

**Vance County**  
Henderson, North Carolina

**Financial Statements**  
June 30, 2024

VANCE COUNTY, NORTH CAROLINA  
**BOARD AND OFFICERS**  
June 30, 2024

**BOARD OF COUNTY COMMISSIONERS**

Carolyn Faines, Chair  
Dan Brummitt  
Leo Kelly, Jr.  
Thomas S. Hester, Jr.  
Yolanda J. Feimster  
Valencia Louise Perry

**OFFICERS**

County Manager  
Finance Director

Renee Perry  
Stephanie Williams

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**Alan W. Thompson, CPA**

**R. Bryon Scott, CPA**

**Gregory S. Adams, CPA**

## **INDEPENDENT AUDITORS' REPORT**

To the Board of County Commissioners  
Vance County  
Henderson, North Carolina

### **Report on the Financial Statements**

#### **Opinions**

We have audited the accompanying 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 Vance County, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements which collectively comprise Vance County's 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 units, each major fund, and the aggregate remaining fund information of Vance County, North Carolina as of June 30, 2024, 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 Vance County ABC Board, which reflect 60.07 percent of the assets, 54.80 percent of the net position, and 89.13 percent of the revenues of the aggregate discretely presented component units as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those 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 Vance County ABC Board is based solely on the report 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 Vance 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 Vance County ABC Board and Vance Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.



### ***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 Vance 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 *Government 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 responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Vance 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 Law Enforcement Officers' Special Separation Allowance, the other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions on pages 4 through 11 and 73 through 81, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Vance 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 Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2025, on our consideration of the Vance County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the report is 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 the Vance 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

January 27, 2025

## Management's Discussion and Analysis

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

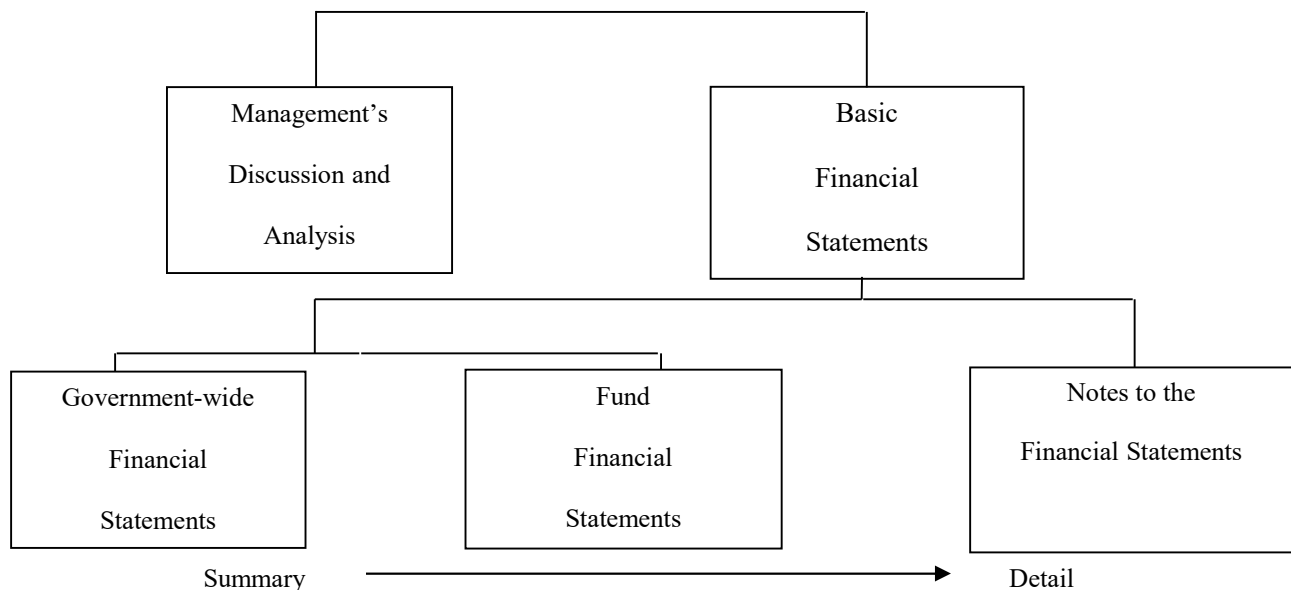
- The assets and deferred outflows of resources of Vance County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$45,930,411 (*net position*). Unrestricted net position is \$7,957,654.
- The government's total net position increased by \$7,880,279, primarily due to increases in the net position of the Governmental Funds.
- As of the close of the current fiscal year, Vance County's governmental funds reported combined ending fund balances of \$53,088,112, an increase of \$6,588,844 in comparison with the prior year. Approximately 34.89 percent of this total amount, or \$18,524,481 is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$26,989,752 or 51.38 percent of total general fund expenditures for the fiscal year.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Vance County's basic financial statements. The County's basic financial statements consist of two 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 Vance County.

### Required Components of Annual Financial Report

Figure 1



## **Basic Financial Statements**

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

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

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's 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 plans.

## **Government-wide Financial Statements**

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and 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 basic services such as public safety, human services, and general administration. 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 include the water and solid waste management services offered by Vance County. The final category is the component units. 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 other component unit is the Vance County Tourism Development Authority, a public authority operating under the development of travel, tourism, and conventions in Vance County through advertising and promotions. The Authority is funded by a specific allocation of the county-wide occupancy tax authorized by House Bill 765, Ratified Bill, 2001 session of the North Carolina General Assembly.

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. Vance County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Vance County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

**Proprietary Funds** – Vance County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Vance County uses enterprise funds to account for its water and solid waste management service operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Vance 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 follow Exhibit 10 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary concerning Vance County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found following the notes to the financial statements 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 assets and deferred outflows of resources of Vance County's primary government exceeded its liabilities and deferred inflows by \$45,930,411 as of June 30, 2024. The County's net position increased by \$13,069,396 for the fiscal year ended June 30, 2024. One of the largest portions, \$19,421,240 (42.28%) 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). Vance County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Vance 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 Vance County's net position \$18,551,517 (40.39%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$7,957,654 (17.33%) is unrestricted.

### Vance County's Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other assets	\$ 69,626,367	\$ 58,429,233	\$ 2,537,331	\$ 2,457,824	\$ 72,163,698	\$ 60,887,057
Capital Assets	27,913,427	28,136,320	14,620,659	15,065,435	42,534,086	43,201,755
Net Pension Assets	42,657	41,390	-	-	42,657	41,390
Total Assets	<u>97,582,451</u>	<u>86,606,943</u>	<u>17,157,990</u>	<u>17,523,259</u>	<u>114,740,441</u>	<u>104,130,202</u>
Total deferred outflows of resources	<u>9,654,408</u>	<u>9,861,962</u>	<u>9,274</u>	<u>11,904</u>	<u>9,663,682</u>	<u>9,873,866</u>
Long-term liabilities	18,054,734	20,078,511	10,587,252	10,815,939	28,641,986	30,894,450
Other liabilities	37,285,570	35,694,801	1,182,427	1,188,482	38,467,997	36,883,283
Total Liabilities	<u>55,340,304</u>	<u>55,773,312</u>	<u>11,769,679</u>	<u>12,004,421</u>	<u>67,109,983</u>	<u>67,777,733</u>
Total deferred inflows of resources	<u>11,333,351</u>	<u>13,326,567</u>	<u>30,378</u>	<u>38,753</u>	<u>11,363,729</u>	<u>13,365,320</u>
Net Position						
Net investment in capital assets	15,387,833	14,275,417	4,033,407	4,249,496	19,421,240	18,524,913
Restricted	18,551,517	15,557,256	-	-	18,551,517	15,557,256
Unrestricted	6,623,854	(2,463,647)	1,333,800	1,242,493	7,957,654	(1,221,154)
Total Net Position	<u>\$ 40,563,204</u>	<u>\$ 27,369,026</u>	<u>\$ 5,367,207</u>	<u>\$ 5,491,989</u>	<u>\$ 45,930,411</u>	<u>\$ 32,861,015</u>

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

- Continued strong collection rate for property taxes.
- Increased in sales tax collections, a major source of revenue for the County.
- Operating grants.
- Continued low cost of debt due to the County's high bond rating.
- Aggressive pursuit of grants funding for County projects.
- Diligent collection efforts on past due bills for taxes, utilities, and service.

**Vance County's Changes in Net Position**

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 5,259,280	\$ 5,340,732	\$ 3,586,816	\$ 3,831,957	\$ 8,846,096	\$ 9,172,689
Operating grants and contributions	8,483,093	11,656,589	147,756	155,438	8,630,849	11,812,027
Capital grants and contributions	88,555	560,818	-	-	88,555	560,818
General revenues:						
Property taxes	29,244,995	28,428,767	-	-	29,244,995	28,428,767
Other taxes	13,700,962	13,077,222	-	-	13,700,962	13,077,222
Grants and contributions not restricted to specific programs	464,160	372,759	-	-	464,160	372,759
Other	2,531,229	2,550,484	62,807	39,660	2,594,036	2,590,144
Total revenues	<u>59,772,274</u>	<u>61,987,371</u>	<u>3,797,379</u>	<u>4,027,055</u>	<u>63,569,653</u>	<u>66,014,426</u>
<b>Expenses:</b>						
General government	5,832,274	6,482,310	-	-	5,832,274	6,482,310
Public safety	18,489,871	19,533,923	-	-	18,489,871	19,533,923
Transportation	32,870	20,711	-	-	32,870	20,711
Economic and physical development	2,982,661	3,116,973	-	-	2,982,661	3,116,973
Human service	10,736,292	10,790,011	-	-	10,736,292	10,790,011
Cultural and recreation	2,085,184	2,050,295	-	-	2,085,184	2,050,295
Education	10,957,515	11,720,567	-	-	10,957,515	11,720,567
Interest on long-term debt	313,881	346,620	-	-	313,881	346,620
Solid waste management	-	-	2,527,490	2,531,173	2,527,490	2,531,173
Water	-	-	1,394,671	1,514,619	1,394,671	1,514,619
Total expenses	<u>51,430,548</u>	<u>54,061,410</u>	<u>3,922,161</u>	<u>4,045,792</u>	<u>55,352,709</u>	<u>58,107,202</u>
Increase (decrease) in net position before transfers and special items						
transfers and special items	8,341,726	7,925,961	(124,782)	(18,737)	8,216,944	7,907,224
Transfers and special items	<u>(336,665)</u>	<u>(156,319)</u>	<u>-</u>	<u>93,394</u>	<u>(336,665)</u>	<u>(62,925)</u>
Increase (Decrease) in net position after transfers and special items						
	8,005,061	7,769,642	(124,782)	74,657	7,880,279	7,844,299
Net position, beginning	27,369,026	19,353,984	5,491,989	5,417,332	32,861,015	24,771,316
Net position, beginning (restated)	<u>32,558,143</u>	<u>19,599,384</u>	<u>5,491,989</u>	<u>5,417,332</u>	<u>38,050,132</u>	<u>25,016,716</u>
Net position, ending	<u>\$ 40,563,204</u>	<u>\$ 27,369,026</u>	<u>\$ 5,367,207</u>	<u>\$ 5,491,989</u>	<u>\$ 45,930,411</u>	<u>\$ 32,861,015</u>

**Governmental activities.** Governmental activities increased the County’s net position by \$8,005,061. Key elements of this increase are as follows:

- Increase in property taxes, other taxes, and grants and contributions not restricted to a specific programs, as well as an overall decrease in expenditures from various functions, such as General Government, Public Safety, Economic and Physical Development, & Education.

**Business-type activities:** The net position of business-type activities decreased by \$124,782. Key elements of this increase are as follows:

- Investment earnings increased by roughly 58%, while other revenues decreased slightly. The decrease in charges for services slightly outpaced the decrease in expenditures.

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

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

**Governmental Funds.** The focus of Vance County’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Vance 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 Vance County. At the end of the current fiscal year, Vance County's fund balance available in the General Fund was \$27,785,200 while total fund balance reached \$34,849,195. The County currently has an available fund balance of 52.63% of general fund expenditures, while total fund balance represents 66.01% of that same amount.

At June 30, 2024, the governmental funds of Vance County reported a combined fund balance of \$53,088,112, a 14.17% increase over last 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 \$2,072,935 for the fiscal year ending June 30, 2024.

**Proprietary Funds.** The County of Vance’s proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Total net position of the Solid Waste Fund at the end of the fiscal year was \$720,096, and for the Water Fund equaled \$4,647,111. The change in net position for the Solid Waste Fund was \$27,673 while the change in net position for the Water Fund was (\$152,455). Other factors concerning the finances of these funds have already been addressed in the discussion of Vance County's Business-Type activities.

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

**Capital assets.** Vance County’s capital assets for its governmental and business – type activities as of June 30, 2024, totals \$42,617,763 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, vehicles and construction in progress.

