 |
| Cultural and Recreational | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | 27,560 |
| Interest | - | - | - | - | - | 200 |
| Total expenditures | <u>106,795</u> | <u>477,780</u> | <u>54,017</u> | <u>16,020</u> | <u>40</u> | <u>7,916,075</u> |
| Revenues over (under) Expenditures | <u>832</u> | <u>-</u> | <u>(1,044)</u> | <u>720</u> | <u>99,960</u> | <u>504,034</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers from other funds | - | - | - | 2,380 | - | 2,380 |
| Transfers to other funds | - | - | - | - | - | - |
| Lease liabilities issued | - | - | - | - | - | 56,073 |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,380</u> | <u>-</u> | <u>58,453</u> |
| Change in Fund Balances | 832 | - | (1,044) | 3,100 | 99,960 | 562,487 |
| Fund balance, beginning | <u>18,001</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,355,751</u> |
| Fund balance, ending | <u>\$ 18,833</u> | <u>\$ -</u> | <u>\$ (1,044)</u> | <u>\$ 3,100</u> | <u>\$ 99,960</u> | <u>\$ 2,918,238</u> |

(continued)

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

Exhibit C-2
(continued)

| | Capital Project Funds | | | | | |
|---|----------------------------|---|---|--------------------------------------|-------------------------------------|---------------------------------------|
| | Capital Reserve Fund | Middlesex Industrial Park Fund | Senior Center/ Miracle Park Capital Fund | School Capital Project Fund | Public Safety Project Fund | Animal Facility Project Fund |
| REVENUES | | | | | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted Intergovernmental | - | - | 50,000 | 4,144,743 | - | - |
| Donations | - | - | 20,000 | - | - | 1,100,000 |
| Investment earnings | 6,887 | - | - | 2,610 | - | - |
| Sales and services | - | - | - | - | - | - |
| Miscellaneous | - | - | 3,349 | - | 58,232 | 15,000 |
| Total revenues | <u>6,887</u> | <u>-</u> | <u>73,349</u> | <u>4,147,353</u> | <u>58,232</u> | <u>1,115,000</u> |
| EXPENDITURES | | | | | | |
| General Government | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | 45,091 |
| Transportation | - | - | - | - | - | - |
| Economic Development | - | 135,007 | - | - | - | - |
| Education | - | - | - | 8,765,687 | - | - |
| Human Services | - | - | - | - | - | - |
| Cultural and Recreational | - | - | 173,347 | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Total expenditures | <u>-</u> | <u>135,007</u> | <u>173,347</u> | <u>8,765,687</u> | <u>-</u> | <u>45,091</u> |
| Revenues over (under) Expenditures | <u>6,887</u> | <u>(135,007)</u> | <u>(99,998)</u> | <u>(4,618,334)</u> | <u>58,232</u> | <u>1,069,909</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers from other funds | - | - | 552,000 | - | - | 1,440,000 |
| Transfers to other funds | - | - | - | - | (59,154) | - |
| Lease liabilities issued | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>552,000</u> | <u>-</u> | <u>(59,154)</u> | <u>1,440,000</u> |
| Change in Fund Balances | 6,887 | (135,007) | 452,002 | (4,618,334) | (922) | 2,509,909 |
| Fund balance, beginning | <u>4,386,602</u> | <u>447,532</u> | <u>65,093</u> | <u>10,422,369</u> | <u>922</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 4,393,489</u> | <u>\$ 312,525</u> | <u>\$ 517,095</u> | <u>\$ 5,804,035</u> | <u>\$ -</u> | <u>\$ 2,509,909</u> |

(continued)

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

Exhibit C-2
(continued)

| | Capital Project Funds | | | | Total Non-Major Governmental Funds |
|---|--|--|--|---|---|
| | Highspeed Internet Project Fund | Courthouse Expansion Capital Project Fund | State Grants Capital Project Fund | Total Non-Major Capital Project Funds | |
| REVENUES | | | | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - | \$ 4,334,452 |
| Restricted Intergovernmental | - | - | - | 4,194,743 | 7,699,250 |
| Donations | - | - | - | 1,120,000 | 1,120,000 |
| Investment earnings | - | - | - | 9,497 | 13,477 |
| Sales and services | - | - | - | - | 477,780 |
| Miscellaneous | - | - | - | 76,581 | 175,971 |
| Total revenues | - | - | - | 5,400,821 | 13,820,930 |
| EXPENDITURES | | | | | |
| General Government | - | - | - | - | - |
| Public Safety | - | 32,592 | - | 77,683 | 4,848,600 |
| Transportation | - | - | - | - | 6,638 |
| Economic Development | 148,040 | - | - | 283,047 | 2,304,894 |
| Education | - | - | - | 8,765,687 | 9,243,467 |
| Human Services | - | - | - | - | 611,133 |
| Cultural and Recreational | - | - | - | 173,347 | 173,347 |
| Debt Service: | | | | | |
| Principal | - | - | - | - | 27,560 |
| Interest | - | - | - | - | 200 |
| Total expenditures | 148,040 | 32,592 | - | 9,299,764 | 17,215,839 |
| Revenues over (under) Expenditures | (148,040) | (32,592) | - | (3,898,943) | (3,394,909) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers from other funds | - | - | - | 1,992,000 | 1,994,380 |
| Transfers to other funds | - | - | - | (59,154) | (59,154) |
| Lease liabilities issued | - | - | - | - | 56,073 |
| Total other financing sources (uses) | - | - | - | 1,932,846 | 1,991,299 |
| Change in Fund Balances | (148,040) | (32,592) | - | (1,966,097) | (1,403,610) |
| Fund balance, beginning | 741,175 | 41,203 | - | 16,104,896 | 18,460,647 |
| Fund balance, ending | \$ 593,135 | \$ 8,611 | \$ - | \$ 14,138,799 | \$ 17,057,037 |

Nash County, North Carolina
Rural Operating Assistance Program
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|---------------------|--------------------|------------------------------------|
| | Budget | Actual | |
| <u>REVENUES</u> | | | |
| Restricted Intergovernmental - Grants: | | | |
| EDTAP | \$ 82,451 | \$ 82,451 | \$ - |
| Workfirst | 26,676 | 26,676 | - |
| Rural General Public Program | 55,971 | 55,971 | - |
| Total restricted intergovernmental - grants | <u>165,098</u> | <u>165,098</u> | <u>-</u> |
| Total revenues | <u>165,098</u> | <u>165,098</u> | <u>-</u> |
| <u>EXPENDITURES</u> | | | |
| Transportation: | | | |
| EDTAP | 98,090 | 6,144 | 91,946 |
| Workfirst | 28,483 | 494 | 27,989 |
| Rural General Public Program | 89,190 | - | 89,190 |
| Total Expenditures | <u>215,763</u> | <u>6,638</u> | <u>209,125</u> |
| Revenues over (under) expenditures | <u>(50,665)</u> | <u>158,460</u> | <u>209,125</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Appropriated fund balance | <u>50,665</u> | <u>-</u> | <u>(50,665)</u> |
| Total Other Financing Sources (uses) | <u>50,665</u> | <u>-</u> | <u>(50,665)</u> |
| Revenues and Other Sources over (under) Expenditures and other uses | <u>\$ -</u> | <u>158,460</u> | <u>\$ 158,460</u> |
| <u>FUND BALANCE</u> | | | |
| Fund balance, beginning- July 1 | | <u>64,597</u> | |
| Fund balance, ending - June 30 | | <u>\$ 223,057</u> | |

Nash County, North Carolina
Fire Districts Fund
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| <u>REVENUES</u> | | | |
| Ad valorem taxes | \$ 4,107,498 | \$ 4,334,452 | \$ 226,954 |
| Investment earnings | - | 1,253 | 1,253 |
| Total Revenues | <u>4,107,498</u> | <u>4,335,705</u> | <u>228,207</u> |
| <u>EXPENDITURES</u> | | | |
| Public safety: | | | |
| Stanhope | 106,188 | 106,188 | - |
| Stony Creek | 9,577 | 9,577 | - |
| Green Hornet | 211,279 | 211,279 | - |
| Harrison | 222,443 | 222,443 | - |
| Ferrells | 279,543 | 279,543 | - |
| N.S. Gulley | 609,202 | 609,202 | - |
| Silver Lake | 11,413 | 11,413 | - |
| Sims | 9,137 | 9,137 | - |
| Tri-County | 198,224 | 198,224 | - |
| Salem | 200,658 | 200,658 | - |
| West Mount | 494,387 | 494,387 | - |
| Coopers | 338,364 | 338,364 | - |
| Castalia | 203,074 | 203,074 | - |
| Spring Hope | 289,932 | 289,932 | - |
| Middlesex | 176,121 | 176,121 | - |
| Whitakers | 239,523 | 239,523 | - |
| Red Oak | 434,097 | 434,097 | - |
| Momeyer | 175,885 | 175,885 | - |
| Total Expenditures | <u>4,209,047</u> | <u>4,209,047</u> | <u>-</u> |
| Revenues over (under) expenditures | <u>(101,549)</u> | <u>126,658</u> | <u>228,207</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Appropriated fund balance | <u>101,549</u> | - | <u>(101,549)</u> |
| Total Other Financing Sources (uses) | <u>101,549</u> | - | <u>(101,549)</u> |
| Revenues and Other Sources over (under) Expenditures and other uses | <u>\$ -</u> | <u>126,658</u> | <u>\$ 126,658</u> |
| FUND BALANCE | | | |
| Fund balance, beginning- July 1 | | <u>703,110</u> | |
| Fund balance, ending - June 30 | | <u>\$ 829,768</u> | |

Nash County, North Carolina
Emergency Telephone System Fund
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| REVENUES | | | |
| Restricted intergovernmental - Wireless E911 | \$ 341,768 | \$ 384,033 | \$ 42,265 |
| Miscellaneous income | - | 20,556 | 20,556 |
| Investment earnings | - | 1,305 | 1,305 |
| Total Revenues | <u>341,768</u> | <u>405,894</u> | <u>64,126</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| Telephone | 107,000 | 24,104 | 82,896 |
| Software | 219,250 | 133,548 | 85,702 |
| Hardware | 523,000 | 2,100 | 520,900 |
| Training | 8,430 | 6,427 | 2,003 |
| Implementation functions | 59,900 | 900 | 59,000 |
| Total Expenditures | <u>917,580</u> | <u>167,079</u> | <u>750,501</u> |
| Revenues over (under) expenditures | <u>(575,812)</u> | <u>238,815</u> | <u>814,627</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfer from other funds | - | - | - |
| Appropriated fund balance | <u>575,812</u> | <u>-</u> | <u>(575,812)</u> |
| Total Other Financing Sources (uses) | <u>575,812</u> | <u>-</u> | <u>(575,812)</u> |
| Revenues and Other Sources over (under) Expenditures and other uses | <u>\$ -</u> | <u>238,815</u> | <u>\$ 238,815</u> |
| FUND BALANCE | | | |
| Fund balance, beginning- July 1 | | <u>671,611</u> | |
| Fund balance, ending - June 30 | | <u>\$ 910,426</u> | |

PSAP Reconciliation
For the Year Ended June 30, 2022

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

| | |
|---|-------------------|
| Ending fund balance, reported on Budget to Actual | \$ 910,426 |
| Ineligible expenditures reported in Emergency Telephone System Fund | - |
| Ending balance, PSAP Revenue - Expenditure Report | <u>\$ 910,426</u> |

Nash County, North Carolina
 Controlled Substance Fund
 Statement of Revenues, Expenditures
 and Changes In Fund Balance- Budget and Actual
 For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|----------|-----------|------------------------------------|
| | Budget | Actual | |
| <u>REVENUES</u> | | | |
| Controlled substance funds | \$ - | \$ 12,940 | \$ 12,940 |
| Investment earnings | - | 52 | 52 |
| Miscellaneous income | - | 2,600 | 2,600 |
| Total Revenues | - | 15,592 | 15,592 |
| <u>EXPENDITURES</u> | | | |
| Public safety | 15,500 | 11,527 | 3,973 |
| Total Expenditures | 15,500 | 11,527 | 3,973 |
| Revenues over (under) expenditures | (15,500) | 4,065 | 19,565 |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Transfer to other funds | - | - | - |
| Appropriated fund balance | 15,500 | - | (15,500) |
| Total Other Financing Sources (uses) | 15,500 | - | (15,500) |
| Revenues and Other Sources over (under) Expenditures and other uses | \$ - | 4,065 | \$ 4,065 |
| <u>FUND BALANCE</u> | | | |
| Fund balance, beginning- July 1 | | 25,962 | |
| Fund balance, ending - June 30 | | \$ 30,027 | |

**Nash County, North Carolina
Federal Asset Forfeiture Fund
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|--|------------------|-------------------|------------------------------------|
| | Budget | Actual | |
| <u>REVENUES</u> | | | |
| Department of Justice | | | |
| Federal asset forfeitures | \$ 29,785 | \$ 212,988 | \$ 183,203 |
| Miscellaneous income | 23,511 | 24,798 | 1,287 |
| Investment earnings | - | 307 | 307 |
| Total Department of Justice | <u>53,296</u> | <u>238,093</u> | <u>184,797</u> |
| Department of Treasury | | | |
| Federal asset forfeitures | 64,080 | 192,023 | 127,943 |
| Miscellaneous income | 20,807 | 20,807 | - |
| Investment earnings | - | 264 | 264 |
| Total Department of Treasury | <u>84,887</u> | <u>213,094</u> | <u>128,207</u> |
| Total Revenues | <u>138,183</u> | <u>451,187</u> | <u>313,004</u> |
| <u>EXPENDITURES</u> | | | |
| Public safety - Department of Justice | 210,070 | 171,674 | 38,396 |
| Public safety - Department of Treasury | 244,535 | 211,590 | 32,945 |
| Total Expenditures | <u>454,605</u> | <u>383,264</u> | <u>71,341</u> |
| Revenues over (under) expenditures | <u>(316,422)</u> | <u>67,923</u> | <u>384,345</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Appropriated fund balance | <u>316,422</u> | <u>-</u> | <u>(316,422)</u> |
| Total Other Financing Sources (uses) | <u>316,422</u> | <u>-</u> | <u>(316,422)</u> |
| Revenues and Other Sources over (under) Expenditures and other uses | <u>\$ -</u> | <u>67,923</u> | <u>\$ 67,923</u> |
| FUND BALANCE | | | |
| Fund balance, beginning- July 1 | | <u>328,623</u> | |
| Fund balance, ending - June 30 | | <u>\$ 396,546</u> | |

**Nash County, North Carolina
Stormwater Maintenance Fund
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | Variance Positive (Negative) |
|--|--------|-----------|------------------------------------|
| | Budget | Actual | |
| <u>REVENUES</u> | | | |
| Stormwater maintenance fees | \$ - | \$ 23,700 | \$ 23,700 |
| Investment earnings | - | 118 | 118 |
| Total Revenues | - | 23,818 | 23,818 |
| Revenues over (under) expenditures | - | 23,818 | 23,818 |
| Revenues and Other Sources over (under) Expenditures and other uses | \$ - | 23,818 | \$ 23,818 |
| <u>FUND BALANCE</u> | | | |
| Fund balance, beginning- July 1 | | 56,935 | |
| Fund balance, ending - June 30 | | \$ 80,753 | |

Nash County, North Carolina
Tourism Fund
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|----------------|-------------------|------------------------------------|
| | Budget | Actual | |
| REVENUES | | | |
| Restricted intergovernmental | \$ 600,000 | \$ 600,000 | \$ - |
| Investment earnings | - | 623 | 623 |
| Total Revenues | <u>600,000</u> | <u>600,623</u> | <u>623</u> |
| EXPENDITURES | | | |
| Economic and physical development: | | | |
| Salaries | 83,468 | 83,386 | 82 |
| Operating expenditures | 488,771 | 504,200 | (15,429) |
| Debt Service: | | | |
| Principal | 27,561 | 27,560 | 1 |
| Interest | 200 | 200 | - |
| Total Expenditures | <u>600,000</u> | <u>615,346</u> | <u>(15,346)</u> |
| Revenues over (under) expenditures | <u>-</u> | <u>(14,723)</u> | <u>(14,723)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Lease liabilities issued | - | 56,073 | 56,073 |
| Total Other Financing Sources (uses) | <u>-</u> | <u>56,073</u> | <u>56,073</u> |
| Revenues and Other Sources over (under) Expenditures and other uses | <u>\$ -</u> | <u>41,350</u> | <u>\$ 41,350</u> |
| FUND BALANCE | | | |
| Fund balance, beginning- July 1 | | <u>389,862</u> | |
| Fund balance, ending - June 30 | | <u>\$ 431,212</u> | |

**Nash County, North Carolina
 Homeland Security Grant
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022**

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|----------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Public Safety: | | | | | |
| Homeland Security Grant 2018 | \$ 96,000 | \$ 96,000 | \$ - | \$ 96,000 | \$ - |
| Homeland Security Grant 2019 | 15,000 | 14,864 | - | 14,864 | (136) |
| Homeland Security Grant 2020 | 17,000 | 16,480 | - | 16,480 | (520) |
| Investment earnings | - | 207 | - | 207 | 207 |
| Total Revenue | <u>128,000</u> | <u>127,551</u> | <u>-</u> | <u>127,551</u> | <u>(449)</u> |
| EXPENDITURES | | | | | |
| Public Safety: | | | | | |
| Supplies | 15,000 | 14,864 | - | 14,864 | 136 |
| Equipment | 113,000 | 112,480 | - | 112,480 | 520 |
| Total | <u>128,000</u> | <u>127,344</u> | <u>-</u> | <u>127,344</u> | <u>656</u> |
| Revenues over (under) expenditures | <u>-</u> | <u>207</u> | <u>-</u> | <u>207</u> | <u>207</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Appropriated fund balance | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 207</u> | <u>-</u> | <u>\$ 207</u> | <u>\$ 207</u> |
| Fund balance, beginning | | | <u>207</u> | | |
| Fund balance, ending | | | <u>\$ 207</u> | | |

Nash County, North Carolina
Single Family Rehabilitation
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|------------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Economic and physical development: | | | | | |
| Single Family Rehabilitation Grant 2017 | \$ 980,000 | \$ 864,829 | \$ - | \$ 864,829 | \$ (115,171) |
| Single Family Rehabilitation Disaster Recovery | 850,000 | 520,411 | 44,873 | 565,284 | (284,716) |
| Single Family Rehabilitation Grant 2020 | 320,000 | - | 51,420 | 51,420 | (268,580) |
| Total Revenue | <u>2,150,000</u> | <u>1,385,240</u> | <u>96,293</u> | <u>1,481,533</u> | <u>(668,467)</u> |
| EXPENDITURES | | | | | |
| Economic and physical development: | | | | | |
| Single Family Rehabilitation Grant 2017 | 980,000 | 864,830 | - | 864,830 | 115,170 |
| Single Family Rehabilitation Disaster Recovery | 850,000 | 520,904 | 44,873 | 565,777 | 284,223 |
| Single Family Rehabilitation Grant 2020 | 320,000 | - | 51,420 | 51,420 | 268,580 |
| Total | <u>2,150,000</u> | <u>1,385,734</u> | <u>96,293</u> | <u>1,482,027</u> | <u>667,973</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ (494)</u> | - | <u>\$ (494)</u> | <u>\$ (494)</u> |
| Fund balance, beginning | | | <u>(494)</u> | | |
| Fund balance, ending | | | <u>\$ (494)</u> | | |

Nash County, North Carolina
Urgent Repair Program
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|------------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Economic and physical development: | | | | | |
| Urgent Repair Grant 2019 | \$ 75,000 | \$ 75,000 | \$ - | \$ 75,000 | \$ - |
| Urgent Repair Grant 2020 | 100,000 | 50,000 | 49,958 | 99,958 | (42) |
| Investment earnings | 334 | 366 | 10 | 376 | 42 |
| Total Revenue | <u>175,334</u> | <u>125,366</u> | <u>49,968</u> | <u>175,334</u> | <u>-</u> |
| EXPENDITURES | | | | | |
| Economic and physical development: | | | | | |
| Urgent Repair Project 2019 | 80,307 | 80,307 | - | 80,307 | - |
| Urgent Repair Project 2019 - Payback | 27 | 27 | - | 27 | - |
| Urgent Repair Project 2020 | 100,000 | - | 100,000 | 100,000 | - |
| Total | <u>180,334</u> | <u>80,334</u> | <u>100,000</u> | <u>180,334</u> | <u>-</u> |
| Revenues over (under) expenditures | <u>(5,000)</u> | <u>45,032</u> | <u>(50,032)</u> | <u>(5,000)</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer from other funds | 5,000 | 5,000 | - | 5,000 | - |
| Total Other Financing Sources (Uses) | <u>5,000</u> | <u>5,000</u> | <u>-</u> | <u>5,000</u> | <u>-</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 50,032</u> | <u>(50,032)</u> | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance, beginning | | | <u>50,032</u> | | |
| Fund balance, ending | | | <u>\$ -</u> | | |

Nash County, North Carolina
CDBG Grant Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|----------------|---------------------------|---------------------|------------------------------------|
| REVENUES | | | | | |
| Community Development Grants: | | | | | |
| CDBG - Neighborhood revitalization grant | \$ 750,000 | \$ 294,223 | \$ 436,540 | \$ 730,763 | \$ (19,237) |
| CDBG - Building Reuse - First Wave Innovation | 400,000 | - | - | - | (400,000) |
| CDBG - Building Reuse - The Crump Group | 750,000 | - | - | - | (750,000) |
| Disaster Recovery: | | | | | |
| CDBG - Disaster Recovery | 493,071 | 242,429 | 111,085 | 353,514 | (139,557) |
| Golden Leaf - Disaster Recovery | 500,000 | 372,103 | 127,897 | 500,000 | - |
| Town of Nashville - Match | 24,489 | - | 24,489 | 24,489 | - |
| Miscellaneous Income | - | 6,686 | - | 6,686 | 6,686 |
| Total Revenue | <u>2,917,560</u> | <u>915,441</u> | <u>700,011</u> | <u>1,615,452</u> | <u>(1,302,108)</u> |
| EXPENDITURES | | | | | |
| Economic and physical development: | | | | | |
| Community Development Grants: | | | | | |
| Neighborhood revitalization | 755,000 | 299,222 | 436,144 | 735,366 | 19,634 |
| CDBG - Building Reuse - First Wave Innovation | 400,000 | - | - | - | 400,000 |
| CDBG - Building Reuse - The Crump Group | 750,000 | - | 47 | 47 | 749,953 |
| Disaster recovery | | | | | |
| Golden Leaf Drainage Improvement | 500,000 | 372,103 | 127,897 | 500,000 | - |
| Drainage Improvements | 495,888 | 246,351 | 237,633 | 483,984 | 11,904 |
| Project Delivery | 21,672 | 2,765 | 80 | 2,845 | 18,827 |
| Total | <u>2,922,560</u> | <u>920,441</u> | <u>801,801</u> | <u>1,722,242</u> | <u>1,200,318</u> |
| Revenues over (under) expenditures | <u>(5,000)</u> | <u>(5,000)</u> | <u>(101,790)</u> | <u>(106,790)</u> | <u>(101,790)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer from other funds | 5,000 | 5,000 | - | 5,000 | - |
| Total Other Financing Sources (Uses) | <u>5,000</u> | <u>5,000</u> | <u>-</u> | <u>5,000</u> | <u>-</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ -</u> | <u>(101,790)</u> | <u>\$ (101,790)</u> | <u>\$ (101,790)</u> |
| Fund balance, beginning | | | <u>-</u> | | |
| Fund balance, ending | | | <u>\$ (101,790)</u> | | |