Major capital asset transactions during the year include:

- Purchased a number of new vehicles for public safety.
- Various other building improvements.
- The County put into active service a large portion of the construction projects which it had undertaken over previous years.



**Vance County's Capital Assets**

Figure 4

	Governmental		Business-type		Total	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Land	\$ 2,403,383	\$ 2,403,383	\$ 899,343	\$ 899,343	\$ 3,302,726	\$ 3,302,726
Building & Improvements	15,524,749	9,973,055	356,358	389,844	15,881,107	10,362,899
Equipment & Vehicles	3,694,939	3,392,687	32,102	41,672	3,727,041	3,434,359
Computer Software	19,978	33,972	-	-	19,978	33,972
Water Distribution system	-	-	13,221,807	13,638,526	13,221,807	13,638,526
Construction in Progress	6,270,378	12,333,223	111,050	96,050	6,381,428	12,429,273
Right to Use Assets	83,676	49,041	-	-	83,676	49,041
<b>Total</b>	<b>\$ 27,997,103</b>	<b>\$ 28,185,361</b>	<b>\$ 14,620,660</b>	<b>\$ 15,065,435</b>	<b>\$ 42,617,763</b>	<b>\$ 43,250,796</b>

Additional information on the County's capital assets can be found in notes to the financial statements.

**Long-term Debt.** As of June 30, 2024, Vance County had total long-term debt obligations of \$28,641,985 all of which is backed by the full faith and credit of the County.

**Vance County's Outstanding Debt**

Figure 5

	Governmental		Business-type		Total	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ -	\$ -	\$ 10,423,000	\$ 10,638,000	\$ 10,423,000	\$ 10,638,000
Lease Liabilities	78,588	44,626	-	-	78,588	44,626
Subscription-based IT Liabilities	6,120	3,446	-	-	6,120	3,446
Direct Placement Installment						
Purchases	17,970,026	20,030,439	-	-	17,970,026	20,030,439
Direct Borrowing Installment						
Purchases	-	-	164,251	177,939	164,251	177,939
<b>Total</b>	<b>\$ 18,054,734</b>	<b>\$ 20,078,511</b>	<b>\$ 10,587,251</b>	<b>\$ 10,815,939</b>	<b>\$ 28,641,985</b>	<b>\$ 30,894,450</b>

Vance County's total debt decreased by \$2,252,465 during the past fiscal year primarily due to payments upon the outstanding lease liabilities, general obligation bonds, and installment purchases.

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 of Vance County is \$226,850,250.

Additional information regarding Vance County's long-term debt can be found in the notes to the financial statements.

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

The following key economic indicators reflect the current economic condition of Vance County:

- The local economy continues to recover from the latest recession although at a slower rate than other areas of North Carolina. Unemployment rates have continued to decline or hold steady most months.
- Vance County has two industrial parks with remaining capacity to attract new industry, including the expansion of the Henderson-Vance Industrial Park. The County partnered with HVIP in constructing a shell building which is currently on the market for sale.
- As of January 1, 2024 the sales assessment ratio of real property was 100.07. This follows a revaluation of all real property in the County in 2024.
- Sales tax distributions are a major source of revenue for the County.

## **Budget Highlights for the Fiscal Year Ending June 30, 2025**

**Governmental Activities:** The ad valorem tax rate remains at 89.0 cents per \$100.00. Ad valorem tax revenues are expected to increase modestly over the prior fiscal year. The fire tax rate remains the same at 8.9 cents per \$100.00. The County contracted with consultants to provide a comprehensive fire study during FY24. The County continues to appropriate fund balance on an annual basis to be used for critical building maintenance and other one-time capital outlay needs during the fiscal year. These expenditures have been covered by recurring revenues in recent years and fund balance. Remaining revenue sources are projected to remain fairly constant compared to prior year amounts. The County expects to be able to provide services at the same level as the prior year. Budgeted expenditures in the General Fund are expected to increase. The overall increase is related to a few large items in the budget.

**Business-type Activities:** The solid waste user household fee will remain at \$120 per household. The solid waste budget is increasing due to contractual CPI adjustments, increased trash disposal amounts and increasing costs related to managing the solid waste sites and transporting waste. The Water Fund is expected to remain relatively level with no increase in the water usage rate for customers.

## **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, Vance County, 122 Young Street, Suite B, Henderson, NC 27536. You can also call 252-738-2006, visit our website [www.vancecounty.org](http://www.vancecounty.org) or send an email to [swilliams@vancecounty.org](mailto:swilliams@vancecounty.org) for more information.

## **BASIC FINANCIAL STATEMENTS**

**Vance County, North Carolina**  
**Statement of Net Position**  
**June 30, 2024**

	Primary Government			Component Units	
	Governmental Activities	Business Type Activities	Total Primary Government	Vance ABC Board	Vance Tourism Development Authority
<b>ASSETS</b>					
Cash and cash equivalents	\$ 39,772,217	\$ 1,529,818	\$ 41,302,035	\$ 1,825,220	\$ 1,667,230
Receivables (net):					
Property Taxes	1,086,885	-	1,086,885	-	-
Accounts	3,090,050	404,098	3,494,148	-	47,136
Notes	2,300,000	-	2,300,000	-	-
Leases	259,532	-	259,532	-	-
Interest	74,249	-	74,249	-	-
Inventories	-	-	-	629,694	-
Due from other governments	4,058,370	87,971	4,146,341	-	-
Prepaid items	13,672	-	13,672	30,388	-
Restricted Cash and Cash Equivalents	14,551,830	515,444	15,067,274	-	-
Restricted Opioid receivable, net	4,335,886	-	4,335,886	-	-
Net Pension Asset	42,657	-	42,657	-	-
Capital assets:					
Land, improvements, and construction in process	8,673,761	1,010,393	9,684,154	356,979	461,267
Other capital assets, net of depreciation	19,239,666	13,610,266	32,849,932	431,159	-
Right to use capital assets, net	83,676	-	83,676	-	-
Total Capital assets	27,997,103	14,620,659	42,617,762	788,138	461,267
Total assets	97,582,451	17,157,990	114,740,441	3,273,440	2,175,633
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension deferrals	7,173,490	-	7,173,490	190,577	47,422
OPEB deferrals	2,480,918	9,274	2,490,192	13,860	16,231
Total deferred outflows of resources	9,654,408	9,274	9,663,682	204,437	63,653
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	2,041,970	362,401	2,404,371	381,093	16,731
Accrued Expense	-	-	-	10,588	-
Unspent Grant Proceeds	6,218,441	-	6,218,441	-	-
Accrued interest	160,299	29,044	189,343	-	-
Customer deposits	-	92,523	92,523	-	-
Long-term liabilities:					
Due within one year					
Long-term debt	2,357,767	235,688	2,593,455	-	-
Compensated absences	-	-	-	41,428	13,657
Due in more than one year					
Accrued post closure liability	-	630,236	630,236	-	-
Long-term debt	15,696,967	10,351,564	26,048,531	-	-
Compensated absences	958,170	-	958,170	-	-
Net Pension Liability- LGERS	11,383,671	11,549	11,395,220	242,008	78,057
Total Pension Liability- LEOSSA	1,297,206	-	1,297,206	-	-
Total OPEB Liability	15,225,813	56,674	15,282,487	247,629	34,734
Total liabilities	55,340,304	11,769,679	67,109,983	922,746	143,179
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Prepaid taxes	139,563	-	139,563	-	-
Note receivable	2,300,000	-	2,300,000	-	-
Pension deferrals	518,091	-	518,091	581	1,489
OPEB deferrals	8,118,114	30,378	8,148,492	89,596	61,717
Leases	257,583	-	257,583	-	-
Total deferred outflows of resources	11,333,351	30,378	11,363,729	90,177	63,206
<b>NET POSITION</b>					
Net investment in capital assets	15,387,833	4,033,407	19,421,240	788,138	461,267
Restricted:					
Stabilization by State Statute	7,307,879	-	7,307,879	-	47,136
Register of Deeds	155,899	-	155,899	-	-
Human Services	152,259	-	152,259	-	-
Opioid Settlement	1,433,812	-	1,433,812	-	-
Education	7,060,055	-	7,060,055	-	-
Economic Development	817,903	-	817,903	-	-
Public Safety	1,623,710	-	1,623,710	-	-
Working Capital	-	-	-	204,520	-
Unrestricted	6,623,854	1,333,800	7,957,654	1,472,296	1,524,498
Total net position	\$ 40,563,204	\$ 5,367,207	\$ 45,930,411	\$ 2,464,954	\$ 2,032,901

Vance County, North Carolina  
Statement of Activities  
For the Year Ended June 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Vance ABC Board	Vance Tourism Development Authority
					Governmental Activities	Business-type Activities	Total		
<b>Primary government:</b>									
Government activities:									
General government	\$ 5,832,274	\$ 1,297,928	\$ 349,062	\$ -	\$ (4,185,284)	\$ -	\$ (4,185,284)	\$ -	\$ -
Public safety	18,489,871	3,777,600	1,781,939	-	(12,930,332)	-	(12,930,332)	-	-
Economic and physical development	2,982,661	42,585	329,624	-	(2,610,452)	-	(2,610,452)	-	-
Environmental Protection	-	24,875	-	-	24,875	-	24,875	-	-
Transportation	32,870	-	-	-	(32,870)	-	(32,870)	-	-
Human services	10,736,292	49,131	4,989,668	541	(5,696,952)	-	(5,696,952)	-	-
Cultural and recreational	2,085,184	67,161	974,035	-	(1,043,988)	-	(1,043,988)	-	-
Education	10,957,515	-	58,765	88,014	(10,810,736)	-	(10,810,736)	-	-
Interest on debt	313,881	-	-	-	(313,881)	-	(313,881)	-	-
Total governmental activities	<u>51,430,548</u>	<u>5,259,280</u>	<u>8,483,093</u>	<u>88,555</u>	<u>(37,599,620)</u>	<u>-</u>	<u>(37,599,620)</u>	<u>-</u>	<u>-</u>
Business-type activities:									
Water	1,394,671	1,179,409	-	-	-	(215,262)	(215,262)	-	-
Landfill	2,527,490	2,407,407	147,756	-	-	27,673	27,673	-	-
Total business-type activities	<u>3,922,161</u>	<u>3,586,816</u>	<u>147,756</u>	<u>-</u>	<u>-</u>	<u>(187,589)</u>	<u>(187,589)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 55,352,709</u>	<u>\$ 8,846,096</u>	<u>\$ 8,630,849</u>	<u>\$ 88,555</u>	<u>(37,599,620)</u>	<u>(187,589)</u>	<u>(37,787,209)</u>	<u>-</u>	<u>-</u>
<b>Component units:</b>									
Vance ABC Board	\$ 5,180,402	\$ 5,317,513	\$ -	\$ -	-	-	-	137,111	-
Vance County TDA	338,634	-	-	-	-	-	-	-	(338,634)
Total component units	<u>\$ 5,519,036</u>	<u>\$ 5,317,513</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,111</u>	<u>(338,634)</u>
General Revenues:									
Taxes:									
Ad valorem taxes					29,244,995	-	29,244,995	-	-
Local option sales tax					13,619,433	-	13,619,433	-	-
Other taxes					81,529	-	81,529	-	556,647
Unrestricted intergovernmental					464,160	-	464,160	-	-
Investment income					2,196,131	62,807	2,258,938	-	74,266
Gain/Loss of sale/disposal of assets					42,890	-	42,890	-	-
Miscellaneous					292,208	-	292,208	-	17,779
Special items					(336,665)	-	(336,665)	-	-
Total general revenues, transfers, and special items					<u>45,604,681</u>	<u>62,807</u>	<u>45,667,488</u>	<u>-</u>	<u>648,692</u>
Change in net position					<u>8,005,061</u>	<u>(124,782)</u>	<u>7,880,279</u>	<u>137,111</u>	<u>310,058</u>
Net position - beginning, as previously reported					27,369,026	5,491,989	32,861,015	2,327,843	1,722,843
Prior Period Restatement (see Note 9)					5,189,117	-	5,189,117	-	-
Net position - beginning, as restated					<u>32,558,143</u>	<u>5,491,989</u>	<u>38,050,132</u>	<u>2,327,843</u>	<u>1,722,843</u>
Net position - ending					<u>\$ 40,563,204</u>	<u>\$ 5,367,207</u>	<u>\$ 45,930,411</u>	<u>\$ 2,464,954</u>	<u>\$ 2,032,901</u>