Nash County, North Carolina
Hazard Mitigation Plan Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|----------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Restricted Intergovernmental: | | | | | |
| Hazard Mitigation Hurricane Matthew | \$ 516,912 | \$ 330,965 | \$ 34,844 | \$ 365,809 | \$ (151,103) |
| SARF Buyout Program | 181,500 | 63,328 | - | 63,328 | (118,172) |
| Total Revenue | <u>698,412</u> | <u>394,293</u> | <u>34,844</u> | <u>429,137</u> | <u>(269,275)</u> |
| EXPENDITURES | | | | | |
| Economic and physical development: | | | | | |
| Hazard Mitigation Hurricane Matthew | 516,912 | 330,965 | 34,844 | 365,809 | 151,103 |
| SARF Guyout Program | 181,500 | 63,328 | - | 63,328 | 118,172 |
| Total | <u>698,412</u> | <u>394,293</u> | <u>34,844</u> | <u>429,137</u> | <u>269,275</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance, beginning | | | <u>-</u> | | |
| Fund balance, ending | | | <u>\$ -</u> | | |

Nash County, North Carolina
Storm Debris Removal Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|------------------------------------|--------------------------|----------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Restricted Intergovernmental: | | | | | |
| NC Division of Soil and Water | \$ 738,749 | \$ 273,280 | \$ 385,263 | \$ 658,543 | \$ (80,206) |
| Golden Leaf | 99,256 | 99,255 | - | 99,255 | (1) |
| Total Revenue | <u>838,005</u> | <u>372,535</u> | <u>385,263</u> | <u>757,798</u> | <u>(80,207)</u> |
| EXPENDITURES | | | | | |
| Economic and physical development: | | | | | |
| Stoney Creek Debris Removal | 202,084 | 202,084 | - | 202,084 | - |
| Tar River Debris Removal | 182,012 | 170,451 | 2,763 | 173,214 | 8,798 |
| Fishing Creek Debris Removal | 453,909 | - | 382,500 | 382,500 | 71,409 |
| Total | <u>838,005</u> | <u>372,535</u> | <u>385,263</u> | <u>757,798</u> | <u>80,207</u> |
| Revenues over (under) expenditures | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance, beginning | | | - | | |
| Fund balance, ending | | | <u>\$ -</u> | | |

Nash County, North Carolina
COVID-19 Grant Project
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2022

Exhibit C-16

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|---|--------------------------|------------------|---------------------------|-------------------|------------------------------------|
| REVENUES | | | | | |
| Restricted Intergovernmental: | | | | | |
| NC Department of Social Services - APS/CPS | \$ 59,781 | \$ 57,492 | \$ 2,236 | \$ 59,728 | \$ (53) |
| NC Department of Public Health - COVID -19 Funding | 1,894,300 | 254,026 | 82,408 | 336,434 | (1,557,866) |
| HCCBG - COVID-19 Funding | 92,619 | 89,860 | - | 89,860 | (2,759) |
| Coronavirus Relief Fund - CARES Act | 3,615,497 | 3,614,392 | - | 3,614,392 | (1,105) |
| BJA Coronavirus Supplemental Funding | 58,008 | 34,336 | 23,672 | 58,008 | - |
| Election Operations - CARES Act Funding | 257,687 | 164,192 | (3,505) | 160,687 | (97,000) |
| HHS Stimulus Provider Relief- CARES Act | 149,551 | 147,228 | - | 147,228 | (2,323) |
| Farmers Market - CARES Act | 390,089 | 94,229 | 295,867 | 390,096 | 7 |
| Investment Earnings | - | 1,334 | 15 | 1,349 | 1,349 |
| Total Revenues | <u>6,517,532</u> | <u>4,457,089</u> | <u>400,693</u> | <u>4,857,782</u> | <u>(1,659,750)</u> |
| EXPENDITURES | | | | | |
| Public Health | | | | | |
| NC Department of Social Services - APS/CPS | 59,781 | 57,493 | 2,236 | 59,729 | 52 |
| NC Department of Public Health - COVID -19 Funding | 1,894,300 | 251,428 | 92,123 | 343,551 | 1,550,749 |
| HCCBG - COVID-19 Funding | 92,619 | 89,870 | - | 89,870 | 2,749 |
| Coronavirus Relief Fund - CARES Act | 3,615,497 | 3,579,394 | 36,336 | 3,615,730 | (233) |
| BJA Coronavirus Supplemental Funding | 58,008 | 34,336 | 23,672 | 58,008 | - |
| Election Operations - CARES Act Funding | 257,687 | 163,131 | (2,444) | 160,687 | 97,000 |
| HHS Stimulus Provider Relief- CARES Act | 149,551 | 147,228 | - | 147,228 | 2,323 |
| Farmers Market - CARES Act | 91,691 | 86,904 | - | 86,904 | 4,787 |
| Farmers Market | 298,398 | - | 298,398 | 298,398 | - |
| Total Expenditures | <u>6,517,532</u> | <u>4,409,784</u> | <u>450,321</u> | <u>4,860,105</u> | <u>1,657,427</u> |
| Revenues over (under) expenditures | <u>\$ -</u> | <u>\$ 47,305</u> | <u>(49,628)</u> | <u>\$ (2,323)</u> | <u>\$ (2,323)</u> |
| Fund balance, beginning | | | <u>47,305</u> | | |
| Fund balance, ending | | | <u>\$ (2,323)</u> | | |

Nash County, North Carolina
Representative Payee Fund
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | |
|--|--------------|------------|--------------|
| | Final Budget | Actual | Variance |
| Revenues: | | | |
| Restricted intergovernmental | \$ 350,000 | \$ 107,594 | \$ (242,406) |
| Investment earnings | - | 33 | 33 |
| Total Revenues | 350,000 | 107,627 | (242,373) |
| Expenditures: | | | |
| Human services | | | |
| Payments made for the benefit of beneficiaries | 350,000 | 106,795 | 243,205 |
| Other Financing Sources(Uses): | | | |
| Fund Balance Appropriated | - | - | - |
| Net change in fund balance | \$ - | 832 | \$ 832 |
| Fund balance, beginning | | 18,001 | |
| Fund balance, ending | | \$ 18,833 | |

**Nash County, North Carolina
Fines and Forfeitures Fund
Statement of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022**

| | 2022 | | |
|---|--------------|-------------|-------------|
| | Final Budget | Actual | Variance |
| Revenues: | | | |
| Sales and Services | | | |
| Penalties, fines, and forfeitures | \$ 475,000 | \$ 477,780 | \$ 2,780 |
| Expenditures: | | | |
| Education | | | |
| Payments of penalties, fines and forfeitures to the Board of Education | 475,000 | 477,780 | (2,780) |
| Other Financing Sources(Uses): | | | |
| Fund Balance Appropriated | - | - | - |
| Net change in fund balance | <u>\$ -</u> | - | <u>\$ -</u> |
| Fund balance, beginning, as previously reported | | - | |
| Prior Period Restatement - change in accounting principle | | - | |
| Fund balance, beginning, as restated | | - | |
| Fund balance, ending | | <u>\$ -</u> | |

Nash County, North Carolina
 CDBG - Coronavirus Relief Grant Fund
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|------------------------------------|--------------------------|----------------|---------------------------|-------------------|------------------------------------|
| <u>REVENUES</u> | | | | | |
| Restricted Intergovernmental: | | | | | |
| CDBG-CV | \$ 874,232 | \$ 25,768 | \$ 52,973 | \$ 78,741 | \$ (795,491) |
| Total Revenue | <u>874,232</u> | <u>25,768</u> | <u>52,973</u> | <u>78,741</u> | <u>(795,491)</u> |
| <u>EXPENDITURES</u> | | | | | |
| Public Health | | | | | |
| Grant Administration | 64,744 | 25,256 | 36,311 | 61,567 | 3,177 |
| Public Facilities | 404,488 | 512 | 12,900 | 13,412 | 391,076 |
| Public Services | 405,000 | - | 4,806 | 4,806 | 400,194 |
| Total | <u>874,232</u> | <u>25,768</u> | <u>54,017</u> | <u>79,785</u> | <u>794,447</u> |
| Revenues over (under) expenditures | <u>\$ -</u> | <u>\$ -</u> | (1,044) | <u>\$ (1,044)</u> | <u>\$ (1,044)</u> |
| Fund balance, beginning | | | - | | |
| Fund balance, ending | | | <u>\$ (1,044)</u> | | |

Nash County, North Carolina
Abandoned Manufactured Homes
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|---|--------------------------|----------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Restricted Intergovernmental: | | | | | |
| Abandoned Manufactured Homes | \$ 27,000 | \$ - | \$ 10,600 | \$ 10,600 | \$ (16,400) |
| Contribution from Clients | 6,140 | - | 6,140 | 6,140 | - |
| Total Revenue | <u>33,140</u> | <u>-</u> | <u>16,740</u> | <u>16,740</u> | <u>(16,400)</u> |
| EXPENDITURES | | | | | |
| Economic and physical development: | | | | | |
| Abandoned Manufactured Homes | 35,520 | - | 16,020 | 16,020 | 19,500 |
| Total | <u>35,520</u> | <u>-</u> | <u>16,020</u> | <u>16,020</u> | <u>19,500</u> |
| Revenues over (under) expenditures | <u>(2,380)</u> | <u>-</u> | <u>720</u> | <u>720</u> | <u>3,100</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer from other funds | 2,380 | - | 2,380 | 2,380 | - |
| Total Other Financing Sources (Uses) | <u>2,380</u> | <u>-</u> | <u>2,380</u> | <u>2,380</u> | <u>-</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Sources | <u>\$ -</u> | <u>\$ -</u> | 3,100 | <u>\$ 3,100</u> | <u>\$ 3,100</u> |
| Fund balance, beginning | | | <u>-</u> | | |
| Fund balance, ending | | | <u>\$ 3,100</u> | | |

Nash County, North Carolina
 US Department of Housing and Urban Development - Downeast Home Consortium
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|---|--------------------------|----------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Restricted Intergovernmental: | | | | | |
| City of Rocky Mount | \$ 1,062,953 | \$ - | \$ 100,000 | \$ 100,000 | \$ (962,953) |
| Total Revenue | <u>1,062,953</u> | <u>-</u> | <u>100,000</u> | <u>100,000</u> | <u>(962,953)</u> |
| EXPENDITURES | | | | | |
| Economic and physical development: | | | | | |
| Administration | 106,208 | - | 40 | 40 | 106,168 |
| Housing Rehabilitation | 956,745 | - | - | - | 956,745 |
| Total | <u>1,062,953</u> | <u>-</u> | <u>40</u> | <u>40</u> | <u>1,062,913</u> |
| Revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>99,960</u> | <u>99,960</u> | <u>99,960</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer from other funds | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Sources | <u>\$ -</u> | <u>\$ -</u> | <u>99,960</u> | <u>\$ 99,960</u> | <u>\$ 99,960</u> |
| Fund balance, beginning | | | <u>-</u> | | |
| Fund balance, ending | | | <u>\$ 99,960</u> | | |

Nash County, North Carolina
Capital Reserve Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|--|-------------|---------------------|------------------------------------|
| | Budget | Actual | |
| <u>REVENUES</u> | | | |
| Investment earnings | \$ - | \$ 6,887 | \$ 6,887 |
| Revenues over (under) expenditures | - | 6,887 | 6,887 |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Transfer from other funds | - | - | - |
| Total Other Financing Sources (uses) | - | - | - |
| Revenues and other sources over (under) expenditures and other uses | <u>\$ -</u> | <u>6,887</u> | <u>\$ 6,887</u> |
| Fund balance, beginning -July 1 | | <u>4,386,602</u> | |
| Fund balance, ending- June 30 | | <u>\$ 4,393,489</u> | |

Nash County, North Carolina
Middlesex Industrial Park
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Actual | | Total to Date | Variance Positive (Negative) |
|--|--------------------------|-------------------|-------------------|-------------------|------------------------------------|
| | | Prior Years | Current Year | | |
| REVENUES | | | | | |
| Duke Energy Grant | \$ 25,000 | \$ 25,000 | \$ - | \$ 25,000 | \$ - |
| Golden Leaf Foundation | 1,250,000 | 1,250,000 | - | 1,250,000 | - |
| NC Commerce Rural Ready Grant | 1,514,600 | 1,514,600 | - | 1,514,600 | - |
| Miscellaneous Revenue | - | 8,108 | - | 8,108 | 8,108 |
| Total Revenue | <u>2,789,600</u> | <u>2,797,708</u> | <u>-</u> | <u>2,797,708</u> | <u>8,108</u> |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Golden Leaf Middlesex Park Project | 1,250,000 | 1,250,000 | - | 1,250,000 | - |
| NC Commerce Middlesex Park Project | 1,514,600 | 1,514,600 | - | 1,514,600 | - |
| Water, Sewer, Road, Tank & Water Loop | 891,365 | 451,941 | 135,007 | 586,948 | 304,417 |
| Total | <u>3,655,965</u> | <u>3,216,541</u> | <u>135,007</u> | <u>3,351,548</u> | <u>304,417</u> |
| Revenues over (under) expenditures | <u>(866,365)</u> | <u>(418,833)</u> | <u>(135,007)</u> | <u>(553,840)</u> | <u>312,525</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer from other project - Park Improvements | 555,165 | 555,165 | - | 555,165 | - |
| Transfers from General Fund | 124,000 | 124,000 | - | 124,000 | - |
| Transfers from Economic Development | 187,200 | 187,200 | - | 187,200 | - |
| Total Other Financing Sources (Uses) | <u>866,365</u> | <u>866,365</u> | <u>-</u> | <u>866,365</u> | <u>-</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 447,532</u> | <u>(135,007)</u> | <u>\$ 312,525</u> | <u>\$ 312,525</u> |
| Fund balance, beginning | | | <u>447,532</u> | | |
| Fund balance, ending | | | <u>\$ 312,525</u> | | |

Nash County, North Carolina
Senior Center/Miracle Park Capital Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

Exhibit C-24

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|----------------|---------------------------|------------------|------------------------------------|
| REVENUES | | | | | |
| Senior Center Project | | | | | |
| Miscellaneous revenue | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Senior Center Project revenues | - | - | - | - | - |
| Miracle Park Project | | | | | |
| PARTF Grant | 500,000 | 450,000 | 50,000 | 500,000 | - |
| DNCR Park Grant | 125,000 | 125,000 | - | 125,000 | - |
| Trillium Health Resource Grant | 750,000 | 750,000 | - | 750,000 | - |
| Major League Baseball Grant | 60,000 | 60,000 | - | 60,000 | - |
| Donations | 256,000 | 201,000 | 20,000 | 221,000 | (35,000) |
| Miscellaneous Revenue | 12,207 | 8,857 | 3,349 | 12,206 | (1) |
| Total Miracle Park Project revenues | 1,703,207 | 1,594,857 | 73,349 | 1,668,206 | (35,001) |
| Total revenues | 1,703,207 | 1,594,857 | 73,349 | 1,668,206 | (35,001) |
| EXPENDITURES | | | | | |
| Miracle Park Project | | | | | |
| Equipment Supply | 44,939 | 44,845 | - | 44,845 | 94 |
| Construction | 1,751,865 | 1,578,517 | 173,347 | 1,751,864 | 1 |
| Equipment | 488,032 | 488,031 | - | 488,031 | 1 |
| Property acquisition | 209,835 | 209,835 | - | 209,835 | - |
| Legal and professional services | 14,563 | 14,563 | - | 14,563 | - |
| Engineering, survey, and design | 111,973 | 111,973 | - | 111,973 | - |
| Contingency | 125,000 | - | - | - | 125,000 |
| Total Miracle Park Project expenditures | 2,746,207 | 2,447,764 | 173,347 | 2,621,111 | 125,096 |
| Total expenditures | 2,746,207 | 2,447,764 | 173,347 | 2,621,111 | 125,096 |
| Revenues over (under) expenditures | (1,043,000) | (852,907) | (99,998) | (952,905) | 90,095 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Miracle Park Project | | | | | |
| Transfers from other funds | 1,043,000 | 643,000 | 552,000 | 1,195,000 | 152,000 |
| Total Other Financing Sources (Uses) | 1,043,000 | 643,000 | 552,000 | 1,195,000 | 152,000 |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | \$ - | \$ (209,907) | 452,002 | \$ 242,095 | \$ 242,095 |
| Fund balance, beginning | | | 65,093 | | |
| Fund balance, ending | | | \$ 517,095 | | |

Nash County, North Carolina
School Capital Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Year Ended June 30, 2022

| | Project Authorization | Actual | | Actual Total to Date | Variance Positive (Negative) |
|--|--------------------------|--------------------------|---------------------------|----------------------------|------------------------------------|
| | | Actual Prior Years | Actual Current Year | | |
| REVENUES | | | | | |
| New Elementary School | | | | | |
| NEEDS Based Grant | \$ 10,000,000 | \$ 454,975 | \$ 4,144,743 | \$ 4,599,718 | \$ (5,400,282) |
| Interest on investments | 3,500 | 844 | 2,610 | 3,454 | (46) |
| Total Revenue | <u>10,003,500</u> | <u>455,819</u> | <u>4,147,353</u> | <u>4,603,172</u> | <u>(5,400,328)</u> |
| EXPENDITURES | | | | | |
| Education: | | | | | |
| Nash County New Elementary School | | | | | |
| Legal services | 150,000 | 120,149 | - | 120,149 | 29,851 |
| Architectural services | 1,107,000 | 800,806 | 143,910 | 944,716 | 162,284 |
| Professional services | 13,500 | 9,299 | 3,196 | 12,495 | 1,005 |
| Construction | 16,934,000 | 3,196 | 8,517,331 | 8,520,527 | 8,413,473 |
| Furniture and Fixtures | 475,000 | - | - | - | 475,000 |
| Technology | 375,000 | - | - | - | 375,000 |
| Equipment | 345,000 | - | - | - | 345,000 |
| Contingency | 754,000 | - | - | - | 754,000 |
| New Elementary School Project Expenditures | <u>20,153,500</u> | <u>933,450</u> | <u>8,664,437</u> | <u>9,597,887</u> | <u>10,555,613</u> |
| Northern Nash Fieldhouse | | | | | |
| Architectural services | 135,000 | - | 101,250 | 101,250 | 33,750 |
| Professional services | 40,000 | - | - | - | 40,000 |
| Construction | 300,000 | - | - | - | 300,000 |
| Contingency | 275,000 | - | - | - | 275,000 |
| Total Fieldhouse Expenditures | <u>750,000</u> | <u>-</u> | <u>101,250</u> | <u>101,250</u> | <u>648,750</u> |
| Total expenditures | <u>20,903,500</u> | <u>933,450</u> | <u>8,765,687</u> | <u>9,699,137</u> | <u>11,204,363</u> |
| Revenues over (under) expenditures | <u>(10,900,000)</u> | <u>(477,631)</u> | <u>(4,618,334)</u> | <u>(5,095,965)</u> | <u>5,804,035</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| New Elementary School Project | | | | | |
| Transfer from other funds | 750,000 | 750,000 | - | 750,000 | - |
| Transfer to other funds | (750,000) | - | (750,000) | (750,000) | - |
| Northern Nash Fieldhouse | | | | | |
| Transfer from other funds | 750,000 | - | 750,000 | 750,000 | - |
| Proceeds from installment purchases issued | 10,150,000 | 10,150,000 | - | 10,150,000 | - |
| Appropriated fund balance | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>10,900,000</u> | <u>10,900,000</u> | <u>-</u> | <u>10,900,000</u> | <u>-</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 10,422,369</u> | <u>(4,618,334)</u> | <u>\$ 5,804,035</u> | <u>\$ 5,804,035</u> |
| Fund balance, beginning | | | <u>10,422,369</u> | | |
| Fund balance, ending | | | <u>\$ 5,804,035</u> | | |

Nash County, North Carolina
Public Safety Radio Project Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|--------------------|---------------------------|--------------------|------------------------------------|
| REVENUES | | | | | |
| Restricted intergovernmental: | | | | | |
| Fire Department Reimbursements | \$ 430,391 | \$ 275,341 | \$ 58,232 | \$ 333,573 | \$ (96,818) |
| Investment earnings | 4,823 | 4,726 | - | 4,726 | (97) |
| Total Revenue | <u>435,214</u> | <u>280,067</u> | <u>58,232</u> | <u>338,299</u> | <u>(96,915)</u> |
| EXPENDITURES | | | | | |
| Public Safety: | | | | | |
| Construction | 995,200 | 58,593 | - | 58,593 | 936,607 |
| Equipment | 2,121,211 | 2,121,211 | - | 2,121,211 | - |
| Legal and professional services | 22,923 | 22,923 | - | 22,923 | - |
| Total | <u>3,139,334</u> | <u>2,202,727</u> | <u>-</u> | <u>2,202,727</u> | <u>936,607</u> |
| Revenues over (under) expenditures | <u>(2,704,120)</u> | <u>(1,922,660)</u> | <u>58,232</u> | <u>(1,864,428)</u> | <u>839,692</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Long-term debt issued | 3,200,000 | 3,200,000 | - | 3,200,000 | - |
| Transfers from other funds | 3,200,000 | 2,263,393 | - | 2,263,393 | (936,607) |
| Transfers to other funds | (3,695,880) | (3,598,792) | (59,154) | (3,657,946) | 37,934 |
| Total Other Financing Sources (Uses) | <u>2,704,120</u> | <u>1,864,601</u> | <u>(59,154)</u> | <u>1,805,447</u> | <u>(898,673)</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ (58,059)</u> | <u>(922)</u> | <u>\$ (58,981)</u> | <u>\$ (58,981)</u> |
| Fund balance, beginning | | | <u>922</u> | | |
| Fund balance, ending | | | <u>\$ -</u> | | |

Nash County, North Carolina
Animal Facility Project Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|----------------|---------------------------|---------------------|------------------------------------|
| REVENUES | | | | | |
| Donations - Animal Control | \$ 1,100,000 | \$ - | \$ 1,100,000 | \$ 1,100,000 | \$ - |
| Miscellaneous Income | 15,000 | - | 15,000 | 15,000 | - |
| Total Revenue | <u>1,115,000</u> | <u>-</u> | <u>1,115,000</u> | <u>1,115,000</u> | <u>-</u> |
| EXPENDITURES | | | | | |
| Public Safety | | | | | |
| Office Equipment and Furniture | 65,000 | - | - | - | 65,000 |
| Construction | 2,395,400 | - | - | - | 2,395,400 |
| Capitalized Legal / Admin Services | 5,000 | - | 940 | 940 | 4,060 |
| Design and Engineering | 75,000 | - | 44,151 | 44,151 | 30,849 |
| Contingency | 14,600 | - | - | - | 14,600 |
| Total | <u>2,555,000</u> | <u>-</u> | <u>45,091</u> | <u>45,091</u> | <u>2,509,909</u> |
| Revenues over (under) expenditures | <u>(1,440,000)</u> | <u>-</u> | <u>1,069,909</u> | <u>1,069,909</u> | <u>2,509,909</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers from other funds | 1,440,000 | - | 1,440,000 | 1,440,000 | - |
| Appropriated fund balance | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>1,440,000</u> | <u>-</u> | <u>1,440,000</u> | <u>1,440,000</u> | <u>-</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ -</u> | <u>2,509,909</u> | <u>\$ 2,509,909</u> | <u>\$ 2,509,909</u> |
| Fund balance, beginning | | | <u>-</u> | | |
| Fund balance, ending | | | <u>\$ 2,509,909</u> | | |

Nash County, North Carolina
 Highspeed Internet Project Fund
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Variance Positive (Negative) |
|--|--------------------------|--------------------|---------------------------|--------------------|------------------------------------|
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Legal and administration | \$ 6,000 | \$ 6,825 | \$ 540 | \$ 7,365 | \$ (1,365) |
| Pilot Program | 336,500 | 332,000 | - | 332,000 | 4,500 |
| Program (Ph 2) | 950,400 | 950,400 | - | 950,400 | - |
| Program (Ph 3) | 1,475,000 | 737,500 | 147,500 | 885,000 | 590,000 |
| Total | <u>2,767,900</u> | <u>2,026,725</u> | <u>148,040</u> | <u>2,174,765</u> | <u>593,135</u> |
| Revenues over (under) expenditures | <u>(2,767,900)</u> | <u>(2,026,725)</u> | <u>(148,040)</u> | <u>(2,174,765)</u> | <u>593,135</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers from other funds | <u>2,767,900</u> | <u>2,767,900</u> | <u>-</u> | <u>2,767,900</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>2,767,900</u> | <u>2,767,900</u> | <u>-</u> | <u>2,767,900</u> | <u>-</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 741,175</u> | <u>(148,040)</u> | <u>\$ 593,135</u> | <u>\$ 593,135</u> |
| Fund balance, beginning | | | <u>741,175</u> | | |
| Fund balance, ending | | | <u>\$ 593,135</u> | | |

Nash County, North Carolina
Courthouse Expansion Capital Project Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Actual | | | Total to Date | Variance Positive (Negative) |
|--|--------------------------|----------------|-----------------|-------------------|------------------|------------------------------------|
| | | Prior Years | Current Year | Closed Project | | |
| REVENUES | | | | | | |
| Sales tax refund | \$ 105,940 | \$ - | \$ - | \$ - | \$ - | \$ (105,940) |
| Interest on investments | 150,168 | - | - | - | - | (150,168) |
| Total Revenue | 256,108 | - | - | - | - | (256,108) |
| EXPENDITURES | | | | | | |
| Capital Outlay: | | | | | | |
| Public Safety: | | | | | | |
| Construction | 13,375,059 | - | 32,592 | (32,592) | - | 13,342,467 |
| Legal and professional services | 175,352 | - | - | - | - | 175,352 |
| Engineering, survey, and design | 904,647 | - | - | - | - | 904,647 |
| Total | 14,455,058 | - | 32,592 | (32,592) | - | 14,422,466 |
| Revenues over (under) expenditures | (14,198,950) | - | (32,592) | 32,592 | - | 14,166,358 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfer from other funds | 2,000,000 | 41,203 | - | (32,592) | 8,611 | (1,958,797) |
| Transfer to other funds | (1,801,050) | - | - | - | - | 1,801,050 |
| Issuance of debt | 14,000,000 | - | - | - | - | (14,000,000) |
| Total Other Financing Sources (Uses) | 14,198,950 | 41,203 | - | (32,592) | 8,611 | (14,157,747) |
| Revenues and Other Financing Sources | | | | | | |
| Over (Under) Expenditures and Other Uses | \$ - | \$ 41,203 | (32,592) | \$ - | \$ 8,611 | \$ 8,611 |
| Fund balance, beginning | | | 41,203 | | | |
| Fund balance, ending | | | \$ 8,611 | | | |

Nash County, North Carolina
State Grant Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2022

| | Project Authorization | Actual | | | Variance Positive (Negative) |
|------------------------------------|--------------------------|----------------|-----------------|------------------|------------------------------------|
| | | Prior Years | Current Year | Total to Date | |
| REVENUES | | | | | |
| Office of State Budget | \$ 1,000,000 | \$ - | \$ - | \$ - | \$ (1,000,000) |
| NC Dept of Public Safety | 84,270 | - | - | - | (84,270) |
| Total Revenue | <u>1,084,270</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,084,270)</u> |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Construction | 1,000,000 | - | - | - | 1,000,000 |
| Public Safety | | | | | |
| Vehicle - Grant | 84,270 | - | - | - | 84,270 |
| Total | <u>1,084,270</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,084,270</u> |
| Revenues over (under) expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance, beginning | | | <u>-</u> | | |
| Fund balance, ending | | | <u>\$ -</u> | | |

ENTERPRISE FUNDS

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

- **Water and Sewer Fund:** This fund is used to account for the County's water and sewer operations.
- **Solid Waste Fund:** This fund is used to account for of the County's solid waste disposal operations.
- **Northern Nash Water System:** This fund is used to account for the water project expenditures in the Northern Nash area of Nash County.

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

| | 2022 | | Variance Positive (Negative) |
|---|------------------|------------------|------------------------------------|
| | Budget | Actual | |
| <u>REVENUES</u> | | | |
| Operating Revenues: | | | |
| Changes for service | \$ 2,607,304 | 2,618,279 | \$ 10,975 |
| Other Operating revenues | 53,600 | 54,556 | 956 |
| Total operating revenues | <u>2,660,904</u> | <u>2,672,835</u> | <u>11,931</u> |
| Non-Operating Revenues: | | | |
| Capital contributions | 200,000 | 56,104 | (143,896) |
| Interest on investments | 20,000 | 2,806 | (17,194) |
| Total non-operating revenues | <u>220,000</u> | <u>58,910</u> | <u>(161,090)</u> |
| Total Revenues | <u>2,880,904</u> | <u>2,731,745</u> | <u>(149,159)</u> |
| <u>EXPENDITURES</u> | | | |
| Water Operations: | | | |
| Salaries and employee benefits | 385,897 | 392,146 | (6,249) |
| Professional services | 115,164 | 115,163 | 1 |
| Operating expenses | 697,836 | 691,041 | 6,795 |
| Allocated Admin Expenses | 129,342 | 98,168 | 31,174 |
| Capital outlay | 7,500 | 7,500 | - |
| Total | <u>1,335,739</u> | <u>1,304,018</u> | <u>31,721</u> |
| Sewer Operations: | | | |
| Salaries and employee benefits | 83,287 | 82,697 | 590 |
| Professional services | 217,700 | 64,569 | 153,131 |
| Operating expenses | 430,100 | 302,422 | 127,678 |
| Allocated Admin Expenses | 27,825 | 21,187 | 6,638 |
| Capital outlay | 50,000 | 13,199 | 36,801 |
| Total | <u>808,912</u> | <u>484,074</u> | <u>324,838</u> |
| Total Operating Expenditures | <u>2,144,651</u> | <u>1,794,131</u> | <u>350,520</u> |
| Non-Operating Expenditures: | | | |
| Debt principal | 583,100 | 583,100 | - |
| Interest and other charges | 282,853 | 282,851 | 2 |
| Total Non-Operating Expenditures | <u>865,953</u> | <u>865,951</u> | <u>2</u> |
| Total Expenditures | <u>3,010,604</u> | <u>2,660,082</u> | <u>350,522</u> |
| Revenues over (under) expenditures | <u>(129,700)</u> | <u>71,663</u> | <u>201,363</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Appropriated fund balance | 129,700 | - | (129,700) |
| Total other financing sources (uses) | <u>129,700</u> | <u>-</u> | <u>(129,700)</u> |
| Revenues over (under) sources and other uses | <u>\$ -</u> | <u>\$ 71,663</u> | <u>\$ 71,663</u> |

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

Exhibit D-1
 (continued)

RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL ACCRUAL

| | | |
|---|----|------------------|
| Excess of revenues over (under) expenditures | \$ | 71,663 |
| Reconciling items: | | |
| Capital Outlay | | 20,699 |
| Depreciation | | (888,291) |
| Principal retirement | | 583,100 |
| (Increase) decrease in accrued interest | | 8,558 |
| Increase (decrease) in deferred outflows of resources - pensions | | 24,796 |
| Increase (decrease) in deferred outflows of resources - OPEB | | (2,560) |
| (Increase) decrease in deferred inflows of resources - pensions | | (187,332) |
| (Increase) decrease in deferred inflows of resources - OPEB | | 29,987 |
| (Increase) decrease in net pension liability | | 189,083 |
| (Increase) decrease in OPEB liability | | (49,854) |
| (Increase) decrease in accrued compensated absences | | 1,919 |
| Change in net position | \$ | <u>(198,232)</u> |

Nash County, North Carolina
Rural Center Grants Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2022

| | Project Authorization | Actual | | Actual Total to Date | Variance Positive (Negative) |
|--|--------------------------|--------------------------|---------------------------|----------------------------|------------------------------------|
| | | Actual Prior Years | Actual Current Year | | |
| REVENUES | | | | | |
| Rural Center Grant | \$ 240,000 | \$ 120,000 | \$ - | \$ 120,000 | \$ (120,000) |
| Investment earnings | - | 35 | - | 35 | 35 |
| Total Revenues | <u>240,000</u> | <u>120,035</u> | <u>-</u> | <u>120,035</u> | <u>(119,965)</u> |
| EXPENDITURES | | | | | |
| Feasibility study and drought plan | 515,677 | 257,779 | - | 257,779 | 257,898 |
| Total Expenditures | <u>515,677</u> | <u>257,779</u> | <u>-</u> | <u>257,779</u> | <u>257,898</u> |
| Revenues over (under) expenditures | <u>(275,677)</u> | <u>(137,744)</u> | <u>-</u> | <u>(137,744)</u> | <u>137,933</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer From Other Funds | 275,800 | 137,900 | - | 137,900 | (137,900) |
| Total Other Financing Sources (Uses) | <u>275,800</u> | <u>137,900</u> | <u>-</u> | <u>137,900</u> | <u>(137,900)</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | <u>\$ 123</u> | <u>\$ 156</u> | <u>\$ -</u> | <u>\$ 156</u> | <u>\$ 33</u> |

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

| | 2022 | | Variance Positive (Negative) |
|---|------------------|---------------------|------------------------------------|
| | Budget | Actual | |
| REVENUES | | | |
| Operating Revenues: | | | |
| Solid waste charges | \$ 509,000 | \$ 522,306 | \$ 13,306 |
| Miscellaneous | 10,000 | 52,702 | 42,702 |
| Rural household fees | 2,290,250 | 2,347,739 | 57,489 |
| Recycling fees | - | 378 | 378 |
| Total Operating Revenues | <u>2,809,250</u> | <u>2,923,125</u> | <u>113,875</u> |
| Non-Operating Revenues: | | | |
| Solid waste disposal tax | 36,000 | 41,420 | 5,420 |
| Scrap tire disposal tax | 127,000 | 158,911 | 31,911 |
| White Goods disposal tax | 39,000 | 50,168 | 11,168 |
| Recycling Grant | - | 180 | 180 |
| Interest on investments | 8,000 | 10,083 | 2,083 |
| Total Non-Operating Revenues | <u>210,000</u> | <u>260,762</u> | <u>50,762</u> |
| Total Revenues | <u>3,019,250</u> | <u>3,183,887</u> | <u>164,637</u> |
| EXPENDITURES | | | |
| Operating Expenditures: | | | |
| Salaries and employee benefits | 701,541 | 683,151 | 18,390 |
| Professional services | 58,761 | 44,811 | 13,950 |
| Operating expenses | 2,360,703 | 2,258,560 | 102,143 |
| Repairs and maintenance | 191,632 | 152,101 | 39,531 |
| Capital outlay | 302,206 | 272,245 | 29,961 |
| Total Operating Expenditures | <u>3,614,843</u> | <u>3,410,868</u> | <u>203,975</u> |
| Revenues over (under) expenditures | <u>(595,593)</u> | <u>(226,981)</u> | <u>368,612</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Appropriated fund balance | <u>595,593</u> | <u>-</u> | <u>(595,593)</u> |
| Total other financing sources (uses) | <u>595,593</u> | <u>-</u> | <u>(595,593)</u> |
| Revenues over (under) sources and other uses | <u>\$ -</u> | <u>\$ (226,981)</u> | <u>\$ (226,981)</u> |

(continued)

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

Exhibit D-2
(continued)

RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL
ACCRUAL BASIS:

| | |
|---|---------------------|
| Excess of revenues over (under) expenditures | \$ (226,981) |
| Reconciling items: | |
| Capital assets purchased | 272,245 |
| Depreciation | (192,389) |
| Increase (decrease) in deferred outflows of resources - pensions | 9,830 |
| Increase (decrease) in deferred outflows of resources - OPEB | (6,795) |
| (Increase) Decrease in deferred inflows of resources - pensions | (65,293) |
| (Increase) Decrease in deferred inflows of resources - OPEB | 53,712 |
| (Increase) decrease in net pension liability | 63,713 |
| (Increase) decrease in total OPEB liability | (89,300) |
| (Increase) decrease in accrued compensated absences | <u>(917)</u> |
| Change in net position | <u>\$ (182,176)</u> |

Nash County, North Carolina
Solid Waste C&D Expansion
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2022

| | Project Authorization | Actual | | Actual Total to Date | Variance Positive (Negative) |
|--|--------------------------|--------------------------|---------------------------|----------------------------|------------------------------------|
| | | Actual Prior Years | Actual Current Year | | |
| <u>EXPENDITURES</u> | | | | | |
| Solid Waste LCID | | | | | |
| LCID Phase 1 | | | | | |
| Administration | \$ 41,650 | \$ 41,650 | \$ - | \$ 41,650 | \$ - |
| Engineering and Construction | 11,050 | 11,050 | - | 11,050 | - |
| LCID Phase 2 | | | | | |
| Engineering and Construction | 263,000 | 277,808 | 1,943 | 279,751 | (16,751) |
| Other Professional Services | 12,000 | - | - | - | 12,000 |
| Contingency | 27,300 | - | - | - | 27,300 |
| Total LCID Project Expenditures | <u>355,000</u> | <u>330,508</u> | <u>1,943</u> | <u>332,451</u> | <u>22,549</u> |
| Total Expenditures | <u>355,000</u> | <u>330,508</u> | <u>1,943</u> | <u>332,451</u> | <u>22,549</u> |
| Revenues over (under) expenditures | <u>(355,000)</u> | <u>(330,508)</u> | <u>(1,943)</u> | <u>(332,451)</u> | <u>22,549</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | | |
| Transfer From Other Funds | | | | | |
| Solid Waste Fund | 355,000 | 355,000 | - | 355,000 | - |
| Transfer to Other Funds | | | | | |
| Solid Waste Fund | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>355,000</u> | <u>355,000</u> | <u>-</u> | <u>355,000</u> | <u>-</u> |
| Revenues and Other Financing Sources | | | | | |
| Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 24,492</u> | <u>\$ (1,943)</u> | <u>\$ 22,549</u> | <u>\$ 22,549</u> |

Nash County, North Carolina
Northern Nash Water System
Schedule of Revenues and Expenditures- Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

| | 2022 | | Variance Positive (Negative) |
|---|----------------|-------------------|------------------------------------|
| | Budget | Actual | |
| REVENUES | | | |
| Operating Revenues: | | | |
| Changes for service | \$ 509,560 | \$ 663,417 | \$ 153,857 |
| Other Operating revenues | 5,400 | 12,850 | 7,450 |
| Total operating revenues | <u>514,960</u> | <u>676,267</u> | <u>161,307</u> |
| Non-Operating Revenues: | | | |
| Dort and Red Oak Support | 130,000 | 130,000 | - |
| Capital Contributions | 150,000 | 99,750 | (50,250) |
| Interest on investments | - | - | - |
| Total non-operating revenues | <u>280,000</u> | <u>229,750</u> | <u>(50,250)</u> |
| Total Revenues | <u>794,960</u> | <u>906,017</u> | <u>111,057</u> |
| EXPENDITURES | | | |
| Operating Expenditures: | | | |
| Salaries and employee benefits | 86,063 | 70,423 | 15,640 |
| Professional services | 168,620 | 112,970 | 55,650 |
| Operating expenses | 124,580 | 120,318 | 4,262 |
| Allocated Admin Expenses | 28,904 | 21,894 | 7,010 |
| Total | <u>408,167</u> | <u>325,605</u> | <u>82,562</u> |
| Total Operating Expenditures | <u>408,167</u> | <u>325,605</u> | <u>82,562</u> |
| Non-Operating Expenditures: | | | |
| Debt principal payment | 327,250 | 327,250 | - |
| Debt interest payment | 64,043 | 64,043 | - |
| Total Non-Operating Expenditures | <u>391,293</u> | <u>391,293</u> | <u>-</u> |
| Total Expenditures | <u>799,460</u> | <u>716,898</u> | <u>82,562</u> |
| Revenues over (under) expenditures | <u>(4,500)</u> | <u>189,119</u> | <u>193,619</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers to other funds | - | - | - |
| Appropriated fund balance | 4,500 | - | (4,500) |
| Total other financing sources (uses) | <u>4,500</u> | <u>-</u> | <u>-</u> |
| Revenues over (under) sources and other uses | <u>\$ -</u> | <u>\$ 189,119</u> | <u>\$ 193,619</u> |

(continued)

Nash County, North Carolina
Northern Nash Water System
Schedule of Revenues and Expenditures- Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

Exhibit D-3
(continued)

RECONCILIATION FROM BUDGETARY BASIS (MODIFIED ACCRUAL) TO FULL
ACCRUAL

| | |
|---|-------------------|
| Excess of revenues over (under) expenditures | \$ 189,119 |
| Reconciling items: | |
| (Increase) decrease in accrued interest | (545) |
| Principal retirement | 327,250 |
| (Increase) decrease in accrued compensated absences | (9,043) |
| Restricted intergovernmental - apital projects (D-3a) | 219,199 |
| Noncapital expenses from project fund (Ex D-3a) | (13,090) |
| Interfund transfers (Exh D-1b) | 13,090 |
| Change in net position | <u>\$ 725,980</u> |

Nash County, North Carolina
Northern Nash Water System Capital Project Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
From Inception and For the Fiscal Year Ended June 30, 2022

| | Project Authorization | Actual | | | Variance Positive (Negative) |
|--|--------------------------|--------------------------|---------------------------|----------------------------|------------------------------------|
| | | Actual Prior Years | Actual Current Year | Actual Total to Date | |
| REVENUES | | | | | |
| State Revolving Fund Grant | \$ 3,000,000 | \$ 3,000,000 | \$ - | \$ 3,000,000 | \$ - |
| Miscellaneous collections | 238,891 | 238,890 | 219,199 | 458,089 | 219,198 |
| Developer fees | 76,600 | 76,600 | - | 76,600 | - |
| Total Revenues | <u>3,315,491</u> | <u>3,315,490</u> | <u>219,199</u> | <u>3,534,689</u> | <u>219,198</u> |
| EXPENDITURES | | | | | |
| Administration | 188,990 | 175,900 | 13,090 | 188,990 | - |
| Contingency | 589,894 | - | - | - | 589,894 |
| Total Administration Expenditures | <u>778,884</u> | <u>175,900</u> | <u>13,090</u> | <u>188,990</u> | <u>589,894</u> |
| Capital items: | | | | | |
| Construction Administration | 632,902 | 556,852 | 3,031 | 559,883 | 73,019 |
| Property and Equipment Acquisition | 452,329 | 375,337 | 64,606 | 439,943 | 12,386 |
| Engineering and Construction | 8,898,266 | 7,842,622 | 665,242 | 8,507,864 | 390,402 |
| Total Capital Expenditures | <u>9,983,497</u> | <u>8,774,811</u> | <u>732,879</u> | <u>9,507,690</u> | <u>475,807</u> |
| Total Expenditures | <u>10,762,381</u> | <u>8,950,711</u> | <u>745,969</u> | <u>9,696,680</u> | <u>1,065,701</u> |
| Revenues over (under) expenditures | <u>(7,446,890)</u> | <u>(5,635,221)</u> | <u>(526,770)</u> | <u>(6,161,991)</u> | <u>1,284,899</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer From Other Funds | 247,390 | 234,300 | 13,090 | 247,390 | - |
| Long-term debt issued | 7,199,500 | 6,545,000 | 654,500 | 7,199,500 | - |
| Total Other Financing Sources (Uses) | <u>7,446,890</u> | <u>6,779,300</u> | <u>667,590</u> | <u>7,446,890</u> | <u>-</u> |
| Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | <u>\$ -</u> | <u>\$ 1,144,079</u> | <u>\$ 140,820</u> | <u>\$ 1,284,899</u> | <u>\$ 1,284,899</u> |

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INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the cost of the County's healthcare and workers' compensation. The following funds are Internal Service funds.