**Vance County, North Carolina**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2024**

	<b>Major</b>				<b>Non-Major</b>	<b>Total</b> <b>Governmental</b> <b>Funds</b>
	<b>General</b> <b>Fund</b>	<b>Capital Project</b> <b>Fund</b>	<b>Henderson -</b> <b>Vance</b> <b>Industrial Park</b>	<b>Opioid</b> <b>Settlement</b> <b>Fund</b>	<b>Other</b> <b>Governmental</b> <b>Funds</b>	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 30,955,462	\$ 6,741,905	\$ -	\$ -	\$ 2,074,850	\$ 39,772,217
Restricted cash	31,980	6,218,441	600,000	1,433,812	6,267,597	14,551,830
Receivables (net):						
Taxes	1,004,768	-	-	-	82,117	1,086,885
Accounts	3,008,867	-	-	-	81,183	3,090,050
Lease receivables	259,532	-	-	-	-	259,532
Due from other governments	3,895,669	86,796	-	-	75,905	4,058,370
Due from other funds	159,459	182,400	-	-	792,458	1,134,317
Restricted Opioid receivable, net	-	-	-	4,335,886	-	4,335,886
Note receivable	-	-	2,300,000	-	-	2,300,000
Prepaid expenses	13,672	-	-	-	-	13,672
Total assets	<u>\$ 39,329,409</u>	<u>\$ 13,229,542</u>	<u>\$ 2,900,000</u>	<u>\$ 5,769,698</u>	<u>\$ 9,374,110</u>	<u>\$ 70,602,759</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 1,944,034	\$ -	\$ -	\$ -	\$ 97,936	\$ 2,041,970
Unspent Grant Proceeds	-	6,218,441	-	-	-	6,218,441
Due to other funds	1,134,265	-	-	-	52	1,134,317
Total liabilities	<u>3,078,299</u>	<u>6,218,441</u>	<u>-</u>	<u>-</u>	<u>97,988</u>	<u>9,394,728</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Prepaid Taxes	139,563	-	-	-	-	139,563
Taxes receivable	1,004,769	-	-	-	82,118	1,086,887
Note receivable	-	-	2,300,000	-	-	2,300,000
Opioid receivable	-	-	-	4,335,886	-	4,335,886
Lease receivable	257,583	-	-	-	-	257,583
Total deferred inflows of resources	<u>1,401,915</u>	<u>-</u>	<u>2,300,000</u>	<u>4,335,886</u>	<u>82,118</u>	<u>8,119,919</u>
Fund balances:						
Nonspendable						
Prepaid items	13,672	-	-	-	-	13,672
Leases	1,949	-	-	-	-	1,949
Restricted						
Stabilization by State Statute	7,063,995	86,796	-	-	157,088	7,307,879
Capital Projects - Schools	-	-	-	-	7,060,055	7,060,055
Register of Deeds	113,242	-	-	-	-	113,242
Human Services	-	-	-	-	152,259	152,259
Opioid Settlement	-	-	-	1,433,812	-	1,433,812
Economic Development	-	-	600,000	-	-	600,000
Public Safety	-	-	-	-	1,623,710	1,623,710
Community Development	-	-	-	-	217,903	217,903
Committed						
LEOSSA Pension and OPEB benefits	341,303	-	-	-	-	341,303
Facility Improvements	-	6,924,305	-	-	-	6,924,305
Animal Shelter	31,980	-	-	-	-	31,980
Future healthcare benefits	293,302	-	-	-	-	293,302
Unassigned	26,989,752	-	-	-	(17,011)	26,972,741
Total fund balances	<u>34,849,195</u>	<u>7,011,101</u>	<u>600,000</u>	<u>1,433,812</u>	<u>9,194,004</u>	<u>53,088,112</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 39,329,409</u>	<u>\$ 13,229,542</u>	<u>\$ 2,900,000</u>	<u>\$ 5,769,698</u>	<u>\$ 9,374,110</u>	<u>\$ 70,602,759</u>

**Vance County, North Carolina**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2024**

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

Total fund balance - governmental funds	\$ 53,088,112
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	51,798,397
Less accumulated depreciation	(23,884,970)
Net capital assets	<u>27,913,427</u>
Right to use leased assets are not financial resources and, therefore, are not reported in the funds.	162,714
Less accumulated amortization	(79,038)
Right to use, net of amortization	<u>83,676</u>
Net pension asset (Register of Deeds)	42,657
Deferred outflows of resources:	
Contributions to the pension plan in the current fiscal year	
LGERS	1,978,949
Register of Deeds	2,814
OPEB contributions in the current year	345,872
Benefit payment and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	17,297
Pension related deferrals	
LGERS	4,943,893
ROD	21,667
LEOSSA	208,870
OPEB related deferrals	2,135,046
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund statements	74,249
Deferred inflows of resources reported in the government-wide statements but not in the fund statements:	
Deferred inflows of resources for taxes receivable	1,086,887
Deferred inflows of resources for opioid receivable	4,335,886
Pension related deferrals	
LGERS	(217,460)
ROD	(9,645)
LEOSSA	(290,986)
OPEB related deferrals	(8,118,114)
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, leasing, subscriptions, and installment financing	(18,054,734)
Compensated absences	(958,170)
Total OPEB Liability	(15,225,813)
Total pension liability - LEOSSA	(1,297,206)
Net pension liability - LGERS	(11,383,671)
Accrued interest payable	(160,299)
Total adjustment	<u>(12,524,908)</u>
Net position of governmental activities	<u>\$ 40,563,204</u>

**Vance County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2024**

	<b>Major</b>				<b>Non-Major</b>	<b>Total</b>
	<b>General Fund</b>	<b>Capital Project Fund</b>	<b>Henderson - Vance Industrial Park</b>	<b>Opioid Settlement Fund</b>	<b>Other Governmental Funds</b>	
<b>Revenues</b>						
Ad valorem taxes	\$ 27,238,194	\$ -	\$ -	\$ -	\$ 1,860,725	\$ 29,098,919
Local option sales taxes	13,619,433	-	-	-	-	13,619,433
Other taxes and licenses	81,529	-	-	-	-	81,529
Unrestricted intergovernmental	464,160	-	-	-	-	464,160
Restricted intergovernmental	8,186,786	183,760	-	948,035	1,004,856	10,323,437
Sales and services	4,360,722	-	-	-	-	4,360,722
Investment earnings	1,377,044	371,538	-	33,092	414,457	2,196,131
Miscellaneous	292,206	-	-	-	-	292,206
Total revenues	<u>55,620,074</u>	<u>555,298</u>	<u>-</u>	<u>981,127</u>	<u>3,280,038</u>	<u>60,436,537</u>
<b>Expenditures</b>						
Current:						
General government	5,365,386	-	-	-	165,302	5,530,688
Public safety	17,045,321	-	-	-	1,699,641	18,744,962
Transportation	33,750	-	-	-	-	33,750
Environmental protection	-	-	-	-	-	-
Economic and physical development	1,494,914	-	500,000	-	978,443	2,973,357
Human services	10,691,831	-	-	-	106,171	10,798,002
Cultural and recreational	2,093,231	-	-	-	-	2,093,231
Education	10,957,515	-	-	-	-	10,957,515
Debt service:						
Principal retirement	2,391,488	-	-	-	-	2,391,488
Interest and fees	334,652	-	-	-	-	334,652
Total expenditures	<u>50,408,088</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>2,949,557</u>	<u>53,857,645</u>
Revenues over (under) expenditures	<u>5,211,986</u>	<u>555,298</u>	<u>(500,000)</u>	<u>981,127</u>	<u>330,481</u>	<u>6,578,892</u>
Other financing sources (uses):						
Transfers in	2,326,516	750,000	-	-	3,398,474	6,474,990
Transfers out	(2,487,532)	(1,555,616)	-	-	(2,431,842)	(6,474,990)
Proceeds from issuance of debt	269,706	-	-	-	-	269,706
Proceeds from lease obligations	98,005	-	-	-	-	98,005
Contingency	(63,984)	-	-	-	-	(63,984)
Sale of fixed assets	42,890	-	-	-	-	42,890
Special Item (see Note 8)	(336,665)	-	-	-	-	(336,665)
Total other financing sources (uses)	<u>(151,064)</u>	<u>(805,616)</u>	<u>-</u>	<u>-</u>	<u>966,632</u>	<u>9,952</u>
Net Change in Fund Balance	5,060,922	(250,318)	(500,000)	981,127	1,297,113	6,588,844
Fund balances, beginning, as previously reported	29,788,273	7,261,419	1,100,000	452,685	7,896,891	46,499,268
Fund balances, end of year	<u>\$ 34,849,195</u>	<u>\$ 7,011,101</u>	<u>\$ 600,000</u>	<u>\$ 1,433,812</u>	<u>\$ 9,194,004</u>	<u>\$ 53,088,112</u>



**Vance County, North Carolina**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in**  
**Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

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

Net change in fund balance - total governmental funds	\$ 6,588,844
Capital Outlay Expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	1,895,856
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.	(2,107,961)
Gain (loss) on Disposal of assets during the year.	(10,788)
Capital Outlay expenditures associated with right to use leased assets are recorded in the fund statements but capitalized as assets in the statement of activities.	100,500
Amortization Expense, the allocation of those leased assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(65,865)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	
LGERS	1,978,949
ROD	2,814
Benefit payment and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	17,297
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	345,872
New debt issued during the year is recorded as a source of funds on the fund statements; it has not effect on the statement of activities -- it affects only the government-wide statement of net position.	(367,711)
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.	2,391,488
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)	20,771
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	157,341
Pension expense	
LGERS	(3,093,810)
ROD	(7,974)
LEOSSA	(102,296)
OPEB plan expense	968,889
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
Increase (decrease) in deferred inflows of resources - taxes receivable - at year end	138,873
Increase (decrease) in deferred inflows of resources - opioid settlement proceeds	(853,231)
Increase (decrease) in accrued interest receivable at year end	7,203
Change in net position of governmental activities	<u>\$ 8,005,061</u>

**Vance County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
<b>Revenues</b>				
Ad valorem taxes	\$ 26,733,475	\$ 26,733,477	\$ 27,238,194	\$ 504,717
Local option sales tax	12,310,000	12,310,000	13,619,433	1,309,433
Other taxes and licenses	67,750	67,750	81,529	13,779
Unrestricted intergovernmental	382,000	382,000	464,160	82,160
Restricted intergovernmental	8,679,940	10,321,476	8,137,943	(2,183,533)
Sales and services	4,661,548	4,661,930	4,360,722	(301,208)
Investment earnings	363,361	363,361	1,288,746	925,385
Miscellaneous	132,320	134,570	138,192	3,622
Total revenues	<u>53,330,394</u>	<u>54,974,564</u>	<u>55,328,919</u>	<u>354,355</u>
<b>Expenditures</b>				
Current:				
General government	5,433,425	5,492,525	4,780,865	711,660
Public safety	19,004,810	20,003,415	17,045,321	2,958,094
Transportation	28,750	33,750	33,750	-
Environmental protection	5,000	5,000	-	5,000
Economic and physical development	1,601,401	1,604,534	1,494,914	109,620
Human services	14,201,332	14,511,560	10,691,831	3,819,729
Cultural and recreational	1,630,089	2,330,089	2,093,231	236,858
Intergovernmental:				
Education	10,957,515	10,957,515	10,957,515	-
Debt service:				
Principal retirement	554,721	554,721	686,042	(131,321)
Interest and other charges	76,686	76,686	81,512	(4,826)
Total expenditures	<u>53,493,729</u>	<u>55,569,795</u>	<u>47,864,981</u>	<u>7,704,814</u>
Revenues over (under) expenditures	<u>(163,335)</u>	<u>(595,231)</u>	<u>7,463,938</u>	<u>8,059,169</u>
<b>Other financing sources (uses):</b>				
Transfers to other funds	(3,856,959)	(3,856,959)	(4,476,121)	(619,162)
Transfers from other funds	2,197,101	2,197,101	2,380,861	183,760
Proceeds from lease obligation	-	-	98,005	98,005
Proceeds from issuance of debt	-	-	269,706	269,706
Sale of fixed assets	89,956	89,956	42,890	(47,066)
Contingency	(150,000)	(146,869)	(63,984)	82,885
Special Item (see Note 8)	-	-	(336,665)	-
Appropriated fund balance	1,883,237	2,312,002	-	(2,312,002)
Total other financing sources (uses)	<u>163,335</u>	<u>595,231</u>	<u>(2,085,308)</u>	<u>(2,680,539)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>5,378,630</u>	<u>\$ 5,378,630</u>
Fund balance, beginning			28,691,206	
Prior Period Adjustment (see Note 9)			-	
Fund balance, ending			<u>\$ 34,069,836</u>	