- **Employee Healthcare Fund**
- **Workers' Compensation Fund**

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Nash County, North Carolina
Internal Service Funds
Combining Statement of Net Position
June 30, 2022

Exhibit E-1

| | Employee Healthcare Benefits | Workers' Compensation Fund | Total |
|--|------------------------------------|----------------------------------|-------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and investments | \$ 785,925 | \$ 799,726 | \$ 1,585,651 |
| Accounts receivable | - | - | - |
| Total assets | <u>785,925</u> | <u>799,726</u> | <u>1,585,651</u> |
| Liabilities | | | |
| Current Liabilities: | | | |
| Accounts payable and accrued liabilities | <u>150,180</u> | <u>753,102</u> | <u>903,282</u> |
| Net Position | | | |
| Unrestricted | <u>\$ 635,745</u> | <u>\$ 46,624</u> | <u>\$ 682,369</u> |

Nash County, North Carolina
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2022

| | Employee Healthcare Benefits | Workers' Compensation Fund | Total |
|-------------------------------|------------------------------------|----------------------------------|--------------|
| OPERATING REVENUES | | | |
| Contributions from employer | \$ 1,354,063 | \$ 231,821 | \$ 1,585,884 |
| OPERATING EXPENDITURES | | | |
| Claims costs | 1,246,414 | 378,035 | 1,624,449 |
| Wellness Program costs | 84,088 | - | 84,088 |
| Total operating expenditures | 1,330,502 | 378,035 | 1,708,537 |
| Operating Income (Loss) | 23,561 | (146,214) | (122,653) |
| Non-Operating Revenues | | | |
| Investment earnings | 1,242 | 1,244 | 2,486 |
| Income before transfers | 24,803 | (144,970) | (120,167) |
| Net Position | | | |
| Beginning of year - July 1 | 610,942 | 191,594 | 802,536 |
| End of year - June 30 | \$ 635,745 | \$ 46,624 | \$ 682,369 |

Nash County, North Carolina
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2022

Exhibit E-3

| | Employee Healthcare Benefits | Workers' Compensation Fund | Total |
|--|------------------------------------|----------------------------------|---------------------|
| Cash Flows from Operating Activities | | | |
| Cash received from employer | \$ 1,354,063 | \$ 231,821 | \$ 1,585,884 |
| Cash paid for goods and services | (1,330,510) | (328,404) | (1,658,914) |
| Net cash provided (used) by operating activities | <u>23,553</u> | <u>(96,583)</u> | <u>(73,030)</u> |
| Cash Flows from Investing Activities | | | |
| Investment earnings | <u>1,242</u> | <u>1,244</u> | <u>2,486</u> |
| Net increase (decrease) in cash and cash equivalents | 24,795 | (95,339) | (70,544) |
| Cash and cash equivalents - July 1 | <u>761,130</u> | <u>895,065</u> | <u>1,656,195</u> |
| Cash and cash equivalents - June 30 | <u>\$ 785,925</u> | <u>\$ 799,726</u> | <u>\$ 1,585,651</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | |
| Operating income (loss) | \$ 23,561 | \$ (146,214) | \$ (122,653) |
| Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Changes in assets and liabilities: | | | |
| (Increase) decrease in accounts receivable | - | - | - |
| Increase (decrease) in accounts payable and accrued liabilities | <u>(8)</u> | <u>49,631</u> | <u>49,623</u> |
| Net cash provided (used) by operating activities | <u>\$ 23,553</u> | <u>\$ (96,583)</u> | <u>\$ (73,030)</u> |

Nash County, North Carolina
Employee Healthcare Benefits
Schedule of Revenues and Expenditures- Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

| | Budget | Actual | Variance Positive (Negative) |
|---------------------------------------|--------------|--------------|------------------------------------|
| OPERATING REVENUES | | | |
| Contributions from employer | \$ 1,407,000 | \$ 1,354,063 | \$ (52,937) |
| OPERATING EXPENDITURES | | | |
| Claims costs | 1,325,000 | 1,246,414 | 78,586 |
| Wellness Program costs | 98,000 | 84,088 | 13,912 |
| Total operating expenditures | 1,423,000 | 1,330,502 | 92,498 |
| Operating Income (Loss) | (16,000) | 23,561 | 39,561 |
| Non-Operating Revenues | | | |
| Investment earnings | 6,000 | 1,242 | (4,758) |
| Other Financing Sources (Uses) | | | |
| Appropriated fund balance | 10,000 | - | (10,000) |
| Changes in net position | \$ - | \$ 24,803 | \$ 24,803 |

Nash County, North Carolina
Workers' Compensation Fund
Schedule of Revenues and Expenditures- Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|---------------------------------------|-------------------|---------------------|------------------------------------|
| OPERATING REVENUES | | | |
| Contributions from employer | <u>\$ 225,000</u> | <u>\$ 231,821</u> | <u>\$ 6,821</u> |
| OPERATING EXPENDITURES | | | |
| Workers' compensation claims | <u>390,000</u> | <u>378,035</u> | <u>11,965</u> |
| Operating Income (Loss) | <u>(165,000)</u> | <u>(146,214)</u> | <u>18,786</u> |
| Non-Operating Revenues | | | |
| Investment earnings | <u>750</u> | <u>1,244</u> | <u>494</u> |
| Other Financing Sources (Uses) | | | |
| Appropriated fund balance | <u>164,250</u> | <u>-</u> | <u>(164,250)</u> |
| Changes in net position | <u>\$ -</u> | <u>\$ (144,970)</u> | <u>\$ (144,970)</u> |

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CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the County as an agent for individuals and local governments.

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Nash County, North Carolina
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2022

| | <u>Municipal Tax Fund</u> | <u>Jail Inmate Pay Fund</u> | <u>Total Custodial Funds</u> |
|---|-------------------------------|---------------------------------|----------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 7,817 | \$ 45,494 | \$ 53,311 |
| Taxes receivable for other governments, net | 426,733 | - | 426,733 |
| Total assets | <u>434,550</u> | <u>45,494</u> | <u>480,044</u> |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | 375,200 | - | 375,200 |
| Due to other governments | - | - | - |
| Total liabilities | <u>375,200</u> | <u>-</u> | <u>375,200</u> |
| NET POSITION | | | |
| Restricted for: | | | |
| Individuals, organizations, and other governments | 59,350 | 45,494 | 104,844 |
| Total net position | <u>\$ 59,350</u> | <u>\$ 45,494</u> | <u>\$ 104,844</u> |

Nash County, North Carolina
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2022

| | <u>Municipal Tax Fund</u> | <u>Jail Inmate Pay Fund</u> | <u>Total Custodial Funds</u> |
|---|-------------------------------|---------------------------------|----------------------------------|
| ADDITIONS | | | |
| Ad valorem taxes for other governments | \$ 5,135,052 | \$ - | \$ 5,135,052 |
| Collections on behalf of inmates | - | 437,034 | 437,034 |
| Total additions | <u>5,135,052</u> | <u>437,034</u> | <u>5,572,086</u> |
| DEDUCTIONS | | | |
| Tax distributions to other governments | 5,120,837 | - | 5,120,837 |
| Payments on behalf of inmates | - | 432,757 | 432,757 |
| Total deductions | <u>5,120,837</u> | <u>432,757</u> | <u>5,553,594</u> |
| Net increase (decrease) in fiduciary net position | 14,215 | 4,277 | 18,492 |
| Net position, beginning | <u>45,135</u> | <u>41,217</u> | <u>86,352</u> |
| Net position, ending | <u>\$ 59,350</u> | <u>\$ 45,494</u> | <u>\$ 104,844</u> |

OTHER SCHEDULES

This schedule contains additional information required on property taxes

- Schedule of Ad Valorem Taxes Receivables
- Analysis of Current Tax Levy- County- Wide Levy

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Nash County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
For the Year Ended June 30, 2022

| <u>Fiscal Year</u> | <u>Uncollected Balance June 30, 2021</u> | <u>Additions</u> | <u>Collections And Credits</u> | <u>Uncollected Balance June 30, 2022</u> |
|---|--|----------------------|------------------------------------|--|
| 2021-2022 | \$ - | \$ 55,691,504 | \$ 55,187,008 | \$ 504,496 |
| 2020-2021 | 458,984 | - | 182,085 | 276,899 |
| 2019-2020 | 294,545 | - | 61,425 | 233,120 |
| 2018-2019 | 259,037 | - | 54,066 | 204,971 |
| 2017-2018 | 197,378 | - | 28,908 | 168,470 |
| 2016-2017 | 206,910 | - | 30,638 | 176,272 |
| 2015-2016 | 181,797 | - | 18,611 | 163,186 |
| 2014-2015 | 155,976 | - | 14,831 | 141,145 |
| 2013-2014 | 224,277 | - | 14,351 | 209,926 |
| 2012-2013 | 286,315 | - | 10,981 | 275,334 |
| 2011-2012 | 263,875 | - | 263,875 | - |
| Totals | <u>\$ 2,529,094</u> | <u>\$ 55,691,504</u> | <u>\$ 55,866,779</u> | <u>2,353,819</u> |
| | | | | <u>(928,607)</u> |
| | | | | <u>\$ 1,425,212</u> |
| <u>Reconcilement with revenues:</u> | | | | |
| | | | | \$ 55,867,005 |
| | | | | (299,740) |
| | | | | 53,845 |
| | | | | 254,789 |
| | | | | (9,120) |
| | | | | <u>(226)</u> |
| | | | | <u>\$ 55,866,779</u> |

**Nash County
Analysis of Current Tax Levy
County-Wide Levy
For the Year Ended June 30, 2022**

Exhibit G-2

| | County Wide | | | | |
|--------------------------------------|-----------------------|------|---------------|---|---------------------------------|
| | Property Valuation | Rate | Total Levy | Property Excluding Registered Motor Vehicles | Registered Motor Vehicles |
| Original Levy: | | | | | |
| Property taxed at current years rate | \$ 7,210,279,104 | 0.67 | \$ 48,308,870 | \$ 48,308,870 | \$ - |
| Motor Vehicles | 1,152,358,358 | 0.67 | 7,720,801 | - | 7,720,801 |
| Dogs | - | | 13,524 | 13,524 | - |
| Total | 8,362,637,463 | | 56,043,195 | 48,322,394 | 7,720,801 |
| Discoveries: | | | | | |
| Current year taxes | 524,925 | 0.67 | 3,517 | 3,517 | - |
| Releases: | (53,016,119) | 0.67 | (355,208) | (355,208) | |
| Total Property Valuation | \$ 8,310,146,269 | | | | |
| Net Levy | | | 55,691,504 | 47,970,703 | 7,720,801 |
| Uncollected taxes June 30, 2022 | | | 504,496 | 504,496 | - |
| Current years taxes collected | | | \$ 55,187,008 | \$ 47,466,207 | \$ 7,720,801 |
| Current levy collection percentage | | | 99.09% | 98.95% | 100.00% |
| Prior year collection percentage | | | 99.16% | 99.03% | 100.00% |

Statistical Section

The Statistical Section includes unaudited schedules showing relevant information on Nash County presented in the following five categories:

Financial Trends - Tables 1 - 4

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

Revenue Capacity - Tables 5 - 9

These tables contain information to help the reader assess the government's most significant local revenue source - the property tax.

Debt Capacity - Tables 10 - 13

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

Demographic and Economic Information - Tables 14 - 15

These tables offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information - Tables 16 - 18

These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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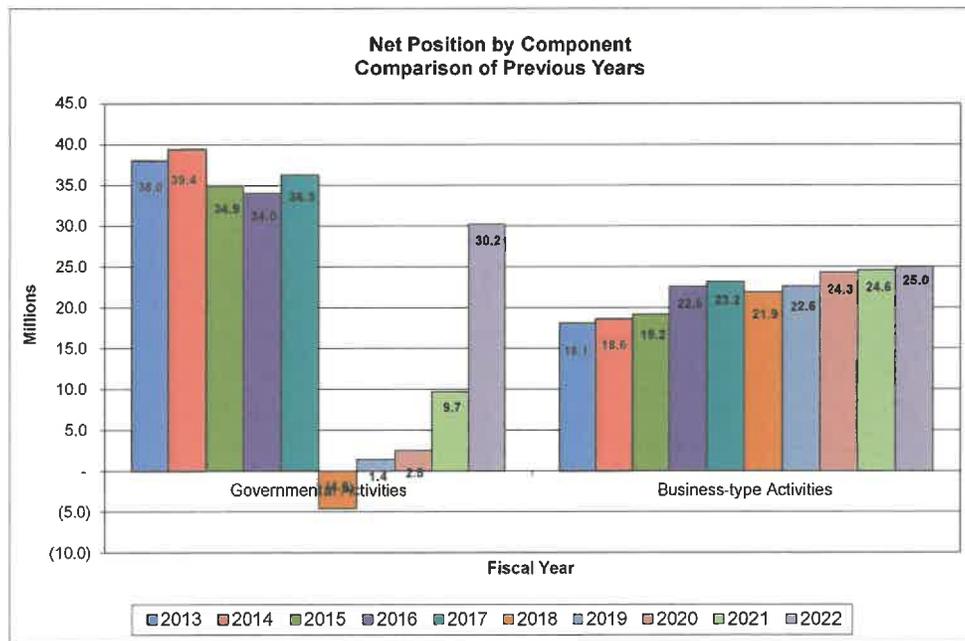
Table 1

NASH COUNTY, NORTH CAROLINA

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

| | Fiscal Year | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 8,212 | \$ 6,576 | \$ 250 | \$ 2,028 | \$ 2,288 | \$ 43,546 | \$ 45,915 | \$ 47,553 | \$ 50,673 | \$ 59,969 |
| Restricted | 8,199 | 11,478 | 9,662 | 9,597 | 20,093 | 11,546 | 14,980 | 14,421 | 30,381 | 40,535 |
| Unrestricted | 21,635 | 21,345 | 24,959 | 22,372 | 13,907 | (59,691) * | (59,506) | (59,501) | (71,334) | (70,266) |
| Total Governmental activities net position | \$ 38,046 | \$ 39,399 | \$ 34,871 | \$ 33,997 | \$ 36,288 | \$ (4,599) | \$ 1,389 | \$ 2,473 | \$ 9,720 | \$ 30,238 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | \$ 15,616 | \$ 16,973 | \$ 17,472 | \$ 19,925 | \$ 20,343 | \$ 20,406 | \$ 20,480 | \$ 21,908 | \$ 21,209 | \$ 21,412 |
| Restricted | - | - | - | - | - | - | - | - | 204 | 200 |
| Unrestricted | 2,488 | 1,588 | 1,732 | 2,647 | 2,851 | 1,507 | 2,131 | 2,415 | 3,206 | 3,352 |
| Total business-type activities net position | \$ 18,104 | \$ 18,561 | \$ 19,204 | \$ 22,572 | \$ 23,194 | \$ 21,913 | \$ 22,611 | \$ 24,323 | \$ 24,619 | \$ 24,964 |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | \$ 23,828 | \$ 23,549 | \$ 17,722 | \$ 21,953 | \$ 22,631 | \$ 63,952 | \$ 66,395 | \$ 69,461 | \$ 71,882 | \$ 81,381 |
| Restricted | 8,199 | 11,478 | 9,662 | 9,597 | 20,093 | 11,546 | 14,980 | 14,421 | 30,585 | 40,735 |
| Unrestricted | 24,123 | 22,933 | 26,691 | 25,019 | 16,758 | (58,184) * | (57,375) | (57,086) | (68,128) | (66,914) |
| Total primary government net position | \$ 56,150 | \$ 57,960 | \$ 54,075 | \$ 56,569 | \$ 59,482 | \$ 17,314 | \$ 24,000 | \$ 26,796 | \$ 34,339 | \$ 55,202 |

* Net position decreased in 2018 as a result of the implementation of GASB 75.



NASH COUNTY, NORTH CAROLINA

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Table 2

| | Fiscal Year | | | | | | | | | |
|--|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 9,106 | \$ 9,411 | \$ 8,971 | \$ 11,128 | \$ 10,643 | \$ 10,876 | \$ 10,061 | \$ 10,579 | \$ 11,675 | \$ 13,935 |
| Public safety | 24,181 | 24,142 | 23,903 | 26,065 | 26,152 | 27,342 | 27,115 | 30,465 | 30,441 | 31,360 |
| Transportation | 338 | 322 | 300 | 329 | 308 | 326 | 270 | 466 | 187 | 472 |
| Economic and physical development | 3,849 | 3,265 | 1,533 | 2,563 | 3,358 | 2,283 | 7,458 | 7,165 | 9,005 | 5,819 |
| Human services | 26,211 | 26,866 | 25,982 | 26,151 | 27,150 | 24,078 | 22,795 | 23,165 | 26,850 | 25,734 |
| Cultural and recreation | 1,602 | 1,682 | 1,605 | 1,684 | 1,725 | 1,783 | 1,102 | 2,076 | 2,139 | 2,285 |
| Education | 25,383 | 26,031 | 30,548 | 24,706 | 24,514 | 24,164 | 25,126 | 25,153 | 25,056 | 25,252 |
| Interest on long-term debt | 1,858 | 2,424 | 1,991 | 1,626 | 1,901 | 1,408 | 1,464 | 1,332 | 1,211 | 1,456 |
| Total governmental activities expenses | 92,528 | 94,143 | 94,833 | 94,252 | 95,751 | 92,260 | 95,391 | 100,401 | 106,564 | 106,313 |
| Business-type activities: | | | | | | | | | | |
| Water and sewer | 2,099 | 2,292 | 2,684 | 2,018 | 2,599 | 3,076 | 3,362 | 3,335 | 3,439 | 3,342 |
| Solid waste disposal | 3,944 | 2,058 | 2,065 | 2,608 | 2,643 | 2,709 | 2,851 | 3,223 | 3,290 | 3,366 |
| Convenience centers | - | - | - | - | - | - | - | - | - | - |
| Total business-type activities | 6,043 | 4,350 | 4,749 | 4,626 | 5,242 | 5,785 | 6,213 | 6,558 | 6,729 | 6,708 |
| Total primary governmental expenses | 98,571 | 98,493 | 99,582 | 98,878 | 100,993 | 98,045 | 101,604 | 106,959 | 113,293 | 113,021 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | \$ 3,782 | \$ 2,832 | \$ 1,967 | \$ 2,005 | \$ 1,949 | \$ 2,097 | \$ 924 | \$ 1,060 | \$ 1,728 | \$ 4,103 |
| Public safety | 3,798 | 3,382 | 4,433 | 4,671 | 4,889 | 4,814 | 5,278 | 4,926 | 4,881 | 4,957 |
| Environmental protection | - | - | - | - | - | - | 162 | 205 | 228 | 228 |
| Economic & physical development | - | - | - | - | - | 148 | 261 | 258 | 268 | 298 |
| Human services | 1,048 | 720 | 515 | 551 | 280 | 214 | 243 | 218 | 428 | 324 |
| Cultural and recreation | - | - | - | - | - | - | 198 | 117 | 143 | 230 |
| Education | - | - | - | - | - | - | - | - | 402 | 478 |
| Operating grants and contributions | 22,406 | 24,480 | 22,868 | 21,578 | 20,374 | 17,256 | 19,020 | 19,011 | 21,345 | 25,702 |
| Capital grants and contributions | 65 | 57 | 82 | 252 | 2,145 | 1,759 | 1,119 | 433 | 4,035 | 5,315 |
| Total governmental activities program revenues | 31,099 | 31,471 | 29,865 | 29,057 | 29,637 | 26,288 | 27,205 | 26,228 | 33,458 | 41,635 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Water and sewer | 1,232 | 1,534 | 1,615 | 1,833 | 2,370 | 2,321 | 2,875 | 2,976 | 3,260 | 3,349 |
| Solid waste disposal | 2,157 | 2,150 | 2,190 | 2,853 | 2,873 | 2,927 | 2,739 | 2,865 | 3,026 | 2,923 |
| Convenience centers | - | - | - | - | - | - | - | - | - | - |
| Operating grants and contributions | - | - | - | - | - | - | - | - | - | 56 |
| Capital grants and contributions | 889 | 1,120 | 1,134 | 1,790 | 886 | 68 | 908 | 2,092 | 439 | 449 |
| Total business-type activities program revenues | 4,278 | 4,804 | 4,939 | 6,476 | 6,129 | 5,316 | 6,522 | 7,933 | 6,725 | 6,777 |
| Total primary governmental program revenues | \$ 35,377 | \$ 36,275 | \$ 34,804 | \$ 35,533 | \$ 35,766 | \$ 31,604 | \$ 33,727 | \$ 34,161 | \$ 40,183 | \$ 48,412 |
| Net (expense)/revenue | | | | | | | | | | |
| Governmental activities | (\$61,429) | \$(62,672) | \$(64,968) | \$(65,195) | \$(66,114) | \$(65,972) | \$(68,186) | \$(74,173) | \$(73,106) | \$(64,678) |
| Business-type activities | (1,764) | 454 | 190 | 1,850 | 887 | (469) | 309 | 1,375 | (4) | 69 |
| Total primary governmental net expense | (\$63,193) | (\$62,218) | (\$64,778) | (\$63,345) | (\$65,227) | (\$66,441) | (\$67,877) | (\$72,798) | (\$73,110) | (\$64,609) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | \$ 49,874 | \$ 51,846 | \$ 51,317 | \$ 51,884 | \$ 53,962 | \$ 53,079 | \$ 54,842 | \$ 56,710 | \$ 58,951 | \$ 60,135 |
| Sales taxes | 11,619 | 11,747 | 12,641 | 13,429 | 14,335 | 14,858 | 15,948 | 16,236 | 18,575 | 21,605 |
| Excise taxes | 186 | 203 | 211 | 261 | 246 | 306 | 310 | 313 | 502 | 656 |
| Other taxes | 80 | 82 | 79 | 87 | 92 | 93 | 96 | 90 | 95 | 95 |
| Unrestricted grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Investment earnings | 143 | 147 | 122 | 165 | 400 | 726 | 1,083 | 724 | 85 | 132 |
| Miscellaneous | - | - | - | - | - | - | 145 | 285 | 509 | 752 |
| Special item - Change in Investment - Joint Venture (See Note VII in Notes to the Financial Statement) | - | - | - | - | - | - | 1,750 | 899 | 1,676 | - |
| Transfers | - | - | (558) | (1,505) | 302 | (176) | - | - | (58) | (13) |
| Total governmental activities | 61,902 | 64,025 | 63,812 | 64,321 | 69,337 | 68,886 | 74,174 | 75,257 | 80,335 | 83,362 |
| Business-type activities: | | | | | | | | | | |
| Other taxes & licenses | - | - | - | - | - | - | 210 | 213 | 233 | 250 |
| Investment earnings | 29 | 3 | 5 | 13 | 37 | 116 | 179 | 124 | 8 | 13 |
| Miscellaneous | - | - | - | - | 2 | - | - | - | - | - |
| Transfers | - | - | 558 | 1,505 | (302) | 176 | - | - | 58 | 13 |
| Total business-type activities | 29 | 3 | 563 | 1,518 | (263) | 292 | 389 | 337 | 299 | 276 |
| Total primary government | \$ 61,931 | \$ 64,028 | \$ 64,375 | \$ 65,839 | \$ 69,074 | \$ 69,178 | \$ 74,563 | \$ 75,594 | \$ 80,634 | \$ 83,638 |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | \$ 474 | \$ 1,353 | \$ (1,156) | \$ (874) | \$ 3,223 | \$ 2,914 | \$ 5,988 | \$ 1,084 | \$ 7,229 | \$ 18,684 |
| Business-type activities | (1,736) | 457 | 753 | 3,368 | 622 | (177) | 698 | 1,712 | 295 | 345 |
| Total primary government | \$ (1,262) | \$ 1,810 | \$ (403) | \$ 2,494 | \$ 3,845 | \$ 2,737 | \$ 6,686 | \$ 2,796 | \$ 7,524 | \$ 19,029 |