**Vance County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the Year Ended June 30, 2024**

General fund balance, ending	\$ 34,069,836
A legally budgeted Tax Reassessment Fund is consolidated into the General Fund for reporting purposes:	
Investment Earnings	37,656
Transfer in	50,000
Expenditures	(342,251)
Fund Balance, beginning	<u>69,361</u>
A legally budgeted Debt Service Fund is consolidated into the General Fund for reporting purposes:	
Investment Earnings	31,363
Transfer in	277,647
Expenditures	(270,003)
Fund Balance, beginning	<u>39,304</u>
A legally budgeted School Debt Service Fund is consolidated into the General Fund for reporting purposes:	
Transfer in General Fund	1,660,942
Expenditures	(1,688,583)
Fund Balance, beginning	<u>351,502</u>
A legally budgeted Facility Fees Fund is consolidated into the General Fund for reporting purposes:	
Restricted intergovernmental	48,843
Investment Earnings	1,799
Transfer out	(54,345)
Expenditures	(26,321)
Fund Balance, beginning	<u>(42,160)</u>
A legally budgeted LEOSSA Fund is consolidated into the General Fund for reporting purposes:	
Investment Earnings	17,480
Fund Balance, beginning	<u>323,823</u>
A legally budgeted MERP Fund is consolidated into the General Fund for reporting purposes:	
Miscellaneous Income	154,014
Expenditures	(215,949)
Fund Balance, beginning	<u>355,237</u>
Fund Balance, ending (Exhibit 4)	<u><u>\$ 34,849,195</u></u>

**Vance County, North Carolina**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2024**

	<u>Major</u> Water Fund	<u>Non-Major</u> Solid Waste Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,385,208	\$ 144,610	\$ 1,529,818
Accounts Receivable (net)	182,346	221,752	404,098
Due from other governments	44,471	43,500	87,971
Total current assets	<u>1,612,025</u>	<u>409,862</u>	<u>2,021,887</u>
Noncurrent assets:			
Restricted cash and investments	515,444	-	515,444
Capital Assets:			
Land	16,480	882,863	899,343
Construction in process	111,050	-	111,050
Building and improvements	-	506,405	506,405
Water distribution system	16,502,085	-	16,502,085
Vehicles and equipment	-	248,047	248,047
Less accumulated depreciation	<u>(3,280,278)</u>	<u>(365,993)</u>	<u>(3,646,271)</u>
Capital assets, net	<u>13,349,337</u>	<u>1,271,322</u>	<u>14,620,659</u>
Total noncurrent assets	<u>13,864,781</u>	<u>1,271,322</u>	<u>15,136,103</u>
Total assets	<u>\$ 15,476,806</u>	<u>\$ 1,681,184</u>	<u>\$ 17,157,990</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
OPEB deferrals	\$ -	\$ 9,274	\$ 9,274
Total deferred outflows of resources	<u>-</u>	<u>9,274</u>	<u>9,274</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	120,876	241,525	362,401
Accrued interest payable	29,044	-	29,044
Current maturities of long-term debt	235,688	-	235,688
Total current liabilities	<u>385,608</u>	<u>241,525</u>	<u>627,133</u>
Long-term liabilities:			
Accrued landfill closure and post closure	-	630,236	630,236
General obligation bonds payable	10,187,313	-	10,187,313
Installment purchase agreements payable	164,251	-	164,251
Net pension liability	-	11,549	11,549
Total OPEB liability	-	56,674	56,674
Customer deposits	92,523	-	92,523
Total noncurrent liabilities	<u>10,444,087</u>	<u>698,459</u>	<u>11,142,546</u>
Total liabilities	<u>10,829,695</u>	<u>939,984</u>	<u>11,769,679</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
OPEB deferrals	-	30,378	30,378
Total deferred inflows of resources	<u>-</u>	<u>30,378</u>	<u>30,378</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,762,085	1,271,322	4,033,407
Restricted	422,921	-	422,921
Unrestricted	1,462,105	(551,226)	910,879
Total net position	<u>\$ 4,647,111</u>	<u>\$ 720,096</u>	<u>\$ 5,367,207</u>

**Vance County, North Carolina**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<u>Major</u>	<u>Non-Major</u>	
	Water	Solid Waste	Total
	Fund	Fund	
Operating revenues:			
Charges for services	\$ 1,161,417	\$ 2,378,142	\$ 3,539,559
Other operating revenues	17,992	29,265	47,257
Total operating revenues	<u>1,179,409</u>	<u>2,407,407</u>	<u>3,586,816</u>
Operating expenses:			
Cost of operations	662,700	2,575,055	3,237,755
Landfill closure and post closure care costs	-	(90,622)	(90,622)
Depreciation and amortization	416,719	43,057	459,776
Total operating expenses	<u>1,079,419</u>	<u>2,527,490</u>	<u>3,606,909</u>
Operating income (loss)	<u>99,990</u>	<u>(120,083)</u>	<u>(20,093)</u>
Nonoperating revenues (expenses):			
Investment earnings	62,807	-	62,807
Federal, state, and local grants	-	8,263	8,263
Intergovernmental taxes and other revenues	-	139,493	139,493
Interest and other charges	(315,252)	-	(315,252)
Total nonoperating revenues (expenses)	<u>(252,445)</u>	<u>147,756</u>	<u>(104,689)</u>
Change in net position	<u>(152,455)</u>	<u>27,673</u>	<u>(124,782)</u>
Total net position, beginning	<u>4,799,566</u>	<u>692,423</u>	<u>5,491,989</u>
Total net position, ending	<u>\$ 4,647,111</u>	<u>\$ 720,096</u>	<u>\$ 5,367,207</u>

**Vance County, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<u>Major</u>	<u>Non-Major</u>	
	Water	Solid Waste	Total
	Fund	Fund	
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 1,306,092	\$ 2,378,142	\$ 3,684,234
Cash paid for goods and services	(663,698)	(2,493,767)	(3,157,465)
Cash paid to employees for services	-	(26,130)	(26,130)
Other operating revenues	17,992	29,265	47,257
Net cash provided by (used in) operating activities	<u>660,386</u>	<u>(112,490)</u>	<u>547,896</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Capital contributions - Federal, state and local grants	-	8,263	8,263
Intergovernmental taxes and fees	-	139,552	139,552
Interest and bond issuance costs	(315,940)	-	(315,940)
Acquisition of capital assets	(15,000)	-	(15,000)
Repayment of debt obligations	(228,688)	-	(228,688)
Net cash provided by (used in) capital and related financing activities	<u>(559,628)</u>	<u>147,815</u>	<u>(411,813)</u>
<b>Cash Flows From Investing Activities</b>			
Investment Income	62,807	-	62,807
Net cash provided by (used in) investing activities	<u>62,807</u>	<u>-</u>	<u>62,807</u>
Net increase (decrease) in cash and cash equivalents/investments	<u>163,565</u>	<u>35,325</u>	<u>198,890</u>
<b>Cash and cash equivalents/investments</b>			
Beginning of year	<u>1,737,087</u>	<u>109,285</u>	<u>1,846,372</u>
End of year	<u>\$ 1,900,652</u>	<u>\$ 144,610</u>	<u>\$ 2,045,262</u>

**Vance County, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<u>Major</u> Water Fund	<u>Non-Major</u> Solid Waste Fund	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 99,990	\$ (120,083)	\$ (20,093)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and Amortization	416,719	43,057	459,776
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	119,325	-	119,325
(Increase) in deferred outflows of resources for OPEB	-	2,630	2,630
Increase (decrease) in accounts payable and accrued liabilities	(998)	60,214	59,216
Increase (decrease) in deferred inflows of resources for OPEB	-	(8,375)	(8,375)
Increase (decrease) in customer deposits	25,350	-	25,350
Increase (decrease) in net pension liability	-	(137)	(137)
Increase (decrease) in accrued post closure liability	-	(90,622)	(90,622)
Increase (decrease) in OPEB liability	-	826	826
Total adjustments	<u>560,396</u>	<u>7,593</u>	<u>567,989</u>
Net cash provided by (used in) operating activities	\$ <u>660,386</u>	\$ <u>(112,490)</u>	\$ <u>547,896</u>

**Vance County, North Carolina**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2024**

		Custodial Funds
<b>ASSETS</b>		
Cash and investments	\$	23,107
Taxes receivable for other governments, net		303,072
Total assets		326,179
<b>LIABILITIES</b>		
Due to other governments		14,655
Total liabilities		14,655
<b>NET POSITION</b>		
Restricted for:		
Individuals, organizations, and other governments		311,524
Total fiduciary net position	\$	311,524



**Vance County, North Carolina**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2024**

		Custodial Funds
<b>ADDITIONS</b>		
Ad valorem taxes for other governments	\$	7,996,399
Collections on behalf of inmates		309,080
Total additions		8,305,479
<b>DEDUCTIONS</b>		
Tax distributions to other governments		7,969,161
Payments on behalf of inmates		316,092
Total deductions		8,285,253
Net increase (decrease) in fiduciary net position		20,226
Net position, beginning		291,298
Net position, ending	\$	311,524

**COUNTY OF VANCE, NORTH CAROLINA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2024**

**Note 1: Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Vance County- Water District	Blended	Under State law (NCGS 162-A-89), the County's board of commissioners also serve as the governing board for the District.	None issued
Vance County- ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Vance County ABC Board PO Box 1417 Henderson NC, 27536
Vance County Tourism Development Authority	Discrete	The Authority exists to promote travel and tourism within the County. The members of the Tourism Authority's Board are appointed by the County.	Vance County Tourism Development Authority 943 Andrews Ave. Henderson , NC 27536
Vance County Industrial Facility and Pollution Control Financing Authority	Discrete	The Financing Authority is governed by a seven member board of commissioners that is appointed by the County commissioners. The County can remove any commissioner of the Authority with or without a cause.	None issued

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. The blended component unit, although it is a legally separate entity, is, in substance, part of the County's operations. The discretely presented component units presented below are reported in separate columns in the County's combined financial statements in order to emphasize that they are legally separate from the County.

The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

Vance County Water District exists to provide and maintain water systems for the County residents within the district. The District is reported as an enterprise fund in the County's financial statements. The blended presentation method presents component units as a department or unit of the County, and it offers no separate presentation as within the discrete method.

## **B. Basis of Presentation – 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. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, 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* - This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Tax 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.

*Capital Project Fund* - This is the County's primary capital project fund for Governmental projects. It is presented as a perpetual fund, as projects designated for this fund are anticipated to take greater than one year for completion.

*Henderson Vance Industrial Park* - This fund accounts for loans made to finance the creation of the Henderson Vance Industrial Park complex.

*Opioid Settlement Fund* - This fund reports revenues for amounts paid by a number of corporations to settle various opioid lawsuits. These amounts are restricted to be spent for certain opioid abatement and remediation activities.

The County reports the following major enterprise funds:

*Water Fund* - This fund accounts for the development and operations of the new water systems within the Vance County Water District.

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.

The County reports the following fund types:

*Non-major Funds*. The County maintains nine legally budgeted non-major funds. The Emergency Telephone Systems Fund, Fire District Fund, Economic Development Fund, Representative Payee Fund, Deed of Trust Fund, and Fines and Forfeitures Fund are reported as non-major special revenue funds. The School Capital Reserve Fund is consolidated into the School Capital Projects Fund in accordance with GASB Statement No. 54. The Solid Waste Fund (an enterprise fund) is also reported as a nonmajor fund.

### **Measurement Focus, Basis of Accounting**

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

*Government-wide, Proprietary, and Fiduciary Fund Financial Statements* – The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary fund and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

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

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus when program expenses are incurred, there are 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, Emergency Telephone, Facilities Fees Fund, Revaluation Fund, Fire District Fund, Deed of Trust Fund, Fines and Forfeitures Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year end.

Project ordinances are adopted for the project and grant funds. The Enterprise Capital Projects Fund is consolidated with the enterprise operating funds for reporting purposes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for the multi-year funds. Expenditures may not exceed appropriations at the fund level for the enterprise fund. Amendments are required for any appropriations that alter total expenditures of any fund or that change departmental appropriations by more than \$5,000. All revisions to the budget and transfer appropriations must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget ordinance must be adopted by July 1 of the fiscal year or the governing body must adopt an interim budget that covers the time until the annual ordinance can be adopted. A budget calendar is included in the North Carolina General Statutes, which prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the task to be performed and the data by which each is required to be completed.

April 30 - Each department head will transmit to the budget officer the budget requests and revenue estimates for their department for the budget year.

June 1 - The budget and the budget message shall be submitted to the governing board. The public hearing on the budget should be scheduled at this time.

July 1 - The budget ordinance shall be adopted by the governing board.

As required by the State law [G.S. 159-26(d)], the County maintains encumbrances accounts, which are considered to be "budgetary accounts". Encumbrances outstanding at year-end represents the estimated amounts of the expenditures ultimately to result if unperformed contracts in progress at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. The County has no encumbrances outstanding at year-end and any unencumbered appropriations lapse at year-end.