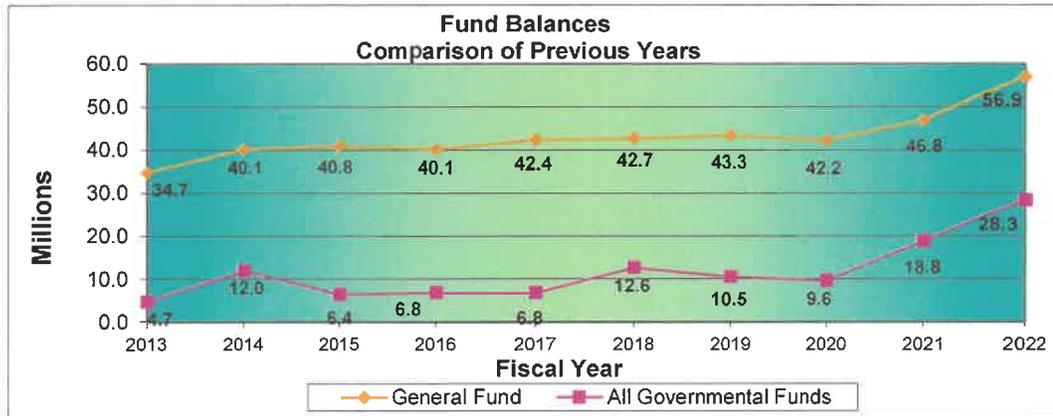
NASH COUNTY, NORTH CAROLINA

Table 3

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|-----------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General fund | | | | | | | | | | |
| Non Spendable | 19 | 22 | 23 | 24 | 21 | 25 | 10 | 13 | 19 | 21 |
| Restricted | 6,980 | 11,032 ¹ | 8,707 | 8,386 | 7,831 | 7,845 | 10,084 | 10,560 | 14,969 | 19,967 |
| Committed | 319 | 513 | 423 | 229 | 968 | 1,655 | 847 | 951 | 1,052 | 2,188 |
| Assigned | 4,476 | 7,061 ¹ | 6,832 | 4,148 | 3,383 | 4,833 | 5,316 | 4,852 | 6,852 | 6,474 |
| Unassigned | 22,936 | 21,447 | 24,836 | 27,329 | 30,286 | 28,319 | 27,051 | 25,852 | 23,932 | 28,212 |
| Total general fund | <u>\$34,730</u> | <u>\$40,075</u> | <u>\$40,821</u> | <u>\$40,116</u> | <u>\$42,489</u> | <u>\$42,677</u> | <u>\$43,308</u> | <u>\$42,228</u> | <u>\$46,824</u> | <u>\$56,862</u> |
| All other governmental funds | | | | | | | | | | |
| Restricted | 1,399 | 1,812 | 987 | 1,243 | 1,503 | 6,071 | 5,262 | 3,498 | 15,412 | 20,568 |
| Committed | 2,286 | 2,287 | 5,353 | 5,561 | 2,350 | 3,021 | 1,092 | 2,511 | 1,277 | 3,659 |
| Assigned | 243 | 1,600 | 105 | 155 | 3,075 | 3,437 | 4,319 | 4,130 | 4,387 | 4,393 |
| Unassigned | (408) | (951) | (14) | (112) | (168) | 0 | (175) | (493) | (2,262) | (287) |
| Restricted in Capital Project | 1,213 | - | - | - | - | - | - | - | - | - |
| Restricted in Bond Fund | - | 6,855 ¹ | - | - | - | - | - | - | - | - |
| Committed in Bond Project | - | 385 | - | - | - | - | - | - | - | - |
| Total all other governmental funds | <u>\$4,733</u> | <u>\$11,988</u> | <u>\$6,431</u> | <u>\$6,847</u> | <u>\$6,760</u> | <u>\$12,529</u> | <u>\$10,498</u> | <u>\$9,646</u> | <u>\$18,814</u> | <u>\$28,333</u> |

¹ The 2014 increase in restricted General Fund is due to \$8,221,349 of unspent debt proceeds as of June 30, 2014. Increase in assigned fund balance is primarily due to receipt of NC Eastern Region payout funds for Nash County of \$1,570,743 and Eastern Region debt proceeds of \$576,923. The increase in restricted bond project funds is due to \$7,240,896 of capital outlays for the Nash Community College.



NASH COUNTY, NORTH CAROLINA

Table 4

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

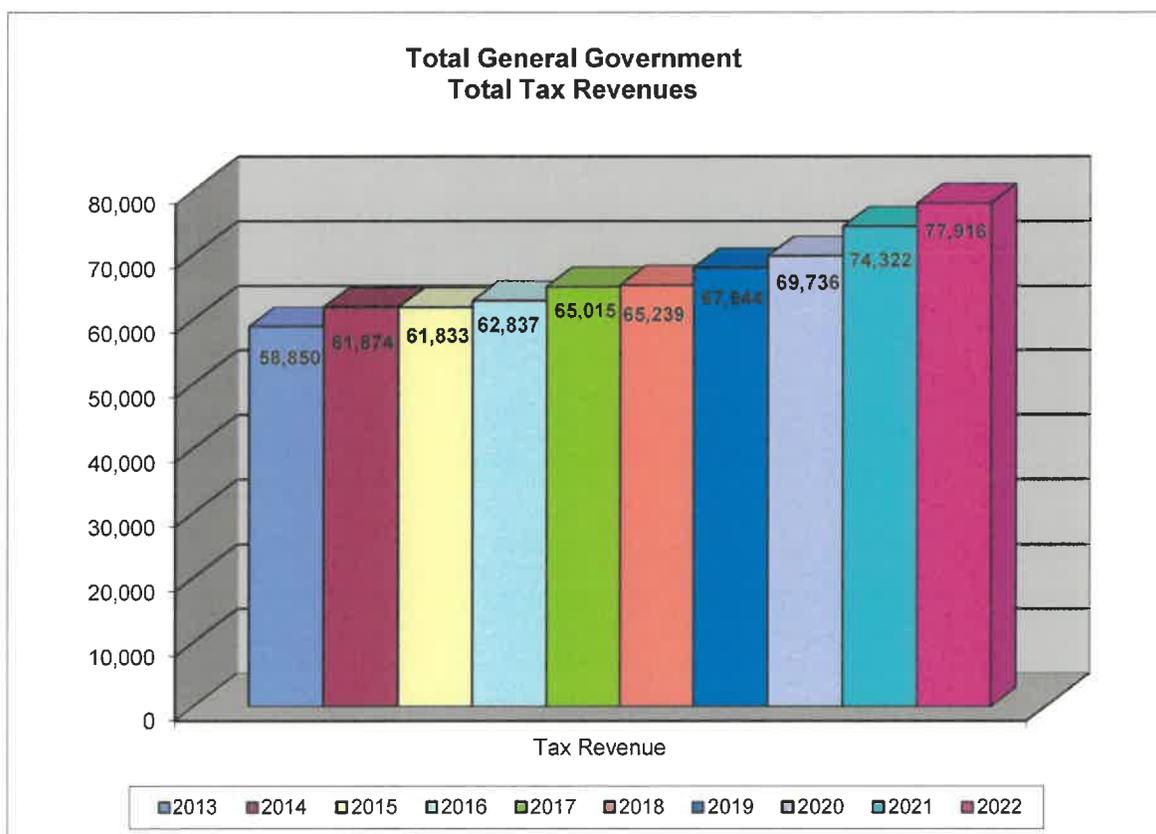
| | Fiscal Year | | | | | | | | | |
|--|-------------|----------|-----------|----------|----------|-----------|-----------|-----------|-----------|-----------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Revenues | | | | | | | | | | |
| Ad valorem taxes | \$49,612 | \$52,673 | \$51,834 | \$52,170 | \$53,619 | \$53,384 | \$55,097 | \$56,880 | \$59,265 | \$60,201 |
| Other taxes and licenses | 11,884 | 12,032 | 12,931 | 13,777 | 14,672 | 15,257 | 16,354 | 16,639 | 19,173 | 22,355 |
| Restricted intergovernmental | 21,928 | 22,716 | 22,698 | 21,690 | 22,340 | 18,784 | 19,839 | 18,983 | 24,576 | 29,433 |
| Unrestricted intergovernmental | - | - | - | - | - | - | - | - | 413 | 463 |
| Permits and fees | 1,151 | 1,010 | 943 | 1,127 | 1,086 | 1,398 | 1,175 | 1,191 | 1,499 | 1,619 |
| Sales and services | 4,374 | 3,872 | 4,816 | 5,112 | 5,136 | 4,962 | 5,000 | 4,657 | 4,752 | 5,052 |
| Donations | - | - | - | - | - | - | - | - | - | 1,120 |
| Investment earnings | 142 | 146 | 120 | 160 | 400 | 726 | 1,083 | 724 | 85 | 133 |
| Miscellaneous | 3,457 | 3,688 | 1,224 | 956 | 1,044 | 1,255 | 3,085 | 1,682 | 2,727 | 6,184 |
| Total revenues | \$92,548 | \$96,137 | \$94,566 | \$94,992 | \$98,297 | \$95,766 | \$101,633 | \$100,756 | \$112,490 | \$126,560 |
| Expenditures | | | | | | | | | | |
| General government | 8,446 | 8,616 | 8,309 | 8,861 | 8,828 | 9,900 | 9,193 | 9,549 | 10,918 | 12,201 |
| Public safety | 23,222 | 23,161 | 23,644 | 25,518 | 28,063 | 34,937 | 30,748 | 29,051 | 28,939 | 37,235 |
| Cultural and recreation | 1,543 | 1,655 | 1,616 | 1,662 | 1,951 | 2,121 | 3,124 | 2,560 | 2,418 | 2,410 |
| Transportation | 301 | 315 | 300 | 329 | 308 | 326 | 435 | 435 | 169 | 278 |
| Economic and physical development | 3,652 | 3,085 | 3,219 | 2,727 | 3,306 | 3,154 | 8,306 | 6,547 | 8,693 | 6,826 |
| Human services | 25,483 | 25,999 | 26,074 | 25,529 | 26,059 | 23,139 | 23,022 | 23,152 | 25,791 | 25,497 |
| Education | 25,316 | 25,964 | 30,481 | 24,640 | 24,447 | 24,097 | 25,060 | 25,087 | 25,894 | 33,951 |
| Debt Service: | | | | | | | | | | |
| Principal | 2,876 | 3,388 | 7,256 | 3,839 | 3,269 | 4,732 | 4,961 | 5,025 | 4,887 | 5,495 |
| Interest | 1,858 | 1,980 | 1,933 | 1,667 | 1,729 | 1,444 | 1,384 | 1,282 | 1,129 | 1,120 |
| Issuance | - | - | 95 | - | - | - | - | - | - | - |
| Total expenditures | 92,697 | 94,163 | 102,927 | 94,772 | 97,960 | 103,850 | 106,233 | 102,688 | 108,838 | 125,013 |
| Excess of revenues over (under) expenditures | (\$149) | \$1,974 | (\$8,361) | \$220 | \$337 | (\$8,084) | (\$4,600) | (\$1,932) | \$3,652 | \$1,547 |
| Other financing sources (uses) | | | | | | | | | | |
| Transfers in | 354 | 2,780 | 1,945 | 1,150 | 1,597 | 1,755 | 9,983 | 5,006 | 2,722 | 9,016 |
| Transfers out | (354) | (2,780) | (2,504) | (2,655) | (1,295) | (1,931) | (9,983) | (5,006) | (2,780) | (9,030) |
| Issuance of debt | - | - | - | - | 14,000 | 1,700 | 3,200 | - | 10,150 | 16,000 |
| Lease liabilities issued | - | - | - | - | - | - | - | - | - | 189 |
| Bonds issued | - | 9,310 | - | - | - | - | - | - | - | - |
| Refunding bonds issued | - | - | 3,787 | - | 19,034 | - | - | - | - | - |
| Payment to refunded bond escrow agent | - | - | - | - | (18,871) | - | - | - | - | - |
| Bond premium | - | 380 | - | - | - | - | - | - | - | - |
| Long-term debt issued | - | 577 | - | - | - | - | - | - | - | - |
| Capital lease obligations issued | 465 | 359 | 322 | 996 | - | - | - | - | - | - |
| Total other financing sources (uses) | 465 | 10,626 | 3,550 | (509) | 14,465 | 1,524 | 3,200 | 0 | 10,092 | 16,175 |
| Net change in fund balances | \$316 | \$12,600 | (\$4,811) | (\$289) | \$14,802 | (\$6,560) | (\$1,400) | (\$1,932) | \$13,744 | \$17,722 |
| Net capital expenditures* | 2,099 | 1,489 | 4,215 | 2,237 | 4,801 | 11,856 | 7,942 | 2,534 | 5,352 | 18,419 |
| Debt service as a percentage of noncapital expenditures | 5.23% | 5.79% | 9.31% | 5.95% | 5.37% | 6.71% | 6.46% | 6.30% | 5.81% | 6.21% |

Table 5

NASH COUNTY, NORTH CAROLINA

General Government Tax Revenues By Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

| Fiscal Year | Property Tax | Intangible Tax | Sales Tax | Real Estate Transfer Tax | Rental Vehicle Tax | Privilege Licenses Tax | Total |
|-------------|--------------|----------------|-----------|--------------------------|--------------------|------------------------|----------|
| 2013 | \$46,965 | \$0 | \$11,619 | \$186 | \$65 | \$15 | \$58,850 |
| 2014 | 49,842 | - | 11,746 | 203 | 69 | 14 | 61,874 |
| 2015 | 48,902 | - | 12,641 | 211 | 72 | 7 | 61,833 |
| 2016 | 49,060 | - | 13,429 | 261 | 81 | 6 | 62,837 |
| 2017 | 50,342 | - | 14,335 | 246 | 86 | 6 | 65,015 |
| 2018 | 49,982 | - | 14,858 | 306 | 88 | 5 | 65,239 |
| 2019 | 51,590 | - | 15,948 | 310 | 90 | 6 | 67,944 |
| 2020 | 53,098 | - | 16,236 | 312 | 85 | 5 | 69,736 |
| 2021 | 55,149 | - | 18,576 | 502 | 89 | 6 | 74,322 |
| 2022 | 55,867 | - | 21,298 | 656 | 90 | 5 | 77,916 |



NASH COUNTY, NORTH CAROLINA

Table 6

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

| Fiscal Year Ended June 30 | Real Property | | Personal Property | | Less: Tax Exempt Real Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a % of Actual Value |
|------------------------------------|-------------------------|------------------------|----------------------|-----------|--------------------------------------|---------------------------------------|--------------------------------|---|--|
| | Residential Property | Commercial Property | Motor Vehicles | Other | | | | | |
| 2013 | \$3,803,337 | \$2,634,284 | \$731,442 | \$954,638 | (\$1,109,318) | \$7,014,383 | 0.67 | \$6,971,162 | 100.62% |
| 2014 | 3,826,638 | 2,654,172 | 860,376 ¹ | 933,828 | (1,113,587) | 7,240,869 | 0.67 | 7,190,535 | 100.70% |
| 2015 | 3,867,641 | 2,687,683 | 789,100 | 978,586 | (1,115,407) | 7,207,603 | 0.67 | 7,078,074 | 101.83% |
| 2016 | 3,906,983 | 2,715,023 | 829,198 | 938,467 | (1,116,963) | 7,272,708 | 0.67 | 7,181,503 | 101.27% |
| 2017 | 4,146,726 | 2,771,996 | 889,136 | 920,771 | (1,236,748) | 7,491,881 | 0.67 | 7,327,740 | 102.24% |
| 2018 | 3,776,711 | 3,209,327 | 917,626 | 1,046,530 | (1,540,272) | 7,409,922 | 0.67 | 7,528,878 | 98.42% |
| 2019 | 4,123,075 | 3,503,774 | 958,615 | 1,048,864 | (1,984,438) | 7,649,890 | 0.67 | 8,265,683 | 92.55% |
| 2020 | 3,839,950 | 3,257,924 | 992,399 | 1,376,247 | (1,577,676) | 7,888,844 | 0.67 | 8,843,996 | 89.20% |
| 2021 | 3,939,302 | 3,288,775 | 1,115,278 | 1,418,487 | (1,622,376) | 8,139,466 | 0.67 | 9,515,722 | 84.30% |
| 2022 | 3,896,618 | 3,253,139 | 1,152,358 | 1,539,025 | (1,530,994) | 8,310,146 | 0.67 | 11,720,939 | 70.90% |

¹ This reporting year only - There are 4 months of Motor Vehicle Value overlap due to old RMV system billing 4 months in arrears, but the new VTS billing at front of cycle. This will not occur in subsequent years.

Source: County tax assessor

Note: Property in the county is reassessed every eight years. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed value.

NASH COUNTY, NORTH CAROLINA

Table 7

Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

| | Year Taxes Are Payable | | | | | | | | | |
|--------------------------------|------------------------|-----------|-----------|-----------|----------------------|-----------|-----------|-----------|-----------|-----------|
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 ¹ | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Nash County | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 |
| <u>Municipality Rates:</u> | | | | | | | | | | |
| City of Rocky Mount | 0.5800 | 0.5800 | 0.5800 | 0.6050 | 0.6050 | 0.6600 | 0.6850 | 0.6850 | 0.6850 | 0.6850 |
| Town of Sharpsburg | 0.5500 | 0.6500 | 0.6500 | 0.6500 | 0.6500 | 0.5500 | 0.5500 | 0.5500 | 0.5500 | 0.6500 |
| Town of Spring Hope | 0.5700 | 0.5700 | 0.6000 | 0.6300 | 0.6300 | 0.6300 | 0.6700 | 0.6700 | 0.6700 | 0.6700 |
| Town of Bailey | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6300 | 0.6300 | 0.6300 | 0.6300 |
| Town of Middlesex | 0.5000 | 0.5000 | 0.5200 | 0.5700 | 0.5700 | 0.5700 | 0.5700 | 0.5700 | 0.5700 | 0.5700 |
| Town of Whitakers | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7200 | 0.7500 |
| Town of Nashville | 0.5600 | 0.5600 | 0.5600 | 0.5600 | 0.5600 | 0.5600 | 0.5800 | 0.5800 | 0.5800 | 0.5800 |
| Town of Castalia | 0.2000 | 0.2000 | 0.2500 | 0.2500 | 0.3000 | 0.3000 | 0.3200 | 0.3200 | 0.3200 | 0.3200 |
| Town of Momeyer | 0.1300 | 0.1300 | 0.1300 | 0.1300 | 0.1300 | 0.1300 | 0.1300 | 0.1300 | 0.1300 | 0.1300 |
| <u>Other Districts:</u> | | | | | | | | | | |
| Rocky Mount Municipal District | 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 | 0.2000 |
| Nashville Municipal District | - | - | - | - | - | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1000 |
| <u>Fire Districts:</u> | | | | | | | | | | |
| Ferrells | .1336 | .1336 | .1336 | .1336 | .1336 | .1336 | .1336 | .1336 | .1336 | .1336 |
| N.S. Gulley | .1075 | .1075 | .1075 | .1200 | .1200 | .1200 | .1200 | .1200 | .1500 | .1500 |
| Harrison | .0900 | .0900 | .1000 | .1000 | .1000 | .1000 | .1000 | .1000 | .1000 | .1200 |
| Stanhope | .0750 | .0750 | .0750 | .0750 | .0750 | .0750 | .0750 | .0750 | .0750 | .1000 |
| Stony Creek | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 |
| Green Hornet | .0500 | .0500 | .0500 | .0500 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 |
| Silver Lake | .0900 | .0900 | .0900 | .0900 | .0900 | .0900 | .0900 | .0900 | .0900 | .0900 |
| Sims | .0464 | .0464 | .0464 | .0464 | .0464 | .0464 | .0464 | .0464 | .0464 | .0464 |
| Tri-County | .0800 | .0800 | .0800 | .1000 | .1000 | .1000 | .1000 | .1000 | .1000 | .1300 |
| Salem | .0800 | .0800 | .1200 | .1200 | .1200 | .1200 | .1200 | .1200 | .1400 | .1400 |
| West Mount | .0750 | .0750 | .0750 | .1000 | .1000 | .1000 | .1000 | .1300 | .1300 | .1300 |
| Coopers | .0850 | .0850 | .0850 | .0850 | .0850 | .0850 | .0850 | .0850 | .0850 | .0850 |
| Castalia | .0735 | .0735 | .0735 | .0735 | .0735 | .0785 | .0785 | .1100 | .1150 | .1150 |
| Spring Hope | .0900 | .0900 | .0900 | .0900 | .0900 | .0900 | .1000 | .1000 | .1000 | .1000 |
| Middlesex | .0500 | .0500 | .0800 | .0800 | .0800 | .0800 | .0800 | .0800 | .0800 | .0800 |
| Red Oak | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 | .0700 |
| Momeyer | .0600 | .0600 | .0800 | .0800 | .0800 | .0800 | .0800 | .0800 | .0800 | .0800 |
| Whitakers | .0750 | .0750 | .0750 | .0750 | .0750 | .0750 | .0750 | .0850 | .0850 | .0850 |

¹ Revaluation years.

Note: The rates are shown per \$100 of taxable value. Real property is reappraised at 100% of fair market value every eight years. Personal property is reappraised annually at 100% of fair market value.

Source: County tax assessor.

Table 8

NASH COUNTY, NORTH CAROLINA

**Principal Property Taxpayers
as of January
Current Year and Nine Years Ago
(amounts expressed in thousands)**

| Taxpayer | 2022 | | | 2013 | | |
|---------------------------------|------------------|------|--------------------------------------|------------------|------|--------------------------------------|
| | Taxable Assessed | Rank | Percentage of Total Taxable Assessed | Taxable Assessed | Rank | Percentage of Total Taxable Assessed |
| | Value | | Value | Value | | Value |
| Hospira Inc. | \$421,172 | 1 | 5.07% | \$149,063 | 2 | 2.12% |
| Consolidated Diesel Co. | 265,179 | 2 | 3.19% | 205,785 | 1 | 2.93% |
| Universal Leaf North America NC | 101,839 | 3 | 1.23% | 101,056 | 3 | 1.44% |
| Duke Energy Progress Inc. | 73,931 | 4 | 0.89% | 53,850 | 4 | 0.77% |
| McLane Mid Atlantic, Inc. | 35,481 | 5 | 0.43% | 24,881 | 7 | 0.35% |
| Kaba Ilco-Unican Corporation | 26,619 | 6 | 0.32% | 19,408 | 9 | 0.28% |
| Dominion North Carolina Power | 23,128 | 7 | 0.28% | - | - | - |
| Honeywell International Inc. | 16,697 | 8 | 0.20% | - | - | - |
| BPREX Healthcare Packaging Inc | 13,400 | 9 | 0.16% | - | - | - |
| Eaton Aeroquip LLC | 8,353 | 10 | 0.10% | - | - | - |
| Hendon Golden East LLC | - | - | - | 35,681 | 5 | 0.51% |
| Carolina Telephone | - | - | - | 29,849 | 6 | 0.42% |
| Rocky Mount WEH LP | - | - | - | 19,393 | 8 | 0.28% |
| PNC - RBC Centura Bank, Inc. | - | - | - | 18,775 | 10 | 0.27% |
| Totals | <u>\$985,799</u> | | <u>11.86%</u> | <u>\$657,741</u> | | <u>9.37%</u> |

Source: County tax assessor

Table 9

NASH COUNTY, NORTH CAROLINA

**Property Tax Levies and Collections
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 | \$47,082 | \$44,970 | 95.51% | \$1,881 | \$46,851 | 99.51% |
| 2014 | 48,580 | 47,477 | 97.73% | 884 | 48,361 | 99.55% |
| 2015 | 48,394 | 47,608 | 98.38% | 646 | 48,254 | 99.71% |
| 2016 | 48,799 | 48,044 | 98.45% | 592 | 48,636 | 99.67% |
| 2017 | 50,211 | 49,491 | 98.57% | 544 | 50,035 | 99.65% |
| 2018 | 49,661 | 49,032 | 98.73% | 460 | 49,492 | 99.66% |
| 2019 | 51,268 | 50,680 | 98.85% | 384 | 51,064 | 99.60% |
| 2020 | 52,830 | 52,334 | 99.06% | 263 | 52,597 | 99.56% |
| 2021 | 54,548 | 54,089 | 99.16% | 182 | 54,271 | 99.49% |
| 2022 | 55,692 | 55,187 | 99.09% | 0 | 55,187 | 99.09% |

NOTE: Starting September 1, 2014 Motor Vehicle are billed thru Tax & Tag Together

Source: County tax assessor.

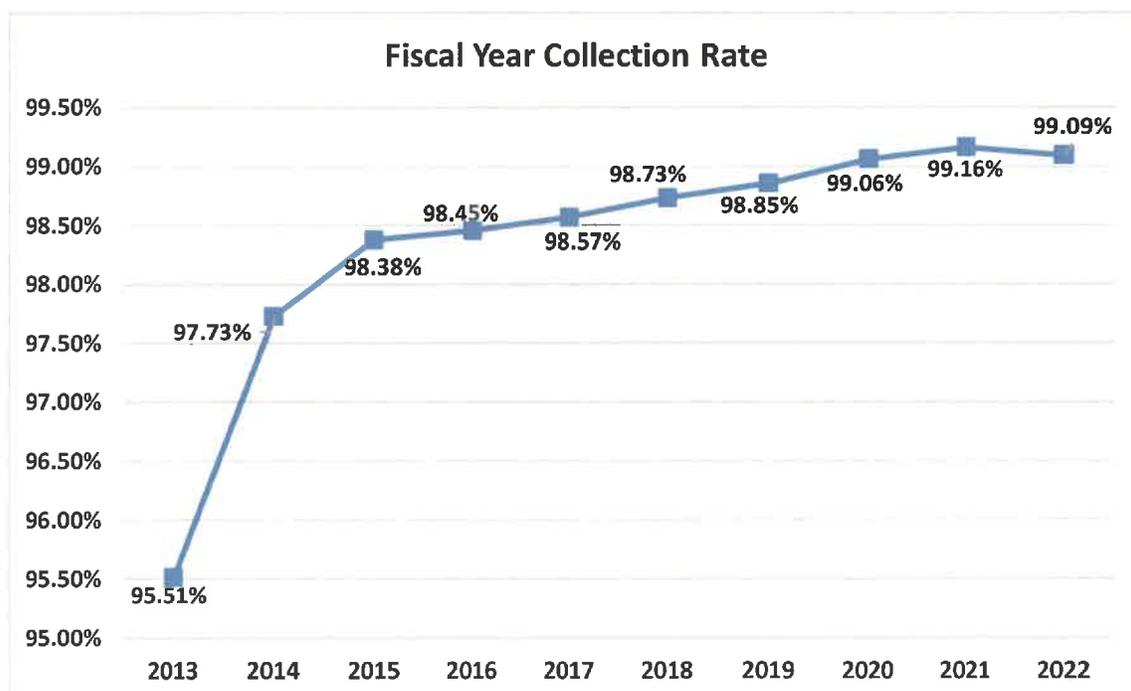


Table 10

NASH COUNTY, NORTH CAROLINA

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

| Fiscal Year | Governmental Activities | | | | | Business-type Activities | | | Total Primary Government | Percentage of Personal Income ¹ | Per Capita ¹ |
|----------------|--------------------------------|------------------------------------|--------------------------------|---------|---------------------------------------|------------------------------------|---|----------------|--------------------------------|--|----------------------------|
| | General Obligation Bonds | Direct Installment Purchases | Limited Obligation Bonds | Leases | Unamortized Premiums/ Discounts | Direct Installment Purchases | Direct Borrowing State Revolving Loan | Water Bonds | | | |
| 2013 | \$0 | \$14,614 | \$26,940 | \$1,364 | \$837 | \$2,496 | \$0 | \$7,859 | \$54,110 | 1.56% | \$565 |
| 2014 | 9,310 | 13,467 | 25,975 | 1,024 | 1,165 | 2,190 | - | 12,517 | 65,648 | 1.86% | 693 |
| 2015 | 8,840 | 11,907 | 25,010 | 871 | 1,077 | 1,885 | - | 12,406 | 61,996 | 1.68% | 657 |
| 2016 | 8,370 | 10,253 | 24,045 | 1,118 | 1,010 | 1,579 | - | 12,292 | 58,667 | 1.57% | 622 |
| 2017 | 7,905 | 42,261 | 6,100 | 745 | 324 | 1,274 | - | 12,095 | 70,704 | 1.87% | 751 |
| 2018 | 7,440 | 41,374 | 4,695 | 470 | 302 | 1,142 | - | 11,911 | 67,334 | 1.70% | 713 |
| 2019 | 6,975 | 41,682 | 3,290 | 270 | 279 | 1,011 | - | 11,712 | 65,219 | 1.57% | 682 |
| 2020 | 6,510 | 38,973 | 1,645 | 64 | 256 | 880 | 3,375 | 11,505 | 63,208 | 1.44% | 659 |
| 2021 | 6,045 | 46,410 | - | - | 234 | 749 | 6,218 | 11,378 | 71,034 | 1.60% | 733 |
| 2022 | 5,580 | 57,454 | - | 115 | 211 | 618 | 6,545 | 10,926 | 81,449 | 1.86% | 855 |

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

¹ See the Schedule of Demographic and Economic Statistics in this section for personal income and population data.

Table 11

NASH COUNTY, NORTH CAROLINA

**Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years**
(amounts expressed in thousands, except per capita amount)

| Fiscal Year | General Obligation Bonds | Less: Amounts Available in Debt Service Fund | Total | Percentage of Estimated Actual Taxable Value ¹ of Property | Per Capita ² |
|----------------|--------------------------------|--|----------|---|----------------------------|
| 2013 | \$ 7,859 | \$ - | \$ 7,859 | 0.11% | 82 |
| 2014 | 21,827 | - | 21,827 | 0.31% | 230 |
| 2015 | 21,246 | - | 21,246 | 0.30% | 225 |
| 2016 | 20,662 | - | 20,662 | 0.29% | 219 |
| 2017 | 20,009 | - | 20,009 | 0.27% | 212 |
| 2018 | 19,351 | - | 19,351 | 0.26% | 205 |
| 2019 | 18,687 | - | 18,687 | 0.24% | 195 |
| 2020 | 18,015 | - | 18,015 | 0.23% | 188 |
| 2021 | 17,423 | - | 17,423 | 0.21% | 180 |
| 2022 | 16,506 | - | 16,506 | 0.20% | 173 |

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property statistical table for property value data.

²Population data can be found in the Schedule of Demographic and Economic Statistics.

Table 12

NASH COUNTY, NORTH CAROLINA

Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

| | Fiscal Year | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <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 of Property | \$ 7,014,383 | \$ 7,240,869 | \$ 7,207,603 | \$ 7,272,709 | \$ 7,491,881 | \$ 7,409,922 | \$ 7,649,890 | \$ 7,888,844 | \$ 8,139,466 | \$ 8,310,146 |
| Debt limit 8% of Assessed Value Statutory Limitation | \$ 561,151 | \$ 579,270 | \$ 576,608 | \$ 581,817 | \$ 599,350 | \$ 592,794 | \$ 611,991 | \$ 631,108 | \$ 651,157 | \$ 664,812 |
| Amount of Debt Applicable to Limit | | | | | | | | | | |
| Gross debt | 54,110 | 65,648 | 61,997 | 58,667 | 70,713 | 67,334 | 65,219 | 63,208 | 71,033 | 81,449 |
| Less: Debt outstanding for water and sewer purposes | <u>7,859</u> | <u>12,517</u> | <u>12,406</u> | <u>12,292</u> | <u>12,104</u> | <u>11,911</u> | <u>11,712</u> | <u>11,505</u> | <u>11,378</u> | <u>10,926</u> |
| Total net debt applicable to limit | 46,251 | 53,131 | 49,591 | 46,375 | 58,609 | 55,423 | 53,507 | 51,703 | 59,655 | 70,523 |
| Legal debt margin | <u>\$ 514,900</u> | <u>\$ 526,139</u> | <u>\$ 527,017</u> | <u>\$ 535,442</u> | <u>\$ 540,741</u> | <u>\$ 537,371</u> | <u>\$ 558,484</u> | <u>\$ 579,405</u> | <u>\$ 591,502</u> | <u>\$ 594,289</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 8.24% | 9.17% | 8.60% | 7.97% | 9.78% | 9.35% | 8.74% | 8.19% | 9.16% | 10.61% |

Note: NC Statute GS159-55 limits County's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: money held for payment of principal; debt incurred for water, sewer, gas, or electric power purposes; uncollected special assessments, funding and refunding bonds not yet issued; and revenue bonds. The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represent the County's legal borrowing authority.

NASH COUNTY, NORTH CAROLINA

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2022
(amounts expressed in thousands)**

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable¹</u> | <u>Estimated Share of Direct and Overlapping Debt</u> |
|--|-----------------------------|--|---|
| Direct: | | | |
| Nash County | 63,360 | 100.00% | 63,360 |
| Overlapping: | | | |
| Town of Sharpsburg | \$ 1,296 | 0.74% | \$ 10 |
| Total direct and overlapping debt | | | <u><u>\$ 63,370</u></u> |

Source: North Carolina Department of State Treasurer www.nctreasurer.state.nc.us

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Nash County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

Table 14

NASH COUNTY, NORTH CAROLINA

Demographic and Economic Statistics Last Ten Fiscal Years

| Fiscal Year | Population ¹ | Personal Income (amounts expressed in thousands) ² | Per Capita Personal Income ² | Median Age ¹ | School Enrollment ³ | Unemployment Rate ⁴ |
|----------------|-------------------------|---|--|----------------------------|-----------------------------------|-----------------------------------|
| 2013 | 95,728 | 3,475,011 | 36,301 | 40.0 | 16,443 | 12.6 |
| 2014 | 94,744 | 3,538,889 | 37,505 | 41.0 | 16,200 | 8.8 |
| 2015 | 94,338 | 3,685,035 | 38,982 | 41.0 | 15,672 | 8.0 |
| 2016 | 94,280 | 3,748,423 | 39,758 | 41.2 | 15,630 | 6.8 |
| 2017 | 94,188 | 3,787,736 | 40,299 | 41.4 | 15,257 | 6.0 |
| 2018 | 94,420 | 3,950,184 | 42,016 | 41.4 | 15,078 | 5.8 |
| 2019 | 95,612 | 4,146,333 | 43,971 | 41.4 | 15,077 | 5.7 |
| 2020 | 95,923 | 4,401,906 | 45,890 | 41.0 | 14,914 | 8.9 |
| 2021 | 96,907 | 4,447,062 | 45,890 | 42.0 | 14,590 | 6.5 |
| 2022 | 95,246 | 4,370,839 | 45,890 | 42.0 | 14,422 | 5.8 |

Data Sources

¹ North Carolina Office of State Budget and Management <http://www.osbm.state.nc.us>

² Bureau of Economic Analysis: Regional Economic Accounts > Local Area Personal Income www.bea.gov

³ School District

⁴ Employment Security Commission of North Carolina www.ncesc.com

Note: Capital income and per capita personal income are based on the latest available data. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Table 15

NASH COUNTY, NORTH CAROLINA

**Principal Employers
Current Year and Nine Years Ago**

| Employer | 2022 | | | 2013 | | |
|-------------------------------------|------------------|-------------|--|------------------|-------------|--|
| | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| Pfizer Inc. (Hospira in 2013) | 1,000+ | 1 | N/A | 2,500 | 1 | 5.53% |
| Nash-Rocky Mount Schools | 1,000+ | 2 | N/A | 2,300 | 2 | 5.09% |
| Nash Health Care Systems | 1,000+ | 3 | N/A | 1,600 | 4 | 3.54% |
| Cummins, Inc. (Consolidated Diesel) | 1,000+ | 4 | N/A | 1,800 | 3 | 3.98% |
| Nash County | 500-999 | 5 | N/A | 600 | 8 | 1.33% |
| McLane Mid-Atlantic, Inc. | 500-999 | 6 | N/A | 575 | 9 | 1.27% |
| Wal-Mart Supercenter | 500-999 | 7 | N/A | | | - |
| NC Department of Transportation | 250-499 | 8 | N/A | | | |
| Universal Leaf North America NC | 250-499 | 9 | N/A | 800 | 7 | 1.77% |
| Nash Community College | 250-499 | 10 | N/A | | | 0.00% |
| PNC Bank (RBC Bank) | | | | 1,250 | 5 | 2.76% |
| Kaba Ilco-Unican Corporation | | | | 550 | 10 | 1.22% |
| City of Rocky Mount | | | | 850 | 6 | 1.88% |
| Total | 0 | | 0.00% | 12,825 | | 28.37% |

Source: Nash County business community.

Notes: Per the NC Department of Commerce - Access NC online database figures were compiled for statistical purposes on a range basis only.

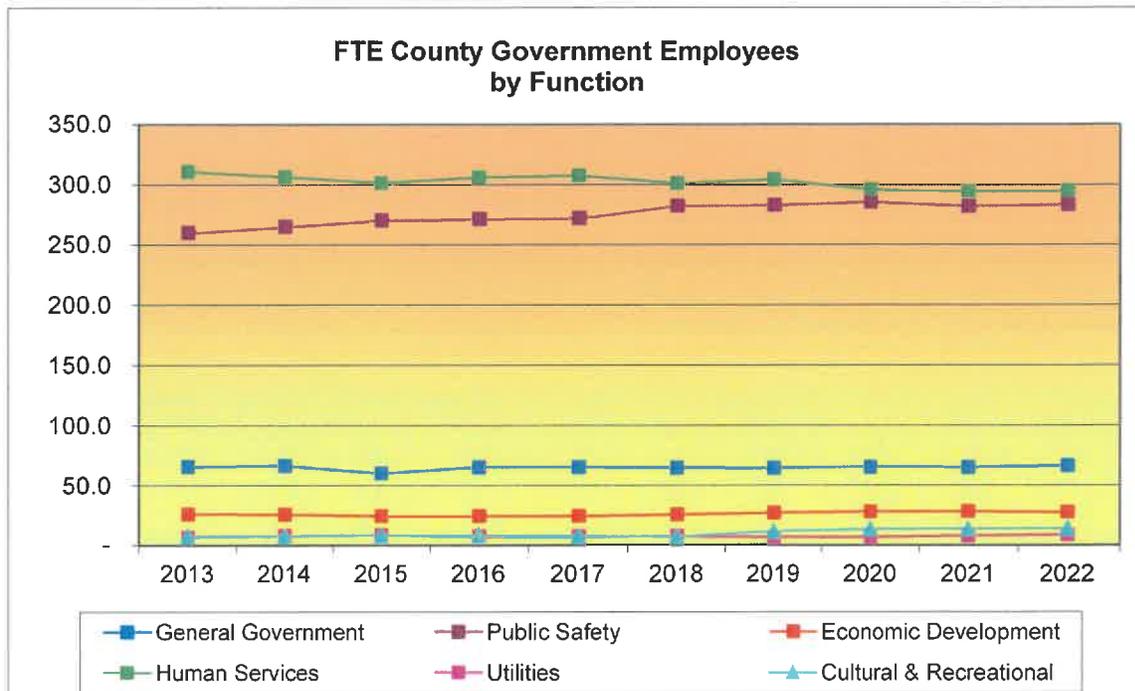
Table 16

NASH COUNTY, NORTH CAROLINA

Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

| Function | Full-time Equivalent Employees as of June 30 | | | | | | | | | |
|---------------------------|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General government | 65.5 | 66.3 | 60.2 | 65.0 | 65.0 | 64.5 | 64.2 | 65.2 | 64.8 | 66.3 |
| Public safety | | | | | | | | | | |
| Sheriff | | | | | | | | | | |
| Deputies | 77.0 | 77.0 | 84.0 | 87.0 | 87.7 | 89.1 | 94.0 | 94.5 | 95.7 | 98.4 |
| Civilians | 58.0 | 58.0 | 55.0 | 53.0 | 53.0 | 54.8 | 54.9 | 57.0 | 55.7 | 55.9 |
| Emergency Services | 120.1 | 125.1 | 126.3 | 126.4 | 126.4 | 133.4 | 128.9 | 128.9 | 125.5 | 124.0 |
| Other Public Safety | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Economic Development | 26.0 | 25.8 | 24.5 | 24.5 | 24.5 | 25.8 | 27.2 | 28.1 | 28.3 | 27.8 |
| Human Services | | | | | | | | | | |
| Health | 116.7 | 114.9 | 111.8 | 111.1 | 111.3 | 107.6 | 101.1 | 93.3 | 92.3 | 94.0 |
| Social Services | 165.0 | 164.0 | 161.3 | 166.3 | 167.3 | 165.3 | 171.8 | 171.4 | 171.1 | 170.8 |
| Other Human Services | 6.4 | 4.8 | 5.8 | 6.1 | 6.2 | 5.5 | 8.7 | 8.4 | 8.3 | 7.3 |
| Solid Waste | 22.5 | 22.5 | 22.5 | 22.5 | 22.5 | 22.5 | 22.5 | 22.5 | 22.5 | 22.5 |
| Water and Sewer Utilities | 6.8 | 8.0 | 8.8 | 7.5 | 7.5 | 7.8 | 6.9 | 6.9 | 7.9 | 8.9 |
| Cultural & Recreational | 8.0 | 8.0 | 8.5 | 8.5 | 8.0 | 7.5 | 11.9 | 13.9 | 14.0 | 14.3 |
| Total | 677.0 | 679.4 | 673.6 | 682.9 | 684.3 | 688.6 | 697.0 | 695.1 | 691.0 | 695.2 |

Source: Nash County finance office.