#### **D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Fund Equity**

##### **Deposits and Investments**

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

State law [G.S. 159-30(c)] authorizes the County, the ABC Board, the Tourism Development Authority, and the Airport 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 County's, ABC Board's, Tourism Development Authority's, and Airport's investments are generally reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) external investment pool, is measured at amortized cost, which approximates fair value, and is the NCCMT's share price. Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months.

The majority of the County, the Tourism Development Authority, and the ABC Board's investments are carried at fair value. Non-participating interest earnings investment contracts are accounted for at cost. The North Carolina Capital Management Trust (NCCMT) is a SEC registered money market mutual fund allowable by G.S. 159-30(c)(8). The NCCMT Government Portfolio is a 2a-7 fund which invests in treasuries, government agencies, and repurchase agreements collateralized by treasuries. It is rated AAAM by S&P and AAA-mf by Moody's Investor Services and reported at fair value.

##### **Cash and cash equivalents**

The County pools monies from several funds to facilitate disbursements and investments and maximize investments income. Investment earnings are allocated to all funds based on the cash balance outstanding at the end of the month. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers all highly liquid investments (including restricted assets) with an original maturity of three months or less to be cash and cash equivalents, and records them at cost. The funds of the Tourism Development Authority are pooled with those of the County.

##### **Restricted assets**

Unexpended loan and bond anticipation note proceeds are classified as restricted assets on the balance sheet because their use is completely restricted to the purpose for which the loans and bonds were originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit is collected. Money in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Capital Projects Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 159-18 through 22. The amount of unspent resources obtained for the Opioid Settlement are restricted to use for specific purposes (i.e., opioid remediation). Accordingly, the assets from the settlement that remain on hand are reported as restricted assets. In addition to the restricted cash shown below, opioid receivables, net, of \$4,335,886, related to the settlement are also reported as restricted assets. The American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. These funds are limited to specific purposes. So, until the amounts are assigned to use for a specific purpose they are reported as restricted assets.

Restricted Cash

Governmental Activities

General Fund	Animal Shelter	\$ 31,980
Opioid Settlement Fund	Unexpended Settlement	1,433,812
Capital Project Fund	Unspent Grant Proceeds - American Rescue	6,218,441
Henderson Vance Industrial Park	Reserved funds for draw-down note	600,000
School Capital Projects Fund	Unexpended Public School Building funds	6,267,597
Total Governmental Activities		<u>14,551,830</u>

Business-Type Activities

Water Fund	Customer deposits	92,523
Water Fund	USDA Reserve debt service	422,921
Total Business-type Activities		<u>515,444</u>
Total Restricted Cash		<u>\$ 15,067,274</u>

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 other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2023.

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.

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. While this is the first year that the County reports a receivable for the amount to be received related to the Opioid Settlement the County has estimated an allowance for uncollectible accounts even in the absence of historical data to serve as the basis of the calculation. The County believes this is prudent given the term over which these amounts are to be paid and the possibility that corporations party to the settlement may experience bankruptcy or going concern issues. The initial allowance estimate has been established as a flat 10% of the outstanding receivable balance.

Inventories and Prepaid Items

The inventory of the ABC Board is valued at the lower of cost (FIFO) or market, and consists of products held for consumption or resale. The cost of this inventory is charged to cost of sales or operating expenses as the inventory is sold or consumed. Occasionally, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**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 the donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The minimum capitalization costs are \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extended assets' lives are not capitalized.

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

Any interest incurred during the construction phase of proprietary fund type capital assets is reflected in the capitalized value of the asset constructed. Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

Description	Estimated Useful Lives
Building	40 years
Water distribution systems	40 years
Improvements	15-40 years
Furniture and office equipment	7 years
Computer equipment and software	5 years
Automobiles and trucks	5 years

Property, plant and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

Description	Estimated Useful Lives
Buildings	30 years
Leasehold Improvements	10-15 years
Furniture and equipment	5-15 years

The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right to use lease assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.



### **Deferred Outflows / Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has two items that meets this criterion - pension related deferrals and OPEB deferrals. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has six items that meet the criterion for this category - prepaid taxes, property taxes receivable, opioid settlement receivables, other pension related deferrals, OPEB related deferrals, and leases receivable.

### **Long-Term Obligations**

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

### **Compensated Absences**

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

The sick leave policies of the County, ABC Board, and the Tourism Development Authority 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 of retirement benefit purposes. Since neither entity has any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made. With the implementation of GASB No. 101, the County, TDA, and ABC Board will estimate what sick leave is "more likely than not to be paid or used" and recognize that portion as a liability for compensated absences and salary-related payments.

### **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. The County received \$447,739 as part of this settlement in Fiscal Years 2022 and 2023. 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 to opioid abatement and remediation activities.

The significance of this issues resulted in guidance being provided to state and local governments to help ensure that there was consistency in the accounting and financial reporting of these funds. The guidance provided that because of the restrictions on the use of the fund's revenue should not be recognized until the funds were expended. Because the County did not expend any amounts in FY22 and FY23, the total \$447,739 that was received remained on hand at June 30, 2024.

As litigation progressed and more settlements were finalized, the conclusion on the appropriate accounting and financial reporting also evolved. While there are cases where the appropriate guidance to apply is for government-mandated or voluntary nonexchange transactions, there are other cases where it is appropriate to apply the guidance for exchange and exchange-like transactions.

Essentially, the guidance for nonexchange transactions bases revenue recognition on the unit fulfilling all the eligibility requirements for the nonexchange transaction. In some cases, the incurrence of expenditures is one of the eligibility requirements. The initial guidance viewed all of the opioid settlements' activity as nonexchange transactions that included the incurrence of qualifying expenditure amounts among their eligibility requirements. Accordingly, the nonexchange transaction guidance was applied to all of the opioid settlements' activity.

A similarity was recognized with the Tobacco Settlement that occurred in the early 2000's. The GASB issued a technical bulletin in 2004 to provide recognition guidance for those revenues. The technical bulletin stated that "tobacco settlement revenues are exchange transactions, based on the notion that the payments are made to the settling state in exchange for their agreement to release the tobacco companies from present and future litigation."

Accordingly, going forward it is no longer appropriate to use a single approach to the accounting and financial reporting of the opioid settlement activity. Instead, it will be necessary to determine whether to apply the guidance for exchange and exchange-like transactions or to apply the guidance for government-mandated or voluntary nonexchange transactions.

In cases where the unit is a party to the litigation and the opioid settlement, the guidance for exchange and exchange-like transactions is appropriate. In a more traditional exchange/exchange-like transaction the recognition takes place at the point where one party incurs an obligation to pay the other party for goods or services that they were provided. In the opioid settlement activity, the time the settlement is finalized is the point at which the company incurs a liability to pay the unit and the unit has an enforceable claim to receive amounts from the company.

Thus far, the amounts the County has received or will receive qualify as an exchange or exchange-like transaction. Accordingly, it was necessary to record prior period adjustments for the activity that occurred in the prior fiscal year. See Note 9 Changes in Accounting Principle for additional discussion about those adjustments.

In fiscal year 2024, the County applied the exchange and exchange-like transactions guidance to these transactions. Accordingly, the cash received during the year of \$948,035 was recognized in the Opioid Settlement Special Revenue Fund. Additional revenue was also recognized for Governmental Activities. This amount was calculated as follows:

<b>Accrual basis of accounting</b>	<b><u>Governmental</u></b>	<b><u>Activities</u></b>
County's share of North Carolina's unpaid aggregate settlement through FY24	\$ 4,817,651	
Less: Allowance for uncollectible accounts	(481,765)	
Opioid Settlement receivable on June 30, 2024		\$ 4,335,886
County's share of North Carolina's unpaid aggregate settlement through FY23	5,765,686	
Less: Allowance for uncollectible accounts	<u>(576,569)</u>	
Opioid Settlement receivable on June 30, 2023		<u>5,189,117</u>
Accrual basis revenue previously recognized		<u><u>\$ (853,231)</u></u>

## **Reimbursements for Pandemic-related Expenditures**

In fiscal year 2020/21, 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 \$8,650,402 of fiscal recovery funds to be paid in two equal installments. The first installment of \$4,325,201 was received in June 2021. The second installment was received in July 2022. The County plans on using the funds for revenue replacement, as well as financing of County projects. Revenue replacement funds will be transferred to the appropriate funds once the County has determined the intended use of the funds. At the end of the fiscal year, the County had expended \$2,431,961 of the ARPA funding received.

## **Net Position/Fund Balances**

### **Net Position**

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

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

The governmental fund types classify fund balance as follows:

**Nonspendable Fund Balance** - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The County does not report any nonspendable fund balance.

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

Lease receivable, net - portion of fund balance that is not an available resource because it is not in spendable form. The reported amount is calculated by reducing the lease receivable by the related deferred inflow of resources.

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

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

Restricted for Economic Development - portion of fund balance that is restricted by revenue source to pay for economic development projects.

Restricted Tax Revaluation- portion of fund balance that is restricted by revenue source for tax revaluation expenditures.

Restricted for Public Safety- portion of fund balance that is restricted by revenue source for emergency service expenditures.

Restricted for Register of Deeds - portion of fund balance that is restricted for Automation Enhancement and Preservation and ROD Pension. The amount differs between the Government-wide statements and fund statements by the ROD Pension amount of \$42,657.

Restricted for Community Development - portion of fund balance that is restricted by revenue source for economic development expenditures.

Restricted for School Capital Projects - portion of fund balance that is restricted by revenue source for community development expenditures.

Restricted for Human Services - portion of fund balance that can only be used to benefit beneficiaries under the Social Security's Representative Payee Program.

Restricted for Opioid Settlement - portion of fund balance that is restricted by revenue source for opioid abatement and remediation activities.

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

Committed for LEO pension and OPEB obligation-portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance and other Post-Employment Benefit obligations.

Committed for Animal Shelter - portion of fund balance that will be used for the Animal Shelter expenditures.

Committed for facility improvements - portion of fund balance that is committed to pay for facility enhancements.

Committed for future healthcare benefits - portion of fund balance that is committed to cover future healthcare cost.

Assigned Fund Balance - portion of fund balance that the Vance County governing board has budgeted. Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

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

Vance County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Director will use resources in the following hierarchy: bond proceeds, Federal funds, State funds, local funds, and County funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer had the authority to deviate from his policy if it is in the best interest for the County.

### **Defined Benefit Pension Plans**

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' retirement System (LGERS), the Registers of Deeds' Supplemental Pension Fund (RODSPF), and the Law Enforcement Officers' Special Separation Allowance (LEOSSA) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension asset, 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. For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Healthcare Benefits Plan (HCB) and additions to/deductions from the HCB's fiduciary net position have been determined on the same basis as they are reported by the HCB. For this purpose, the HCB recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **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.

## **Note 2 – Stewardship, Compliance, and Accountability**

### **Noncompliance with North Carolina General Statutes**

#### **Timeliness of Audit**

The audit report was issued roughly 4 months after the required due date of October 31, 2023. The County experienced turnover in the finance officer position, and key items had not been reconciled. Additional time was required to reconcile the ledger and obtain necessary information to complete the audit.

#### **Deficit Fund Balance of Individual Funds**

Fines and Forfeitures Fund	\$ (52)
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The budget deficit balance is due to the County not utilizing sufficient oversight of expenditures and failure to transfer necessary support. The County will appropriate and transfer money from other funds in fiscal year 2025 to remove the budget deficit balance.

#### **Excess of Expenditures Over Appropriations**

General Fund - Register of Deeds	\$ 58,719
General Fund - Medical Examiner	250
General Fund - Economic Development	181,612
General Fund - Contributions to Other Agencies	148,279
General Fund - Farmers Market	1,095
General Fund - Health Administration	86,800
General Fund - Mental Health	6,089
General Fund - Vance County Housing Authority	2,521
General Fund - Debt service	136,147
General Fund - Transfers to other funds	619,162
Debt Service Fund - Debt Service	359
School Debt Service Fund - Debt Service	27,641
Representative Payee Fund - Human Services	6,171
Fines and Forfeitures Fund - General Government	2,528

The County adopts their budget by department. Expenditures exceeded the budgeted primarily because of failure to properly post budget amendments or allocate additional funds in a timely manner. The County plans to implement more comprehensive and regular budget reviews in order to identify cases of overspending and adequately adjust the budget to compensate.

**Note 3 – Detail Notes on All Funds**

**1 ASSETS**

**1. Deposits**

All of the County, ABC Board, and the Tourism Development Authority deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage and collateralized with securities held by the County, ABC Board, and the Authority. 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, the ABC Board, and the Authority, these deposits are considered to be held by their agents in the entities' names. The amount of the pledge 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, the ABC Board, the Authority, or the escrow agent. Because of the inability to measure the exact amount of the collateral covering pledge from the County, the ABC Board, or the Authority under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The County has no formal policy regarding custodial credit risk. The State Treasurer enforces standards of minimum capitalization for all pooling method financial situations. 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 Tourism Development Authority adopted a policy regarding custodial credit risk for deposits in May of 2015. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2024, the carrying amount of the County's deposits was \$45,324,548 and the bank balance was \$47,424,291. Of the bank balance, \$1,152,129 was covered by federal depository insurance and \$46,272,162 deposits were covered under the Pooling Method. At June 30, 2024, the County had \$950 cash on hand.

At June 30, 2024, the carrying amount of deposits of Vance County ABC Board was \$1,821,043 and the bank balance was \$2,051,207. Of this balance, \$250,000 was covered by the federal depository insurance and \$1,801,207 was maintained in financial institutions utilizing the Pooling Method of collateralization.

At June 30, 2024, the carrying amount of deposits for the Vance County Tourism Development Authority was \$1,539,268 and the bank balance was \$1,536,019. Since the Authority's deposits are pooled with those of Vance County, none of the bank balance was covered by federal depository insurance.

**2. Investments**

At June 30, 2024, the County had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 Months	6-12 Months
NC Capital Management Trust - Government Portfolio	Fair Value- Level 1	\$ 11,066,918	\$ 11,066,918	\$ -

\* Because the NCCMT Government Portfolios 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 group of assets. Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2 debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The County adopted a policy regarding custodial credit risk for deposit in May of 2015.

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's internal investment policy limits at least half of the County's investment portfolio to maturities of less than 12 months. Also, the County's internal management policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than two years.

*Credit Risk:* The County limits investments to the provisions of the G.S. 159-30 and restricts the purchase of the securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organization (NRSROs). The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating AAAM by Standard & Poor's as of June 30, 2024.

At June 30, 2024, the Vance County Tourism Development Authority had the following investments and maturities. The Authority adopted a policy regarding custodial credit risk for deposits in May of 2015.

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 Months	6-12 Months
NC Capital Management of Trust - Cash Portfolio	Amortized Cost	\$ 127,962	N/A	N/A

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

*Credit Risk:* The Authority's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2024.

At June 30, 2024, the ABC Board had no investments.

### **3. Property tax - use value assessment on certain lands**

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present use-value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is re-computed at market value for the current year and the three preceding fiscal years along with 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
2020	\$ 1,056,822	\$ 346,129	\$ 1,402,951
2021	1,057,315	251,126	1,308,441
2022	1,063,656	156,898	1,220,554
2023	1,073,429	61,726	1,135,155
	<u>\$ 4,251,222</u>	<u>\$ 815,879</u>	<u>\$ 5,067,101</u>

#### 4. Receivables

Receivables at the government-wide level at June 30, 2024, were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due From Other Governments</u>	<u>Total</u>
<b>Governmental Activities:</b>				
General	\$ 4,178,413	\$ 1,562,768	\$ 3,895,669	\$ 9,636,850
Opioid settlement receivable	4,817,651	-	-	4,817,651
Other Governmental	81,183	82,117	162,701	326,001
<b>Total Receivables</b>	<b>9,077,247</b>	<b>1,644,885</b>	<b>4,058,370</b>	<b>14,780,502</b>
Allowance for Doubtful Accounts	(1,651,311)	(558,000)	-	(2,209,311)
<b>Total Governmental Activities</b>	<b>\$ 7,425,936</b>	<b>\$ 1,086,885</b>	<b>\$ 4,058,370</b>	<b>\$ 12,571,191</b>
<b>Business Type Activities:</b>				
Solid Waste	\$ 318,922	\$ -	\$ 43,500	\$ 362,422
Water	423,173	-	44,471	467,644
<b>Total Receivables</b>	<b>742,095</b>	<b>-</b>	<b>87,971</b>	<b>830,066</b>
Allowance for Doubtful Accounts	(425,968)	-	-	(425,968)
<b>Total Business-Type Activities</b>	<b>\$ 316,127</b>	<b>\$ -</b>	<b>\$ 87,971</b>	<b>\$ 404,098</b>

#### Leases Receivable

On January 28, 2022, the County entered into a 60 month lease as Lessor for the use of 500 Beckford Drive. An initial lease receivable was recorded in the amount of \$436,424. As of June 30, 2024, the value of the lease receivable is \$257,583. The lessee is required to make monthly payments of \$7,311, that were to start upon completion of upgrades to the building, which occurred in September 2023. The lease has an interest rate of 0.7030%. The value of the deferred inflow of resources as of June 30, 2024 was \$259,532, and the County recognized lease revenue of \$87,255 during the fiscal year.

<u>Principal and Interest Expected to Maturity</u>			
<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2025	\$ 85,905	\$ 1,825	\$ 87,730
2026	86,509	1,221	87,730
2027	87,118	612	87,730
	<u>\$ 259,532</u>	<u>\$ 3,658</u>	<u>\$ 263,190</u>

#### Notes receivable

The County's note receivables are as follows:

<b>Receivables From</b>	<b>Purpose of Note Receivable</b>	<b>Maturity Date</b>	<b>Annual Payment</b>	<b>Balance as of 6/30/24</b>
Henderson Vance Industrial Park, Inc. (\$2,400,000)	Economic Development	October, 2024	\$ -	\$ 1,300,000
Henderson Vance Industrial Park, Inc. (\$500,000)	Economic Development	October, 2024	\$ -	500,000
<b>Total</b>				<u><u>\$ 1,800,000</u></u>



Note receivable from Henderson Vance Industrial Park, Inc., authorized up to \$2,400,000 in loans available to the organization, of which \$1,300,000 was utilized as of June 30, 2024. The interest rate is 4.5%, and the note is agreed to be repaid on or by October 1, 2024.

Note receivable from Henderson Vance Industrial Park, Inc., authorized up to \$500,000 in loans available to the organization, of which \$500,000 was utilized as of June 30, 2024. The interest rate is 0.0%, and the note is agreed to be repaid on or by October 1, 2024.

## 5. Capital assets

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

	Restated Beginning Balance	Additions	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 2,403,383	\$ -	\$ -	\$ 2,403,383
Construction in Progress	12,333,223	262,499	(6,325,344)	6,270,378
Total capital assets not being depreciated	<u>14,736,606</u>	<u>262,499</u>	<u>(6,325,344)</u>	<u>8,673,761</u>
Depreciable property:				
Buildings	25,038,004	6,325,344	-	31,363,348
Vehicles	6,948,887	787,975	(485,901)	7,250,961
Equipment	3,179,686	845,382	-	4,025,068
Computer software	485,259	-	-	485,259
Total other capital assets being depreciated	<u>35,651,836</u>	<u>7,958,701</u>	<u>(485,901)</u>	<u>43,124,636</u>
Less accumulated depreciation for:				
Buildings	15,064,949	773,650	-	15,838,599
Vehicles	4,657,340	895,193	(475,113)	5,077,420
Equipment	2,078,546	425,124	-	2,503,670
Software	451,287	13,994	-	465,281
Total accumulated depreciation	<u>22,252,122</u>	<u>2,107,961</u>	<u>(475,113)</u>	<u>23,884,970</u>
Total capital assets being depreciated, net	<u>13,399,714</u>			<u>19,239,666</u>
Right to use assets				
Leased equipment	109,533	88,260	(47,319)	150,474
Software	6,946	12,240	(6,946)	12,240
Total right to use assets	<u>116,479</u>	<u>100,500</u>	<u>(54,265)</u>	<u>162,714</u>
Less accumulated amortization for:				
Leased equipment	63,965	56,272	(47,319)	72,918
Software	3,473	9,593	(6,946)	6,120
Total accumulated amortization	<u>67,438</u>	<u>65,865</u>	<u>(54,265)</u>	<u>79,038</u>
Total right to use assets, net	<u>49,041</u>	<u>\$ 34,635</u>	<u>\$ -</u>	<u>83,676</u>
Governmental activities capital assets, net	<u>\$ 28,185,361</u>			<u>\$ 27,997,103</u>

Primary Government - Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities	
General Government	\$ 715,944
Public Safety	1,334,804
Human Services	83,787
Economic and physical development	39,291
Total depreciation expenses	<u>\$ 2,173,826</u>

The summary for the *Proprietary Funds* of the County at June 30, 2024 are composed as follows:

Business-type activities:

	Beginning Balance	Additions	Decreases	Ending Balance
Solid Waste				
Capital assets not being depreciated:				
Land	\$ 882,863	\$ -	\$ -	\$ 882,863
Total capital assets not being depreciated	<u>882,863</u>	<u>-</u>	<u>-</u>	<u>882,863</u>
Capital assets being depreciated				
Buildings & improvements	506,405	-	-	506,405
Equipment	226,823	-	-	226,823
Vehicles	21,224	-	-	21,224
Total capital assets being depreciated	<u>754,452</u>	<u>-</u>	<u>-</u>	<u>754,452</u>
Less accumulated depreciation for:				
Buildings & improvements	116,561	33,486	-	150,047
Equipment	185,151	9,570	-	194,721
Vehicles	21,224	-	-	21,224
Total accumulated depreciation	<u>322,936</u>	<u>43,056</u>	<u>-</u>	<u>365,992</u>
Solid Waste capital assets, net	<u>\$ 1,314,379</u>			<u>\$ 1,271,323</u>
	Beginning Balances	Additions	Decreases	Ending Balances
Water				
Capital assets not being depreciated:				
Land	\$ 16,480	\$ -	\$ -	\$ 16,480
Construction in progress	96,050	15,000	-	111,050
Total capital assets not being depreciated	<u>112,530</u>	<u>15,000</u>	<u>-</u>	<u>127,530</u>
Capital assets being depreciated				
Water lines	16,502,085	-	-	16,502,085
Total capital assets being depreciated	<u>16,502,085</u>	<u>-</u>	<u>-</u>	<u>16,502,085</u>
Less accumulated depreciation for:				
Improvements	2,863,559	416,719	-	3,280,278
Total accumulated depreciation	<u>2,863,559</u>	<u>\$ 416,719</u>	<u>\$ -</u>	<u>3,280,278</u>
Water capital assets, net	<u>\$ 13,751,056</u>			<u>\$ 13,349,337</u>
Business activities capital assets, net	<u>\$ 15,065,435</u>			<u>\$ 14,620,660</u>

Activity for the Tourism Development Authority for the year ended June 30, 2024, was as follows:

	Beginning Balances	Additions	Decreases	Ending Balances
<b>Tourism Development Authority</b>				
Capital assets not being depreciated:				
Land	\$ 461,267	\$ -	\$ -	\$ 461,267
Total capital assets not being depreciated	<u>\$ 461,267</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 461,267</u>

Activity for the ABC Board for the year ended June 30, 2024, was as follows:

	Beginning Balances	Additions	Decreases	Ending Balances
<b>ABC Board</b>				
Capital assets not being depreciated:				
Land	\$ 356,979	\$ -	\$ -	\$ 356,979
Construction in progress	9,400	-	(9,400)	\$ -
Total capital assets not being depreciated	<u>366,379</u>	<u>-</u>	<u>(9,400)</u>	<u>356,979</u>
Capital assets being depreciated:				
Building	659,416	-	-	659,416
Land Improvements	92,930	85,046	-	177,976
Furniture and equipment	202,965	-	-	202,965
Total capital assets being depreciated	<u>955,311</u>	<u>85,046</u>	<u>-</u>	<u>1,040,357</u>
Less accumulated depreciation for:				
Building	304,066	21,981	-	326,047
Land improvement	84,677	6,571	-	91,248
Furniture and equipment	178,611	13,292	-	191,903
Total accumulated depreciation	<u>567,354</u>	<u>\$ 41,844</u>	<u>\$ -</u>	<u>609,198</u>
Total capital assets being depreciated, net	<u>387,957</u>			<u>431,159</u>
ABC - capital assets, net	<u>\$ 754,336</u>			<u>\$ 788,138</u>

The ABC Board enters into annual contracts with the North Carolina Department of Crime Control and Public Safety, Division of Alcohol Law Enforcement to provide enforcement services. Contract payments are due quarterly.

#### Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2024 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital and Right to Use assets, net	\$ 27,997,103	\$ 14,620,660
Total debt, gross	18,048,614	10,587,251
Less:		
Other non-capital related debt	5,439,344	-
Total capital debt	<u>12,609,270</u>	<u>10,587,251</u>
Net investment in capital assets	<u>\$ 15,387,833</u>	<u>\$ 4,033,409</u>

**2. LIABILITIES**

**1. Payables**

Payables at the government-wide level at June 30, 2024 were as follows:

	Vendors	Other	Total
Governmental Activities:			
General	\$ 1,093,858	\$ 850,176	\$ 1,944,034
Other Governmental	97,936	-	97,936
Total Governmental Activities	<u>\$ 1,191,794</u>	<u>\$ 850,176</u>	<u>\$ 2,041,970</u>
Business-type Activities			
Solid Waste	\$ 241,525	\$ -	\$ 241,525
Water Fund	120,876	-	120,876
Total Business-Type Activities	<u>\$ 362,401</u>	<u>\$ -</u>	<u>\$ 362,401</u>

**2. Pension Plan and Other Postemployment Obligations**

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

*Plan Description.* The County is 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 government 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 consist 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 the State Superintendent, who serve as ex-office members. The Local Government 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](http://www.osc.nc.gov).