NASH COUNTY, NORTH CAROLINA

Table 17

Operating Indicators by Function
Last Ten Fiscal Years

| Function | Fiscal Year | | | | | | | | | |
|---|-------------|---------|---------|---------|---------|----------------------|---------|---------|---------|---------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Public Safety | | | | | | | | | | |
| Sheriff | | | | | | | | | | |
| Physical arrests | 2,418 | 2,286 | 2,006 | 1,529 | 1,074 | 773 | 771 | 1,337 | 2,106 | 1,356 |
| Serving civil papers (evictions, executions, court) | 20,348 | 11,753 | 12,438 | 12,177 | 12,374 | 11,003 | 12,297 | 10,575 | 7,224 | 7,333 |
| Traffic violations/citations | 475 | 355 | 619 | 781 | 645 | 503 | 787 | 1,008 | 1,240 | 1,911 |
| Cases in review by investigations | 1,103 | 1,541 | 1,933 | 1,736 | 1,566 | 1,096 | 2,482 | 979 | 858 | 801 |
| Cases closed/cleared | 581 | 971 | 1,322 | 677 | 1,185 | 529 | 1,877 | 710 | 607 | 630 |
| Calls for service | 22,130 | 25,691 | 21,643 | 23,710 | 26,526 | 27,340 | 24,185 | 25,892 | 25,354 | 31,047 |
| Transports | 1,927 | 1,881 | 1,533 | 1,169 | 1,231 | 2,038 | 1,345 | 1,485 | 446 | 374 |
| Emergency Services | | | | | | | | | | |
| Number incoming/outbound calls | 166,944 | 169,803 | 172,745 | 176,384 | 169,735 | 163,464 | 158,424 | 152,422 | 152,687 | 144,807 |
| Number of calls for service dispatched from 911 Center | 112,474 | 115,056 | 103,788 | 119,516 | 119,681 | - ¹ | - | - | - | - |
| Number of CAD calls received | - | - | - | - | - | 84,286 ¹ | 79,512 | 73,420 | 78,926 | 83,244 |
| Number of dispatches for CAD calls received | - | - | - | - | - | 129,353 ¹ | 123,857 | 111,463 | 118,303 | 119,845 |
| Public education events | 10 | 10 | 10 | 10 | 8 | 7 | 6 | 2 | 2 | 2 |
| Fire | | | | | | | | | | |
| Inspections | 1,203 | 1,404 | 824 | 991 | 1,107 | 927 | 1,388 | 1,344 | 1,183 | 1,034 |
| Calls for Service | - | - | - | - | - | - | - | 131 | 100 | 86 |
| Number of fire investigations | 21 | 22 | 15 | 10 | 19 | 19 | 19 | 23 | 25 | 24 |
| Plans review | 26 | 19 | 53 | 69 | 51 | 31 | 65 | 68 | 60 | 65 |
| Assist Fire Departments | - | - | - | - | - | 104 | 126 | 77 | 78 | 75 |
| Emergency Mgmt Plan Reviews | - | - | - | - | - | 53 | 42 | 80 | 43 | 41 |
| Hazardous Material Response | - | - | - | - | - | - | 8 | 6 | 11 | 4 |
| Environmental Impact Study | - | - | - | - | - | 5 | 7 | 3 | 4 | 8 |
| Illegal Burns | - | - | - | - | - | 7 | 5 | 5 | 8 | 7 |
| Hazardous Weather Event (Tornado, Hurricane, Snow/Ice, or Flooding) | - | - | - | - | - | - | 1 | 2 | 2 | 2 |
| Economic Development | | | | | | | | | | |
| Permits issued (building, electrical, mechanical, plumbing, etc.) | 3,409 | 2,538 | 2,805 | 2,977 | 3,175 | 3,239 | 3,264 | 3,649 | 4,270 | 4,412 |
| New residential construction (units) | 141 | 132 | 130 | 115 | 143 | 252 | 355 | 362 | 452 | 54 |
| New commercial construction (units) | 19 | 13 | 16 | 17 | 21 | 19 | 19 | 25 | 27 | 23 |
| Building inspections performed | 8,387 | 7,358 | 7,577 | 7,369 | 8,197 | 8,868 | 8,730 | 9,155 | 10,661 | 12,073 |
| Cultural | | | | | | | | | | |
| Parks & Recreation: | | | | | | | | | | |
| Youth Baseball Participants | 303 | 417 | 447 | 478 | 563 | 597 | 511 | 370 | 172 | 440 |
| Youth Softball Participants | 82 | 142 | 126 | 168 | 220 | 240 | 235 | 158 | 61 | 116 |
| Youth Basketball Participants | - | 315 | 358 | 395 | 447 | 462 | 446 | 360 | 53 | 450 |
| Adult Basketball Participants | - | - | - | 26 | 100 | 60 | 101 | 88 | NA | 184 |
| Youth Football Participants | - | 99 | 152 | 213 | 171 | 145 | 176 | NA | 114 | 168 |
| Cheerleading Participants | - | 39 | 51 | 58 | 58 | 43 | 34 | NA | 47 | 63 |
| Futsal Participants | - | - | - | 48 | 88 | 118 | 171 | 200 | NA | 200 |
| Youth Volleyball Participants | - | - | - | 26 | 60 | 95 | 154 | NA | 64 | 92 |
| Adult Soccer Participants | - | - | - | - | - | 60 | 87 | NA | 138 | 66 |
| Youth Soccer Participants | - | 621 | 741 | 825 | 940 | 989 | 905 | 952 | 896 | 967 |
| Adult Futsal Participants | - | - | - | - | - | - | - | 22 | NA | 35 |
| Adult Volleyball Participants | - | - | - | - | - | - | 38 | NA | NA | 38 |
| Adult Cornhole Tournament | - | - | - | - | - | - | - | 20 | 34 | NA |
| Halloween Trick or Treat Trails | - | - | - | - | - | - | - | 879 | 900 | 800 |
| Daddy Daughter Dance Participants | - | 484 | 483 | 446 | 484 | 474 | 533 | 411 | NA | NA |
| Bicycle Rodeo | - | - | - | - | - | - | - | 7 | 3 | NA |
| Veteran's Day Classic | - | - | - | - | - | - | - | 367 | NA | NA |
| Summer Camp Participants | - | - | - | 220 | 282 | 364 | 346 | 140 | 163 | 364 |
| Youth Flag Football Participants | - | - | - | - | - | 127 | 143 | NA | 97 | 238 |
| Adult Flag Football Participants | - | - | - | - | - | - | 269 | 196 | 74 | 181 |
| Youth Kickball Participants | - | - | - | - | - | - | - | - | 93 | NA |
| Adult Kickball Participants | - | - | - | - | - | - | - | - | 150 | 112 |
| Calls From Santa | - | - | - | - | - | - | - | - | 110 | 86 |

NASH COUNTY, NORTH CAROLINA
Operating Indicators by Function
Last Ten Fiscal Years

Table 17
(continued)

| | Fiscal Year | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <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> |
| Winter Wonderland | - | - | - | - | - | - | - | - | 200 | 335 |
| Art Contest | - | - | - | - | - | - | - | - | 40 | NA |
| Movies in the Park Participants | - | - | - | - | - | - | - | - | 150 | 250 |
| Paws & Claus | - | - | - | - | - | - | - | - | - | 43 |
| Parks to Maintain | - | - | 4 | 5 | 5 | 6 | 8 | 10 | 10 | 10 |
| Park Acreage | - | - | 51 | 114 | 114 | 117 | 144 | 174 | 174 | 174 |
| Solid Waste | | | | | | | | | | |
| Refuse collected (tons/day) | 60.7 | 64.7 | 78.4 | 64.9 | 59.1 | 55.7 | 67.8 | 58.3 | 79.5 | 55.6 |
| Recyclables collected (tons/day) | - | - | - | - | - | - | - | - | - | - |
| Utilities | | | | | | | | | | |
| Water | | | | | | | | | | |
| Total water customers | 2,177 | 2,656 | 2,765 | 2,862 | 3,074 | 3,194 | 3,207 | 3,319 | 3,725 | 4,105 |
| Water mains breaks | 4 | 6 | 7 | 4 | 5 | 3 | 2 | 3 | 7 | 11 |
| Average daily consumption (thousands of gallons) | 279 | 334 | 302 | 337 | 393 | 434 | 435 | 406 | 430 | 630 |
| Sewer | | | | | | | | | | |
| Total sewage customers | 267 | 267 | 266 | 254 | 256 | 267 | 246 | 224 | 234 | 244 |
| Average daily sewage treatment (thousands of gallons) | 76 | 84 | 63 | 49 | 104 | 133 | 148 | 126 | 113 | 26 |

Sources: Various Nash County government departments.
Note: Indicators are not available for the general government function.

¹CAD dispatches in previous years included multiple Unit/Department dispatches for each call. 2018 began showing only the number of CAD entries that dispatches were made from.

Table 18

NASH COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function
Last Ten Fiscal Years

| Function | Fiscal Year | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <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> |
| Public safety | | | | | | | | | | |
| Emergency Medical Services: | | | | | | | | | | |
| Stations - County Owned | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| - Rented Space | 8 | 8 | 7 | 7 | 8 | 8 | 8 | 8 | 8 | 8 |
| Ambulances | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 20 |
| Quick Response Vehicles (QRV) | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 8 |
| Sheriff: | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol units | 76 | 76 | 81 | 82 | 82 | 86 | 95 | 95 | 95 | 95 |
| Solid Waste | | | | | | | | | | |
| Convenience Sites | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Water | | | | | | | | | | |
| Water mains (miles) | 129.2 | 140.1 | 188.0 | 188.0 | 193.0 | 194.0 | 194.3 | 194.3 | 245.0 | 249.1 |
| Fire hydrants | 216 | 283 | 295 | 302 | 312 | 316 | 316 | 317 | 391 | 392 |
| Maximum daily capacity (thousands of gallons) | 989 | 989 | 989 | 989 | 989 | 989 | 989 | 989 | 989 | 989 |
| Sewer | | | | | | | | | | |
| Sanitary sewers (miles) | 10.3 | 10.3 | 10.3 | 10.3 | 10.3 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 |
| Maximum daily treatment capacity (thousands of gallons) | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |

Sources: Various Nash County government departments.

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COMPLIANCE SECTION

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Thompson, Price, Scott, Adams & Co., P.A.

P.O. Box 398

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**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***

Independent Auditors' Report

To the Board of County Commissioners
Nash County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprises Nash County's basic financial statements, and have issued our report thereon dated November 9, 2022.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or 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 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the schedule of findings and questioned costs as item [2022-001] that we consider to be significant deficiencies.

Members

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Nash County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Nash County's Response to Findings

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

Purpose of this Report

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 9, 2022



Thompson, Price, Scott, Adams & Co, P.A.

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**Report On Compliance With Requirements Applicable To Each Major Federal
Program And Internal Control Over Compliance In Accordance With OMB
Uniform Guidance and the State Single Audit Implementation Act**

Independent Auditors' Report

To the Board of County Commissioners
Nash County, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Nash County, 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 Nash County's major federal programs for the year ended June 30, 2022. Nash County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Nash County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each 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 Nash County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Nash County's compliance with the compliance requirements referred to above.

Members

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Nash County 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 Nash County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Nash County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Nash County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Nash County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Nash County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items [2022-002, 2022-003, 2022-004, 2022-005 and 2022-006] to be significant deficiencies.

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

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

Nash County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Nash County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 9, 2022

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**Report On Compliance With Requirements Applicable To Each Major State
Program And Internal Control Over Compliance In Accordance With
OMB Uniform Guidance and the State Single Audit Implementation Act**

Independent Auditors' Report

To the Board of County Commissioners
Nash County, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Nash County, 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 Nash County's major State programs for the year ended June 30, 2022. Nash County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Nash County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Nash County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of Nash County's compliance with the compliance requirements referred to above.

Members

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Nash County State 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 Nash County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Nash County's compliance with the requirements of each major State program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Nash County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Nash County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Nash County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items [2022-002, 2022-003, 2022-004, 2022-005 and 2022-006] to be significant deficiencies.

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

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

Nash County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Nash County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 9, 2022

Nash County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes no X
- Significant deficiency(ies) identified that are not considered to be material weaknesses X yes none reported
- Noncompliance material to financial statements noted ___ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses X yes none reported
- Noncompliance material to federal awards ___ yes X no

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) X yes no

Identification of major federal programs:

| <u>AL #</u> | <u>Program Name</u> |
|----------------|--|
| 14.228 | CDBG |
| 21.207 | Coronavirus State and Local Fiscal Recovery Fund |
| 93.658. 93.659 | Foster Care and Adoption Cluster |
| 93.778 | Medical Assistance Program |

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

Auditee qualified as low-risk auditee? X yes no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses X yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act ___ yes X no

Identification of major State programs:

| <u>Program Name</u> |
|-------------------------------------|
| Foster Care and Adoption Cluster |
| Medical Assistance Program |
| Connect NC Bond Program Loan |
| Public School Building Capital Fund |

**Nash County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section II - Financial Statement Findings

Finding: 2022-001

Prior Period Adjustment

SIGNIFICANT DEFICENCY

Criteria: Management should have a system in place to verify that transactions are recorded in the correct fund, thereby reducing the likelihood of errors in financial reporting.

Condition: Prior Period Adjustments were made to the General Fund that increased fund balance by \$1,835,079. These adjustments were to record the June 2021 local option sales tax receivable, which increased fund balance by \$1,792,251 and to record the June 2021 franchise tax distribution receivable, which increased fund balance by \$42,828.

Effect: The County's management and other users of the financial statements do not have accurate information for decisions-making and monitoring of the county's financial position and adherence to laws, regulations, and other requirements. Errors in financial reporting could occur and not be detected.

Cause: Entries that should be part of the year-end close were overlooked. The County understood that the accrual for August was for June sales, not realizing that the distribution received in September was actually for June sales. Since they had 12 months in revenue, they did not believe that that September distribution should be accrued.

Recommendation: The County should review the ledger and financial documents regularly to ensure that necessary adjustments are made timely during the year.

Views of responsible officials and planned corrective actions: The County agrees with this finding. Please refer to the corrective action plan for details.

Section III - Federal Award Findings and Questioned Costs

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services
Program Name: Medicaid Assistance Program (Medicaid; Title XIX)
AL# 93.778

Finding 2022-002

Inaccurate Information Entry

SIGNIFICANT DEFICENCY

Eligibility

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. In accordance with 2 CFR 200, management should have an adequate system of internal controls procedures in place to ensure an applicant is properly determined or redetermined for benefits.

Condition: There were 18 errors discovered during our procedures that inaccurate information was entered when determining eligibility.

Questioned Cost: There was no affect to eligibility and there were no questioned costs.

**Nash County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section III - Federal Award Findings and Questioned Costs (continued)

| | |
|--|--|
| Context: | We examined 60 of a total of 1,105,616 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit. |
| Effect: | For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and a participant could have been approved for benefits for which they were not eligible. |
| Identification of a repeat finding: | This is a repeat finding from the immediate previous audit, 2021-002. |
| Cause: | Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility. |
| Recommendation: | Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions. |
| Views of responsible officials and planned corrective actions: | The County agrees with the finding. |

Section III - Federal Award Findings and Questioned Costs (Continued)

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services
Program Name: Medicaid Assistance Program (Medicaid; Title XIX)
AL# 93.778

Finding: 2022-003 Inaccurate Resources Entry

SIGNIFICANT DEFICIENCY

Eligibility

| | |
|------------------|---|
| Criteria: | In accordance with Medicaid Manual MA-2230, Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application and these items will agree to reports in the NC FAST system. In this process, the countable resources should be calculated correctly and agree back to the amounts in the NC FAST system. Any items discovered in the verification process should be considered countable or non-countable resources and explained within the documentation. |
| Condition: | There were 5 errors discovered during our procedures that resources in the county documentation and those same resources contained in NC FAST were not the same amounts or files containing resources were not properly documented to be considered countable or non-countable. |
| Questioned Cost: | There were no known affects to eligibility and there were no known questioned costs. |
| Context: | We examined 60 of a total of 1,105,616 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit. |

Nash County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section III - Federal Award Findings and Questioned Costs (Continued)

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and a participant could have been approved for benefits for which they were not eligible.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-003.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

Views of responsible officials and planned corrective actions: The County agrees with the finding.

Section III - Federal Award Findings and Questioned Costs (Continued)

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services
 Program Name: Medicaid Assistance Program (Medicaid; Title XIX)
 AL# 93.778

Finding: 2022-004 IV-D Cooperation with Child Support

SIGNIFICANT DEFICENCY

Eligibility

Criteria: In accordance with the Medicaid Manual MA-3365, all Medicaid cases should be evaluated and referred to the Child Support Enforcement Agency (IV-D). The Child Support Enforcement Agency (IV-D) can assist the family in obtaining financial and/or medical support or medical support payments from the child's non-custodial parent. Cooperation requirement with Social Services and Child Support Agencies must be met or good cause for not cooperating must be established when determining Medicaid eligibility.

Condition: There were 8 errors discovered during our procedures that referrals between DSS and Child Support Agencies were not properly made.

Questioned Cost: There were no known affects to eligibility and there were no known questioned costs.

Context: We examined 60 of a total of 1,105,616 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and applicants could have been approved for benefits for which they were not eligible.

**Nash County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section III - Federal Award Findings and Questioned Costs (Continued)

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-004.

Cause: Human error in reading the Automated Collection and Tracking System (ACTS) report and/or ineffective case review process.

Recommendation: Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determine eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

Views of responsible officials and planned corrective actions: The County agrees with the finding.

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services
Program Name: Medicaid Assistance Program (Medicaid; Title XIX)
AL# 93.778

Finding: 2022-005 Inadequate Request for Information

SIGNIFICANT DEFICENCY

Eligibility

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. Electronic matches are required at applications and redeterminations.

Condition: There were 5 errors discovered during our procedures that inadequate information was requested at applications and/or redeterminations.

Questioned Cost: There were no known affects to eligibility and there were no known questioned costs.

Context: We examined 60 of a total of 1,105,616 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and applicants could have been approved for benefits for which they were not eligible.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-005.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources and income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

**Nash County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section III - Federal Award Findings and Questioned Costs (Continued)

Views of responsible officials The County agrees with the finding.
and planned corrective

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services
Program Name: Temporary Assistance for Needy Families Cluster
AL# 93.778

Finding: 2022-006 Untimely Review of SSI Termination

SIGNIFICANT DEFICENCY

Eligibility

| | |
|------------------|---|
| Criteria: | In accordance with the Medicaid Manual MA-3120, the State sends notification to the County when a participant is no longer eligible under Supplemental Security Income (SSI) determination, the County is required to initiate the ex parte review within 5 workdays of the date the termination appears on the SSI Termination Report, and complete the redetermination within 4 months of the month the case appears on the SSI Termination Report and notify the recipient about applicant's ongoing eligibility for Medicaid. |
| Condition: | There were 2 applicants not reviewed timely and determined to be eligible for Medicaid when their SSI benefits were terminated. |
| Questioned Cost: | There was no known affect to eligibility and there were no known questioned costs. |
| Context: | We examined 60 of a total of 1,105,616 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit. |
| Effect: | The County did not initiate ex parte review timely, therefore, no eligibility review was completed in the required time period. The lack of follow up and certification could lead to applicants receiving Medicaid benefits for which they were not eligible. |
| Cause: | Ineffective communication between departments within the Department of Social Services. One area within DSS received State communications that applicants would no longer be eligible for SSI benefits and the County needed to conduct an application process. This information was not shared with other departments in DSS from which the recipient was also receiving benefits. |
| Recommendation: | Any State communications related to applicants' benefits received by any DSS department should be shared with all areas from which the participant receives benefits. State files should be reviewed internally to ensure all actions have been properly closed and the corrective action has been taken. Workers should be retrained on what process needs to be followed when State communications are received. |

Views of responsible officials The County agrees with the finding.
and planned corrective

Section IV - State Award Findings and Questioned Costs

Program Name: Medical Assistance Program (Medicaid; Title XIX)
AL # 93.778

SIGNIFICANT DEFICENCY: Finding 2022-002, 2022-003, 2022-004, 2022-005 and 2022-006 also apply to State requirements and State Awards.



**Corrective Action Plan
For the Year Ended June 30, 2022**

Section II - Financial Statement Findings

Finding 2022-001

Name of contact person: Donna Wood – Finance Director
Corrective Action: Finance Director will review sales tax accrual and franchise accrual along with the Accountant to ensure correct accruals.
Proposed completion date: Immediately and ongoing

Section III - Federal Award Findings and Questioned Costs

Finding 2022-002

Name of contact person: Melissa McDaniels – IMC Supervisor III, Lyn Saunders- IMC Supervisor II
Corrective Action: Training to be provided to all caseworkers to include TWN and OVS learning gateway webinars. Review of policy for exparte process and system reviews. Training to also include Income Policy, how to review for self-employment income and utilize the income wizard to enter weekly, bi-weekly and monthly income amounts so the system will calculate the income and leave less room for user error. Documentation of what income is being evaluated to also include why certain incomes are not counted. Training to include review of Household Composition, tax filing status and how to review the determinations of each case before completing/ releasing auto holds.
Target 2nd parties will be complete at 2 per worker per week of cases processed within the month. Feedback shared with worker to ensure training was effective.
Training to be provided to all caseworkers to include TWN and OVS learning gateway webinars. Training will also include Income Policy and updated Job Aids will be provided during Nov. 2022 monthly meeting for evidence entry on the dashboard.
Accuracy check point will be completed by the caseworker by reviewing the case determinations to ensure correct income are entered and counted correctly prior to redetermination/application processing is completed. Second Party reviews will continue to be completed to monitor continued progress by caseworkers.
Proposed completion date: Training will occur Nov. 2022, once the training is provided the additional 2nd parties of cases will begin and continue for 2 months into Jan 2023. Management will continue to monitor progress of inaccurate information entry.



**Corrective Action Plan
For the Year Ended June 30, 2022**

Section III - Federal Award Findings and Questioned Costs (continued)

Finding 2022-003

Name of contact person: Lyn Saunders- IMC Supervisor II

Corrective Action: Training to be provided to all caseworkers to include AVS and OVS learning gateway webinars. Training will also include Financial Resources Policy and will be provided during Nov. 2022 monthly meeting for evidence entry on the dashboard.

Accuracy check point will be completed by the caseworker by reviewing the case determinations to ensure correct tax value and liquid resource balance are entered and counted correctly prior to redetermination/application processing is completed. Second Party reviews will continue to be completed to monitor continued progress by caseworkers.

Proposed completion date: Ongoing – Management will continue to monitor progress of inaccurate information entry.

Finding 2022-004

Name of contact person: Melissa McDaniels – IMC Supervisor III

Corrective Action: Training to be provided to cover IV-D Referral Policy and Process, this will include OVS ACTS review, review of policy to know when a referral is required to include if a client requests to be referred. A laminated desk reference will be provided at the time of training, this will have examples of when a referral is needed along with how to enter the referral within NCFAS.

Update documentation template to ensure IV-D referral reason is documented within case notes as to why the referral was needed or not. This will be shared with staff at the training provided and guidelines presented as to how this is a required documentation addition.

Medicaid Supervisor, Team Leads and Staff Development will complete target 2nd parties on 2 cases per worker per week that have been processed within the same month to ensure each worker is following the process of reviewing ACTs and submitting IV-D referrals when required.

Proposed completion date: Training will occur Nov. 2022, once the training is provided the additional 2nd parties of cases will begin and continue for 2 months into Jan 2023.



**Corrective Action Plan
For the Year Ended June 30, 2022**

Section III - Federal Award Findings and Questioned Costs (continued)

Finding 2022-005

Name of contact person: Melissa McDaniels – IMC Supervisor III

Corrective Action: Training to be provided to all caseworkers to include TWN and OVS learning gateway webinars. Review of policy for exparte process and system reviews. Training to include retaining manual OLV hits. Including covering in detail the documentation template that is required to be completed for each case.

Target 2nd parties will be complete at 2 per worker per week of cases processed within the month. Feedback shared with worker to ensure training was effective

Proposed completion date: Training will occur Nov. 2022, once the training is provided the additional 2nd parties of cases will begin and continue for 2 months into Jan 2023.

Finding 2022-006

Name of contact person: Lyn Saunders- IMC Supervisor II

Corrective Action: Training to be provided to all caseworkers to include review of SSI Medicaid- County DSS Responsibility Policy Section MA-1100 during November 2022 monthly meeting and caseworker sign off sheet for timely review of SSI Termination.

Proposed completion date: Ongoing – Management will continue to monitor progress of SSI Termination Review process.

Section IV - State Award Findings and Questioned Costs

Corrective actions for Finding 2022-002, 2022-003, 2022-004, 2022-005 and 2022-006 also apply to State Awards.