*Benefits Provided.* LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with 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, 2024, was 14.04% of compensation for law enforcement officers and 12.91% 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 plan from the County were \$1,978,949 for the year ended June 30, 2024. Contributions to the pension plan from the ABC Board and the Tourism Development Authority were \$58,666 and \$13,556, respectively, for the year ended June 30, 2024.

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

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

County

At June 30, 2024, the County reported a liability of \$11,395,220 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2024, the County's proportion was 0.1721% (measured as of June 30, 2023), which was an increase of 0.0028% from its proportion measured as of June 30, 2023 (measured as of June 30, 2022).

For the year ended June 30, 2024, the County recognized pension expense of \$3,093,810. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,269,765	\$ 27,336
Changes of assumptions	484,231	-
Net difference between projected and actual earnings on pension plan investments	3,049,860	-
Changes in proportion and differences between County Contributions and proportionate share of contributions	140,037	190,124
County contributions subsequent to the measurement date	1,978,949	-
Total	<u>\$ 6,922,842</u>	<u>\$ 217,460</u>

\$1,978,949 reported as deferred outflows of resources related to pensions resulting from the County contributions and will be recognized as an increase of the net pension asset in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June</b>	
2025	\$ 1,680,095
2026	848,129
2027	2,069,244
2028	128,965
	<u>\$ 4,726,433</u>

#### Tourism Development Authority

At June 30, 2024, the TDA reported a liability of \$78,057, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The TDA's proportion of the net pension liability was based on a projection of the TDA'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, 2024, the TDA's proportion was .0012% (measured as of June 30, 2023), which was a decrease of 0.00002% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the TDA recognized pension expense of \$22,274. At June 30, 2024, the TDA 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	\$ 8,698	\$ 187
Changes of assumptions	3,317	-
Net difference between projected and actual earnings on pension plan investments	20,892	-
Changes in proportion and differences between TDA Contributions and proportionate share of contributions	959	1,302
County contributions subsequent to the measurement date	13,556	-
Total	<u>\$ 47,422</u>	<u>\$ 1,489</u>

\$13,556 reported as deferred outflows of resources related to pensions resulting from the TDA contributions and will be recognized as an increase of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June</b>		
2025	\$	11,509
2026		5,810
2027		14,174
2028		884
	<u>\$</u>	<u>32,377</u>

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

Inflation	2.50 Percent
Salary	3.25% to 8.41%, 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, 2022 valuations 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 measurements.

The projected long-term investments returns and inflation assumptions are developed through review of current and historical capital market data, sell-side investments research, consultant whitepapers, and historical performance of investments 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 assets class of June 30, 2024 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	33.0%	2.4%
Global Equity	38.0%	6.9%
Real Estate	8.0%	6.0%
Alternatives	8.0%	8.6%
Credit	7.0%	5.3%
Inflation Protection	6.0%	4.3%
Total	<u>100.0%</u>	

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

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

*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 <u>(5.50%)</u>	Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
County's proportionate share of the net pension liability (asset)	\$ 19,741,771	\$ 11,395,220	\$ 4,523,557
TDA's proportionate share of the net pension liability (asset)	\$ 118,082	\$ 78,057	\$ 22,031

*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.

The Vance County ABC Board also participates in the statewide Local Governmental Employee's Retirement System (LGERS). The ABC Board's proportionate share of the net pension assets is not material relative to the primary government, Vance County.

Therefore, pension disclosures for the ABC Board are not included in this report. Detailed information about the ABC Board's pension plans are included in the separately issued audit reports of the Vance County ABC Board.

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

*Plan Description* - The County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.



All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2023, the Separation Allowance's membership consisted of:

Retirees receiving benefits	1
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	36
Total	<u>37</u>

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 fund 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, 2022 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 Increase	3.25 to 7.75 percent, including inflation and productivity factor
Discount Rate	4.00 percent

The discount rate used to measure the TPL is the S&P Municipal Bond 20 Year High Grade Rate Index.

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

Deaths After Retirement (Beneficiary): Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

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.

*Contributions* - The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the 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 investment earnings. The County paid \$33,233 as benefits came due for the reporting period.

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

At June 30, 2024, the County reported a total pension liability of \$1,297,206. The total pension liability was measured as of June 30, 2023, based on a December 31, 2022 actuarial valuation. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the County recognized pension expense of \$102,296.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 46,930	\$ 116,264
Changes of assumptions	161,940	174,722
County benefit payments and plan administrative expense made subsequent to the measurement date	<u>17,297</u>	<u>-</u>
Total	<u><u>\$ 226,167</u></u>	<u><u>\$ 290,986</u></u>

The County paid \$17,297 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ 11,152
2026	2,310
2027	(52,423)
2028	(41,064)
2029	(1,563)
Thereafter	<u>(528)</u>
	<u><u>\$ (82,116)</u></u>

*Sensitivity of the County's total pension liability to changes in the discount rate.* The following presents the County's total pension liability calculated using the discount rate of 4.00 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.00 percent) or one percentage point higher (5.00 percent) than the current rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total pension liability	\$ 1,413,955	\$ 1,297,206	\$ 1,191,144

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

Beginning Balance	\$ 1,233,287
Service Cost	54,620
Interest on the total pension liability	52,438
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(41,607)
Changes of assumptions or other inputs	31,701
Benefit payments	(33,233)
Other changes	-
Ending balance of the total pension liability	\$ 1,297,206

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 4.31 percent at December 31, 2022 (measurement date) to 4.00 percent at December 31, 2023 (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 published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study completed by the Actuary for the Local Governmental Employees' Retirement System 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 (the "Plan"), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy* - Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2024 were \$118,509, which consisted of \$98,706 from the County and \$19,803 from the law enforcement officers.

**d. Register of Deeds' Supplemental Pension Fund**

*Plan Description.* also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 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](http://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 \$2,814 for the year ended June 30, 2024.

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

At June 30, 2024, the County reported an asset of \$42,657 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on 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 RODSPF employers, actuarially determined. At June 30, 2023, the County's proportion was 0.35497%, which was an increase of 0.04236% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the County recognized pension expense of \$7,974. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,888
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	21,667	-
Changes in proportion and differences between County Contributions and proportionate share of contributions	-	7,757
County contributions subsequent to the measurement date	2,814	-
Total	\$ 24,481	\$ 9,645

\$2,814 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, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended</b>	
2025	\$ (58)
2026	4,423
2027	6,290
2028	1,367
	<u>\$ 12,022</u>

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

Inflation	2.50%
Salary Increases	3.25% - 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 improvements.

The actuarial assumptions used in the December 31, 2022 valuations 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, 2024 is 1.4%.

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

*Discount rate.* The discount rate used to measure the total pension liability was 3.00%. The projection of cash flows used to determine the discount rate assumed that contributions from 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 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 <u>(2.00%)</u>	Discount Rate <u>(3.00%)</u>	1% Increase <u>(4.00%)</u>
County's proportionate share of the net pension liability (asset)	\$ (29,118)	\$ (42,657)	\$ (54,073)

*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.

**e. Pension Liabilities (Assets), 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, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of June 30, 2023, with an actuarial valuation date of December 31, 2022. 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:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability	\$ 11,395,220	\$ (42,657)	\$ -	\$ 11,352,563
Proportion of the Net Pension Liability (Asset)	0.17205%	0.35497%	n/a	
Total Pension Liability	-	-	1,297,206	1,297,206
Pension Expense	3,093,810	7,974	102,296	3,204,080

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Outflows of Resources</u>	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Differences between expected and actual experience	\$ 1,269,765	\$ -	\$ 46,930	\$ 1,316,695
Changes in assumptions	484,231	-	161,940	646,171
Net difference between projected and actual earnings on pension plan investments	3,049,860	21,667	-	3,071,527
Changes in proportion and differences between County contributions and proportionate share of contributions	140,037	-	-	140,037
County contributions (LGERS,ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	1,978,949	2,814	17,297	1,999,060

<u>Deferred Inflows of Resources</u>	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Differences between expected and actual experience	\$ 27,336	\$ 1,888	\$ 116,264	\$ 145,488
Changes in assumptions	-	-	174,722	174,722
Changes in proportion and differences between County contributions and proportionate share of contributions	190,124	7,757	-	197,881

**f. Firemen's and Rescue Squad Workers' Pension Fund**

*Plan Description.* The State of North Carolina contributes, on behalf of Vance county, to the Firemen's and Rescue Squad Workers' Pension Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. The Fund provides pension benefits to any eligible fire and rescue squad workers that have elected to become members of the fund. Article 86 of G.S. Chapter 58 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Firemen's and Rescue Squad Workers' Pension Fund is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for the fund. 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.

*Plan Description.* Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). As of July 1, 2011, this plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and a) have at least 30 year of creditable service with the County or b) have at least 15 years of creditable service with the County. The County pays the full cost of coverage for these benefits for lifetime employees with 30 years of services. Employees with 15 years of service may purchase insurance through the County's plan at their own expense until Medicare eligibility age. Prior to July 1, 2011, employees qualified for lifetime benefits after a minimum of 15 years of creditable service with the County. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplement Plan after qualifying for Medicare. Also, retirees can purchase coverage for their dependents at the County's group rates. The Board of Commissioners may amend the benefits provisions. A separate report was not issued for the plan.

**g. Other Postemployment Benefits**

**Plan Description**

Retired Employees' Years of Creditable Service	Date Hired	
	Pre-July 1, 2011	On or after July 1, 2011
Less than 15 years	Not eligible for coverage	Not eligible for coverage
15-30 years	Full coverage paid by the County	Coverage until Medicare
30+ years	Full coverage paid by the County	Full coverage paid by the County

*Plan Membership.* At June 30, 2022, the HCB Plan membership consisted of the following:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	98	1
Terminated plan members entitled to but not yet receiving benefits	0	0
Active plan members	248	36
Total	346	37

*Funding Policy.* The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Commissioners. Dependent coverage costs must be paid in full by the retiree. The County has chosen to fund the healthcare benefits on a pay as you go basis.

**Total OPEB Liability**

The County's total OPEB liability of \$15,317,221 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022.

*Actuarial assumptions and other inputs.* The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Real Wage Growth	0.75 percent
Wage Inflation	3.25 percent
Salary increases:	
General Employees	3.25 to 8.41 percent, including inflation
Firefighters	3.25 to 8.15 percent, including inflation
Law Enforcement Officers	3.25 to 7.90 percent, including inflation
Discount rate	
Prior Measurement Date	3.54 percent
Measurement Date	3.65 percent
Healthcare cost trend rates:	
Pre-Medicare	7.50 percent for 2022 decreasing to an ultimate rate of 4.50 percent by 2032
Medicare	5.125 percent for 2022 decreasing to an ultimate rate of 4.50 percent by 2025
Dental	3.50 percent

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

**Changes in the Total OPEB Liability**

	Total OPEB Liability
<b>Balances at June 30, 2022</b>	<u>\$ 15,094,064</u>
<b>Changes for the Year:</b>	
Service Cost	381,860
Interest	539,791
Differences between expected and actual experience	25,771
Changes of assumptions or other inputs	(265,103)
Benefit payments	(459,162)
Net Changes	<u>223,157</u>
<b>Balances at June 30, 2023</b>	<u><u>\$ 15,317,221</u></u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.54 percent to 3.65 percent.

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



The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2022 valuation.

*Sensitivity of the total 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 (2.65 percent) and 1-percentage-point higher (4.65 percent) than the current discount rate:

	1% Decrease (2.65 percent)	Current (3.65 percent)	1% Increase (4.65 Percent)
Total OPEB liability (asset)			
County	\$ 12,851,452	\$ 15,282,487	\$ 18,233,608
Tourism Development Authority	\$ 99,198	\$ 34,734	\$ 135,384

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)			
County	\$ 12,853,300	\$ 15,282,487	\$ 18,230,912
Tourism Development Authority	\$ 97,350	\$ 34,734	\$ 138,080

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

For the year ended June 30, 2024, the County recognized OPEB revenue of \$972,526. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	COUNTY		TDA	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 74,044	\$ 5,190,121	\$ 561	\$ 39,310
Changes of assumptions	2,068,992	2,958,370	15,670	22,407
Benefit payments and administrative costs made subsequent to the measurement date	347,156	-	-	-
Total	<u>\$ 2,490,192</u>	<u>\$ 8,148,491</u>	<u>\$ 16,231</u>	<u>\$ 61,717</u>

\$347,156 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, 2025. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ended June 30</b>	<u>COUNTY</u>	<u>TDA</u>
2025	\$ (1,558,510)	\$ (11,804)
2026	(1,327,655)	(10,056)
2027	(1,223,629)	(9,268)
2028	(1,170,052)	(8,862)
2029	(703,036)	(5,325)
Thereafter	(22,573)	(171)

**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 eligible participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

**3. Closure and post closure care costs - Vance County Landfill Facility**

State and federal laws and regulations require the County to place a final cover on its landfill facilities 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 \$630,236 reported as landfill closure and post-closure care liability at June 30, 2024 represents a cumulative amount reported to date based on the use of 100 percent of the total estimated capacity of the landfill. Final costs may be higher due to inflation, changes in technology, or changes in regulations. All of the above amounts are based on what it would cost to perform all closure and post-closure care in 2024.