Nash County, North Carolina
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2022

Finding: 2021-001
Status: Corrected

Finding: 2021-002
Status: Repeated as finding 2022-002

Finding: 2021-003
Status: Repeated as finding 2022-003

Finding: 2021-004
Status: Repeated as finding 2022-004

Finding: 2021-005
Status: Repeated as finding 2022-005

NASH COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2022

| Grantor/Pass-through Grantor/Program Title | Federal Assistance Listing No. | State/ Pass-through Grantor's Number | Federal (Direct & Pass-through) Expenditures | State Expenditures | Passed-through to Subrecipients | Local Expenditures |
|--|--------------------------------------|---|---|-----------------------|---------------------------------------|-----------------------|
| Federal Awards: | | | | | | |
| <u>U.S. Dept. of Agriculture</u> | | | | | | |
| Passed-through the N.C. Dept. of Health and Human Services: | | | | | | |
| Division of Social Services: | | | | | | |
| Administration: | | | | | | |
| SNAP Cluster | | | | | | |
| State Administrative Matching Grants for the | | | | | | |
| Supplemental Nutrition Assistance Program | 10.561 | | \$ 1,005,458 | \$ - | \$ - | \$ 1,005,458 |
| FNS - ARPA | 10.561 | | 98,179 | - | - | - |
| FNS - CAA | 10.561 | | 36,059 | - | - | - |
| Total Supplemental Nutrition Assistance Program | | | <u>1,139,696</u> | - | - | <u>1,005,458</u> |
| Passed-through the N.C. Dept. of Health and Human Services: | | | | | | |
| Division of Public Health: | | | | | | |
| Administration: | | | | | | |
| Special Supplemental Nutrition Program for Women, Infants, & Children | 10.557 | 13A2-5403-GF | 456,244 | - | - | - |
| Agricultural Conservation Easement Program | 10.931 | 13A2-5403-GF | 3,840 | - | - | - |
| Total U.S. Department of Agriculture | | | <u>1,599,780</u> | - | - | <u>1,005,458</u> |
| <u>U.S. Dept. of Housing and Urban Development</u> | | | | | | |
| Passed-through North Carolina Housing Finance Agency: | | | | | | |
| NCHFA Essential Single Family Rehab Program-Disaster Recovery | | | | | | |
| | 14.239 | ESFRLPDR25 | 44,873 | - | - | - |
| NCHFA Essential Single Family Rehab Program-Disaster Recovery | | | | | | |
| | 14.239 | | 51,420 | - | - | - |
| Total Single Family Rehab Program | | | <u>96,293</u> | - | - | - |
| Passed-through N.C. Department of Commerce | | | | | | |
| CDBG - Neighborhood Revitalization Program | 14.228 | 13-D-2978 | 436,144 | - | - | - |
| CDBG - Disaster Recovery | 14.228 | | 237,713 | - | - | - |
| COVID-19 - CDBG | 14.228 | 20-V-3526 | 54,017 | - | - | - |
| Total CDBG Programs | | | <u>727,874</u> | - | - | - |
| Total U.S. Department of Housing and Urban Development | | | <u>824,167</u> | - | - | - |
| <u>U.S. Dept. of Justice</u> | | | | | | |
| Direct Program: | | | | | | |
| Equitable Sharing Program | 16.922 | NC0640000 | 171,674 | - | - | - |
| Passed-through N.C. Public Safety | | | | | | |
| Coronavirus Emergency Supplemental Funding Program | 16.034 | | 23,672 | - | - | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | | 22,331 | - | - | - |
| Total U.S. Dept. of Justice | | | <u>217,677</u> | - | - | - |
| <u>U.S. Dept. of Transportation</u> | | | | | | |
| Passed-through the N.C. Department of Transportation: | | | | | | |
| RPO Grant - Upper Coastal Plan | | | | | | |
| | 20.205-8 | 49232.4.18 | 23,972 | - | - | - |
| RPO Grant - Upper Coastal Plain RPO | | | | | | |
| | 20.205-8 | 49600.4.18 | 63,106 | - | - | - |
| RPO Grant - Neuse River Trail | | | | | | |
| | 20.205-8 | 49600.4.20 | 37,103 | 1,776 | - | - |
| Total RPO | | | <u>124,181</u> | <u>1,776</u> | - | - |
| State and Community Highway Safety | 20.600 | 22021.6.21 | 39,091 | - | - | - |
| Total U.S. Dept. of Transportation | | | <u>163,272</u> | <u>1,776</u> | - | - |
| <u>U.S. Dept. of Treasury</u> | | | | | | |
| Direct Program: | | | | | | |
| Treasury Forfeiture Fund Program | 21.016 | NC0640000 | 211,590 | - | - | - |
| Coronavirus State and Local Fiscal Recovery Fund | 21.027 | | 4,633,622 | - | - | - |
| Passed-through the Office of State Budget and Management: | | | | | | |
| NC Pandemic Recovery Office | | | | | | |
| Coronavirus Relief Fund | 21.019 | | 36,336 | - | - | - |
| Total U.S. Dept. of Treasury | | | <u>4,881,548</u> | - | - | - |

NASH COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2022

| <u>Grantor/Pass-through</u> <u>Grantor/Program Title</u> | <u>Federal</u> <u>Assistance</u> <u>Listing No.</u> | <u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u> | <u>Federal</u> <u>(Direct &</u> <u>Pass-through)</u> <u>Expenditures</u> | <u>State</u> <u>Expenditures</u> | <u>Passed-through</u> <u>to</u> <u>Subrecipients</u> | <u>Local</u> <u>Expenditures</u> |
|---|---|---|---|-------------------------------------|--|-------------------------------------|
| <u>U.S. Dept. of Health & Human Services</u> | | | | | | |
| Passed-through Upper Coastal Plain Council of Governments: | | | | | | |
| Division of Aging and Adult Services: | | | | | | |
| National Family Caregiver Support Title III-Part E | 93.052 | | 22,915 | 1,528 | - | - |
| <u>Aging Cluster:</u> | | | | | | |
| Special Programs for the Aging - Title III B | | | | | | |
| Grants for Supportive Services and Senior Centers | 93.044 | | 185,915 | 10,936 | - | - |
| COVID-19 - Nutrition Program for Farmers Market | 93.044 | | | | - | - |
| Special Programs for the Aging - Title III C | | | | | | |
| Nutrition Services | 93.045 | | 63,352 | 3,727 | - | - |
| COVID-19 - Home Delivered Meals | 93.045 | | | | - | - |
| COVID-19 - Nutrition Services | 93.045 | | | | - | - |
| Nutrition Services Incentive Program | 93.053 | | 26,823 | - | - | - |
| Total Aging Cluster | | | 276,090 | 14,663 | - | - |
| Division of Social Services: | | | | | | |
| Temporary Assistance for Needy Families Cluster | | | | | | |
| TANF - Work First | 93.558 | | 906,934 | - | - | 1,246,154 |
| Division of Public Health | | | | | | |
| TANF - Work First | 93.558 | 13A1-5151-T2 | 17,987 | - | - | - |
| Total TANF Cluster | | | 924,921 | - | - | 1,246,154 |
| <u>Foster Care and Adoption Cluster (Note 4)</u> | | | | | | |
| Foster Care - Title IV-E | 93.658 | 1601NCFOST | 634,685 | 135,819 | - | 348,375 |
| Foster Care | N/A | | 78,116 | - | - | - |
| Adoption Assistance | 93.659 | | 42,321 | - | - | 38,210 |
| Total Foster Care and Adoption Cluster (Note 4) | | | 755,122 | 135,819 | - | 386,585 |
| Child Support Enforcement | 93.563 | | 1,262,799 | - | - | 650,532 |
| Family Preservation | 93.556 | | 14,510 | - | - | - |
| Low-Income Home Energy Assistance: | | | | | | |
| Administration | 93.568 | | 67,658 | - | - | - |
| Energy Assistance Payments | 93.568 | | 762,900 | - | - | - |
| Crisis Intervention Program | 93.568 | | 483,443 | - | - | - |
| LIEAP ARPA | 93.568 | | 722,490 | - | - | - |
| LIEAP ARPA ADM | 93.568 | | 80,595 | - | - | - |
| LIHWAP ADM | 93.568 | | 38,411 | - | - | - |
| LIHWAP CAA | 93.568 | | 174,383 | - | - | - |
| Total Low-Income Home Energy Assistance | | | 2,329,880 | - | - | - |
| Stephanie Tubbs Jones Child Welfare Services Program: | | | | | | |
| - Permanency Planning - Families for Kids | 93.645 | | 20,901 | - | - | 6,967 |
| Chafee Foster Care Independence Program | | | | | | |
| SSBG - Other Service and Training | 93.667 | | 355,591 | - | - | 118,530 |
| Division of Aging and Adult Services: | | | | | | |
| Social Service Block Grant | | | | | | |
| Social Service Block Grant | 93.667 | | 50,092 | 1,431 | - | - |
| Division of Social Services: | | | | | | |
| SSBG - State In Home Service Fund | 93.667 | | 30,651 | - | - | 4,379 |
| SSBG - State Adult Day Care | 93.667 | | 31,573 | 3,424 | - | 5,879 |
| Total Social Service Block Grant | | | 467,907 | 4,855 | - | 128,788 |
| Division of Child Development and Early Education: | | | | | | |
| Subsidized Child Care | | | | | | |
| <u>Child Care Development Fund Cluster:</u> | | | | | | |
| Division of Social Services: | | | | | | |
| Child Care Development Fund-Administration | 93.596 | | 129,530 | - | - | - |
| Total Subsidized Child Care | | | 129,530 | - | - | - |

NASH COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2022

| <u>Grantor/Pass-through Grantor/Program Title</u> | <u>Federal Assistance Listing No.</u> | <u>State/ Pass-through Grantor's Number</u> | <u>Federal (Direct & Pass-through) Expenditures</u> | <u>State Expenditures</u> | <u>Passed-through to Subrecipients</u> | <u>Local Expenditures</u> |
|---|---|---|---|-------------------------------|--|-------------------------------|
| Passed-through the N.C. Dept. of Health and Human Division of Medical Assistance: | | | | | | |
| Division of Social Services: | | | | | | |
| Administration: | | | | | | |
| Medical Assistance Program | 93.778 | | 2,530,224 | 13,456 | - | 938,024 |
| Division of Social Services: | | | | | | |
| Administration: | | | | | | |
| State Children's Insurance Program - N.C. Health Choice | 93.767 | | 69,595 | 2,470 | - | 13,146 |
| Passed-through the N.C. Dept. of Health and Human Services: | | | | | | |
| Division of Public Health: | | | | | | |
| Public Health Emergency Preparedness | 93.069 | | 13,727 | - | - | - |
| Project Grants and Cooperative Agreements for Tuberculosis Control Program | 93.116 | 1460-272A-NF | 20,110 | - | - | - |
| Family Planning Services | 93.217 | 13A1-592A-FP | 66,588 | - | - | - |
| Immunization Cooperation Agreements | 93.268 | | 30,180 | - | - | - |
| COVID-19 Immunization Cooperation Agreements | 93.268 | | 50,282 | - | - | - |
| Total Immunization Cooperation Agreements | | | 80,462 | - | - | - |
| Epidemiology and Laboratory Capacity for Infectious COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 93.323 | | 29,361 | - | - | - |
| Total Immunization Cooperation Agreements | 93.323 | | 2,765 | - | - | - |
| | | | 32,126 | - | - | - |
| Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations | 93.898 | 1320-5599-00 | 46,000 | - | - | - |
| Preventive Health Services_Sexually Transmitted Diseases Control Grants | 93.977 | 1311-462B-NB | 100 | - | - | - |
| Preventive Health and Health Services Block Grant | 93.991 | | 30,607 | - | - | - |
| Maternal and Child Health Services Block Grant | 93.994 | 13A1-5140-AP | 228,816 | 13,192 | - | - |
| Total U.S. Dept. of Health and Human Services | | | 9,336,370 | 188,831 | - | 3,370,196 |
| <u>U. S. Department of Homeland Security</u> | | | | | | |
| Passed-through N.C. Dept. of Public Safety: | | | | | | |
| Division of Emergency Management: | | | | | | |
| COVID-19 Disaster Grants - Public Assistance | 97.036 | | 47,131 | - | - | - |
| Hazard Mitigation Grant | 97.039 | | 26,133 | 8,711 | - | - |
| Emergency Management Performance | 97.042 | | 21,012 | - | - | - |
| Homeland Security 2019 | 97.067 | | 31,194 | - | - | - |
| Total U. S. Department of Homeland Security | | | 125,470 | 8,711 | - | - |
| Total Federal Awards | | | \$ 17,022,814 | \$ 190,607 | \$ - | \$ 4,375,654 |
| State Awards: | | | | | | |
| <u>N.C. Dept. of Administration</u> | | | | | | |
| Veterans Service | | NA | \$ - | \$ 2,109 | \$ - | \$ - |
| Total N.C. Dept. of Administration | | | - | 2,109 | - | - |
| <u>N.C. Dept. of Natural and Cultural Resources</u> | | | | | | |
| Division of Parks and Recreation | | | | | | |
| Parks and Recreation Trust Fund | | | | 50,000 | | |
| Division of State Library | | | | | | |
| State Aid to Public Libraries | | NA | - | 129,772 | - | - |
| Total N.C. Dept. of Cultural and Natural Resources | | | - | 179,772 | - | - |
| <u>N.C. Housing Finance Agency</u> | | | | | | |
| Urgent Repair Program | | | | 100,000 | | |
| Total N.C. Housing Finance Agency | | | - | 100,000 | - | - |
| <u>Golden LEAF Foundation</u> | | | | | | |
| Passed-through N.C. Dept. of Commerce | | | | | | |
| Golden LEAF - Drainage Improvement | | | - | 127,897 | - | - |
| Golden LEAF | | | - | 35,020 | - | - |
| Total Golden LEAF Foundation | | | - | 162,917 | - | - |

NASH COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2022

| <u>Grantor/Pass-through Grantor/Program Title</u> | <u>Federal Assistance Listing No.</u> | <u>State/ Pass-through Grantor's Number</u> | <u>Federal (Direct & Pass-through) Expenditures</u> | <u>State Expenditures</u> | <u>Passed-through to Subrecipients</u> | <u>Local Expenditures</u> |
|---|---|---|---|-------------------------------|--|-------------------------------|
| <u>N.C. Department of Environmental Quality</u> | | | | | | |
| Division of Waste Management | | | | | | |
| Scrap Tire Fund - SWMGT | | | - | 180 | - | - |
| Soil Conservation State Match | | G40100293015SWC | - | 3,600 | - | - |
| NC Agriculture Cost Share - Technical Assistance | | G40100293015SWC | - | 23,571 | - | - |
| Division of Water Infrastructure | | | | | | |
| Connect NC Bond Program Loan | | H-SRP-D-17-0077- 4W03-536704 | - | 6,545,000 | - | - |
| Asset and Inventory Assessment Grants | | | - | 99,750 | - | - |
| Asset and Inventory Assessment Grants | | | - | 37,820 | - | - |
| Total N.C. Dept. Environmental Quality | | | - | 6,709,921 | - | - |
| <u>N.C. Department of Agriculture and Consumer Services</u> | | | | | | |
| Division of Soil and Water Conservation | | | | | | |
| Master Agreement | | | | 27,171 | - | - |
| Storm Debris Removal Project | | 17-175-4069 | - | 385,263 | - | - |
| Total N.C. Department of Agriculture and Consumer Services | | | - | 412,434 | - | - |
| <u>N.C. Dept. of Health and Human Services</u> | | | | | | |
| Passed-through Upper Coastal Plain Council of Governments: | | | | | | |
| Division of Aging and Adult Services | | | | | | |
| State Appropriation - Fan Heat | | | - | 740 | - | - |
| State Appropriation - In-Home Services | | | - | 350,233 | - | - |
| State Appropriation - Home Delivered Meals | | | - | 160,720 | - | - |
| State Appropriation - Access | | | - | 1,945 | - | - |
| State Appropriation - Senior Center Development | | | - | 10,693 | - | - |
| Total Division of Aging and Adult Services | | | - | 524,331 | - | - |
| Division of Social Services | | | | | | |
| ST Child Welfare/CPS/CS LD | | | - | 191,493 | - | - |
| County Funded Programs | | | - | - | - | 1,020,486 |
| Energy Assistance | | | - | 1,832 | - | - |
| Non-Allocating Reimbursable | | | - | - | - | 192,050 |
| WORK FIRST NON REIMBURSABLE | | | - | - | - | 4,870 |
| Extended FC/MAX NON IV-E | | | - | 1,902 | - | - |
| IV-B EFT CHAF INDEP LIV | | | - | 167,990 | - | - |
| SFFH Maximization | | | - | 3,362 | - | 3,362 |
| State Foster Home | | | - | 13,027 | - | 11,205 |
| Total Division of Social Service | | | - | 379,605 | - | 1,231,973 |
| Division of Public Health | | | | | | |
| Food and Lodging Fees | | NA | - | 24,196 | - | - |
| Public Health Pest Management | | 1153-4801-00 | - | 11,058 | - | - |
| PH Capacity Building | | | - | 172,429 | - | - |
| Public Health Nursing | | | - | 400 | - | - |
| General Communicable Disease Control | | 1175-4510-00 | - | 4,196 | - | - |
| Healthy Community Activities | | | - | 3,747 | - | - |
| Child Health | | 1271-5745-00 | - | 16,995 | - | - |
| HIV/STD STATE | | 1311-4536-RQ | - | 57,552 | - | - |
| Breast and Cervical Cancer Control | | 1320-5599-00 | - | 25,350 | - | - |
| School Nurse Funding Initiative | | 1332-5353-00 | - | 250,000 | - | - |
| Family Planning - State | | 1332-5353-00 | - | 41,210 | - | - |
| Maternal Health | | 13A1-5740-00 | - | 2,610 | - | - |
| Women's Health Service Fund | | 13A1-6016FR | - | 12,222 | - | - |
| TB Control | | 1460-4551-00 & 1460- 4554-00 | - | 53,808 | - | - |
| Total Division of Public Health | | | - | 675,773 | - | - |
| Total N. C. Department of Health and Human Services | | | - | 1,579,709 | - | 1,231,973 |
| <u>N.C. Dept. of Insurance</u> | | | | | | |
| SHIIP Grant | | NA | - | 5,441 | - | - |
| MIPPA Grant | | NA | - | 5,823 | - | - |
| Total N.C. Dept. of Insurance | | | - | 11,264 | - | - |

NASH COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2022

| <u>Grantor/Pass-through</u> <u>Grantor/Program Title</u> | <u>Federal</u> <u>Assistance</u> <u>Listing No.</u> | <u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u> | <u>Federal</u> <u>(Direct &</u> <u>Pass-through)</u> <u>Expenditures</u> | <u>State</u> <u>Expenditures</u> | <u>Passed-through</u> <u>to</u> <u>Subrecipients</u> | <u>Local</u> <u>Expenditures</u> |
|---|---|---|---|-------------------------------------|--|-------------------------------------|
| <u>N.C. Dept. of Public Safety</u> | | | | | | |
| Juvenile Crime Prevention Programs | | | | | | |
| Freedom School | | 864-11629 | - | 35,000 | - | - |
| Impact Plus Nash | | 864-10325 | - | 43,640 | - | - |
| JCPC Administration | | 864-11454 | - | 8,387 | - | - |
| Nash County Transition/RE-Entry | | 864-11041 | - | 80,638 | - | - |
| Nash Tri-County Therapeutic Foster Care | | 864-10384 | - | 45,949 | - | - |
| Hometown Hires Peacemakers | | 864-10590 | - | 29,151 | - | - |
| Teen Court | | 864-10603 | - | 61,823 | - | - |
| Alternatives to Commitment Program (ACP) | | 864-22732 | - | 74,564 | - | - |
| Total Juvenile Crime Prevention Programs | | | - | 379,152 | - | - |
| Total N. C. Department of Public Safety | | | - | 379,152 | - | - |
| <u>N.C. Dept. of Transportation</u> | | | | | | |
| Rural Operating Assistance Program (ROAP) Cluster | | | | | | |
| ROAP Elderly and Disabled Transportation Assistance Program | | 36220.10.10.1 | - | 6,144 | - | - |
| ROAP Work First Transitional - Employment | | 36236.11.9.1 | - | 494 | - | - |
| Total ROAP Cluster | | | - | 6,638 | - | - |
| Total N.C. Dept. of Transportation | | | - | 6,638 | - | - |
| <u>N.C. Dept. of Public Instruction</u> | | | | | | |
| Public School Building Capital Fund | | | | | | |
| Total N.C. Dept. of Public Instruction | | | - | 4,144,743 | - | - |
| Total State Awards | | | \$ - | \$ 13,688,659 | \$ - | \$ 1,231,973 |
| Total Federal and State Awards | | | \$ 17,148,284 | \$ 13,887,977 | \$ - | \$ 5,607,627 |

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 Nash County 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 Nash County, it is not intended to and does not present the financial position, changes in net position or cash flows of Nash County.

Note 2: Summary of Significant Accounting Policies

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

Note 3: Indirect Cost Rate

Nash County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4: Loans Outstanding

Nash County had the following loan balances outstanding at June 30, 2021 for loans that the grantor/pass-through grantor has still imposed continuing compliance requirements. Loans outstanding at the beginning of the year and loans made during the year are included in the SEFSA. The balance of loans outstanding at June 30, 2022 consist of:

| <u>Program Title</u> | <u>AL#/ CFDA</u> | <u>Pass-through Grantor's Number</u> | <u>Amount Outstanding</u> |
|------------------------------|----------------------|--|-------------------------------|
| Connect NC Bond Program Loan | N/A | H-SRP-D-17-0077- 4W03-536704 | \$ 6,545,000 |

Note 5: Cluster of Programs

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

NASH COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2022

| <u>Grantor/Pass-through</u> <u>Grantor/Program Title</u> | <u>Federal</u> <u>Assistance</u> <u>Listing No.</u> | <u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u> | <u>Federal</u> <u>(Direct &</u> <u>Pass-through)</u> <u>Expenditures</u> | <u>State</u> <u>Expenditures</u> | <u>Passed-through</u> <u>to</u> <u>Subrecipients</u> | <u>Local</u> <u>Expenditures</u> |
|---|---|---|---|-------------------------------------|--|-------------------------------------|
|---|---|---|---|-------------------------------------|--|-------------------------------------|

Note 6: Benefit Payments Issued by the State

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

| <u>Program Title</u> | <u>AL No.</u> | <u>Federal</u> | <u>State</u> |
|---|---------------|----------------|--------------|
| Supplemental Nutrition Assistance Program | 10.551 | \$ 55,742,272 | \$ - |
| Special Supplemental Nutrition Program for Women Infant and Children | 10.557 | 2,010,104 | - |
| TANF PEAFF | 93.558 | 95,500 | 43,990 |
| TANF Payments & Penalties | 93.558 | 275,970 | - |
| IV-E Adopt & Vendor | 93.659 | 235,847 | 43,990 |
| Children's Health Insurance Program | 93.767 | 1,676,330 | 375,976 |
| Medical Assistance Program | 93.778 | 159,055,816 | 59,967,789 |
| CWS Adopt, Vendor, Guard | N/A | - | 89,748 |
| SC/SA Domiciliary Care | N/A | - | 453,435 |

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