The landfill was certified as closed in fiscal year 2000. Closure and post closure care costs will end of fiscal year 2030. The County's estimated post closure care cost liability of \$630,236 is based on estimated annual post closure care costs of \$97,040 plus 2% annual inflation, for the remaining 10 years the County is required to maintain and monitor the landfill.

The County has met the requirements of a local government financial test, one option under State and federal laws and regulations to help determine if a unit is financially able to meet closure and post-closure care requirements. The County is not currently required to fund the estimated closure costs of this facility based upon its present financial stability. However, if additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

#### 4. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pensions - difference between expected and actual experience		
LGERS	\$ 1,269,765	\$ 27,336
Register of Deeds	-	1,888
LEOSSA	46,930	116,264
OPEB	74,044	5,190,121
Changes of assumptions		
LGERS	484,231	-
Register of Deeds	-	-
LEOSSA	161,940	174,722
OPEB	2,068,992	2,958,370
Pensions - difference between projected and actual investment		
LGERS	3,049,860	-
Register of Deeds	21,667	-
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions		
LGERS	140,037	190,124
Register of Deeds	-	7,757
Contributions, benefits and admin costs paid subsequent to measurement date		
LGERS	1,978,949	-
Register of Deeds	2,814	-
LEOSSA	17,297	-
Benefit payments for the OPEB plan paid subsequent to	347,156	-
Leases (General)	-	257,584
Prepaid taxes not yet earned (General Fund)	-	139,563
Note receivable, Henderson Vance Industrial Park Fund	-	2,300,000
Total reported in the government-wide statements	<u>\$ 9,663,682</u>	<u>\$ 11,363,729</u>
Leases (General)	\$ -	\$ 257,583
Opioid funds receivable (Special revenue)	-	4,335,886
Prepaid taxes not yet earned (General Fund)	-	139,563
Note receivable, Henderson Vance Industrial Park Fund	-	2,300,000
Taxes receivable, net (General)	-	1,086,887
Total reported in the fund statements	<u>\$ -</u>	<u>\$ 8,119,919</u>

## **5. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The County obtains property insurance coverage and general liability coverage for these risks. The County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$62,092,260 for any one occurrence; general, auto, professional, law enforcement, and employment practices liability coverage of \$2,000,000 per occurrence; cyber liability of \$1,000,000; and workers' compensation coverage up to the statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Both of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of a \$500,000 retention up to a \$2,000,000 limit for liability coverage, \$600,000 of aggregate of annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation.

The County's insurance policy includes shared reinsurance limits with other members of the pool as follows: (Earthquake \$5,000,000 per occurrence, Flood \$1,000,000 in Zones A and V and \$5,000,000 in zones other than A and V, and Named Storm \$50,000,000 per occurrence) There have been no losses due to flooding in previous years. In accordance with G.S. 159-29, the County's employees that have access of \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance, Assistant Finance Director, and the Tax Collector are individually bonded for \$1,000,000, \$100,000 and \$100,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

The County carries commercial insurance for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims from these risks have not exceeded the total commercial insurance coverage in any of the last three fiscal years.

Vance County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The ABC Board has property, general liability, auto liability, workmen's compensation and employee health coverage. The Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the prior year and settled claims have not exceeded coverage in any of the past three fiscal years. In accordance with G.S. 18B-700(i) and G.S. 18B-803(b), each Vance County ABC Board member and the employees designated as the general manager and finance officer are bonded in the amount of \$50,000 secured by a corporate surety.

Vance County Tourism Development Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority does not carry flood insurance. The Authority is covered under a commercial insurance coverage carrier by Vance County, North Carolina. There have been not significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years. In accordance with G.S. 159-26, the Authority's funds are bonded under a spectrum policy in which a section of the policy covers employee dishonesty up to \$10,000. The finance officer is individually bonded in the amount of \$50,000.

## **6. Contingent Liabilities**

At June 30, 2024, the County's management and the County attorney have no knowledge of any existing outstanding material cases, other than items discussed in Notes 7 & 8.

## **7. Long-term obligations**

### **Leases**

#### **Serviced by the General Fund**

On July 1, 2021, the County entered into a 53 month lease as Lessee for the use of Xerox Copier - Board of Elections. An initial lease liability was recorded in the amount of \$12,593. As of June 30, 2024, the value of the lease liability is \$4,066. The County is required to make monthly fixed payments of \$240. The lease has an interest rate of 0.4570%. The value of the right to use asset as of June 30, 2024 of \$12,593 with accumulated amortization of \$8,506 is included with Leased Equipment on the Capital Asset Schedules.

On July 1, 2021, the County entered into a 32 month lease as Lessee for the use of Xerox Copiers - DSS Ruin Creek Rd. An initial lease liability was recorded in the amount of \$31,449. As of June 30, 2024, the value of the lease liability is \$0. The County is required to make monthly fixed payments of \$987. The lease has an interest rate of 0.3150%. The value of the right to use asset as of June 30, 2024 of \$31,449 with accumulated amortization of \$31,449 was removed from Leased Equipment on the Capital Asset Schedules.

On July 1, 2021, the County entered into a 30 month lease as Lessee for the use of Xerox Copier - Coop Extension Services. An initial lease liability was recorded in the amount of \$9,533. As of June 30, 2024, the value of the lease liability is \$0. The County is required to make monthly fixed payments of \$319. The lease has an interest rate of 0.3150%. The value of the right to use asset as of June 30, 2024 of \$9,533 with accumulated amortization of \$9,533 was removed from Leased Equipment on the Capital Asset Schedules.

On July 1, 2021, the County entered into a 55 month lease as Lessee for the use of Xerox Copier - Finance Office. An initial lease liability was recorded in the amount of \$9,662. As of June 30, 2024, the value of the lease liability is \$3,366. The County is required to make monthly fixed payments of \$178. The lease has an interest rate of 0.5770%. The value of the right to use asset as of June 30, 2024 of \$9,662 with accumulated amortization of \$6,263 is included with Leased Equipment on the Capital Asset Schedules.

On July 1, 2021, the County entered into a 51 month lease as Lessee for the use of Xerox Copier - First Ambulance/EMS. An initial lease liability was recorded in the amount of \$6,516. As of June 30, 2024, the value of the lease liability is \$1,929. The County is required to make monthly fixed payments of \$129. The lease has an interest rate of 0.4570%. The value of the right to use asset as of June 30, 2024 of \$6,516 with accumulated amortization of \$4,585 is included with Leased Equipment on the Capital Asset Schedules.

On July 1, 2021, the County entered into a 34 month lease as Lessee for the use of Xerox Copier - Office of Aging. An initial lease liability was recorded in the amount of \$4,367. As of June 30, 2024, the value of the lease liability is \$0. The County is required to make monthly fixed payments of \$129. The lease has an interest rate of 0.3150%. The value of the right to use asset as of June 30, 2024 of \$4,367 with accumulated amortization of \$4,367 was removed from Leased Equipment on the Capital Asset Schedules.

On July 1, 2021, the County entered into a 49 month lease as Lessee for the use of Xerox Copiers - Sheriff's Office. An initial lease liability was recorded in the amount of \$33,443. As of June 30, 2024, the value of the lease liability is \$8,933. The County is required to make monthly fixed payments of \$689. The lease has an interest rate of 0.4570%. The value of the right to use asset as of June 30, 2024 of \$33,443 with accumulated amortization of \$24,144 is included with Leased Equipment on the Capital Asset Schedules.

On July 1, 2021, the County entered into a 33 month lease as Lessee for the use of Xerox Copiers - Tax Office. An initial lease liability was recorded in the amount of \$1,970. As of June 30, 2024, the value of the lease liability is \$0. The County is required to make monthly fixed payments of \$60. The lease has an interest rate of 0.3150%. The value of the right to use asset as of June 30, 2024 of \$1,970 with accumulated amortization of \$1,970 was removed from Leased Equipment on the Capital Asset Schedules.

On July 1, 2023, the County entered into a 36 month lease as Lessee for the use of Logan Systems Inc. record storage and maintenance software. An initial lease liability was recorded in the amount of \$85,765. As of June 30, 2024, the value of the lease liability is \$60,294. The County is required to make monthly fixed payments of \$2,495, which increases by 2.5% each fiscal year to fiscal year 2026. The lease has an interest rate of 2.90%. The value of the right to use asset as of June 30, 2024 was \$88,260, with accumulated amortization of \$24,420 and is reported with the Leased Equipment on the Capital Asset Schedule.

Annual debt service requirements to maturity for the County’s lease liabilities are as follows:

Year Ending June 30	<u>Governmental Activities</u>		<u>Business-type Activities</u>		Total
	Principal	Interest	Principal	Interest	
2025	\$ 44,103	\$ 1,417	\$ -	\$ -	\$ 45,520
2026	34,485	493	-	-	34,978
	<u>\$ 78,588</u>	<u>\$ 1,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,498</u>

### **Subscriptions Payable**

The County entered into agreements for certain Subscription-Based Information Technology Arrangements (Subscriptions). The subscriptions qualify as other than short-term agreements under GASB 96 and, therefore, have been recorded at the present value of the future minimum subscription payments as of the date of their inception. For additional information, refer to the disclosures below.

On July 1, 2022, the County entered into a 24 month subscription for the use of CAD Distribution. An initial subscription liability was recorded in the amount of \$6,946. As of June 30, 2024, the value of the subscription liability is \$0. The County is required to make annual fixed payments of \$3,500. The subscription has an interest rate of 1.5800%. The value of the right to use asset as of June 30, 2024 of \$6,946 with accumulated amortization of \$6,946 was removed from Software on the Capital Asset Schedules. The County has 1 extension option, for 12 months.

On July 1, 2023, the County entered into a 24 month subscription for the use of Onsolve Management software. An initial subscription liability was recorded in the amount of \$12,240. As of June 30, 2024, the value of the subscription liability is \$0. The County is required to make biennial fixed payments of \$12,240. The subscription has an interest rate of 3.02%. The value of the right to use asset as of June 30, 2024 of \$12,240 with accumulated amortization of \$6,120 was removed from Software on the Capital Asset Schedules. The County has 1 extension option, for 24 months.

### **General Obligation Indebtedness**

All general obligation bonds serviced by the County’s general fund are collateralized by the full faith, credit and taxing power of the County. In the event of a default, the County agrees to pay to the Purchaser on demand, interest on any and all amounts due and owing by the County under this Agreement. The County’s general obligation bonds payable at June 30, 2023 are comprised of the following individual issues:

\$5,627,000 2014 General Obligation Water Bonds due in annual installments of \$78,000 to \$244,000 June 1, 2054, interest at 3.25% \$ 4,932,000

\$2,196,000 Series 2015A General Obligation Water Bonds due in annual installments of \$35,000 to \$89,000 June 1, 2054, interest at 2.75% 1,895,000

\$3,937,000 Series 2015B General Obligation Water Bonds due in annual installments of \$62,000 to \$161,000 June 1, 2054, interest at 2.75% 3,400,000

\$212,000 Series 2018 General Obligation Water Bonds due in annual installments of \$2,559 to 196,000  
 \$8,338 June 1, 2058, interest at 1.875%.

Total Serviced by the Enterprise Funds \$ 10,423,000

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

Year Ending June 30	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Total
	Principal	Interest	Principal	Interest	
2025	\$ -	\$ -	\$ 222,000	\$ 309,578	\$ 531,578
2026	-	-	228,000	303,008	531,008
2027	-	-	234,000	296,258	530,258
2028	-	-	241,000	289,328	530,328
2029	-	-	248,000	282,185	530,185
2030-2034	-	-	1,360,000	1,295,853	2,655,853
2035-2039	-	-	1,570,000	1,082,121	2,652,121
2040-2044	-	-	1,819,000	834,608	2,653,608
2045-2049	-	-	2,105,000	547,611	2,652,611
2050-2054	-	-	2,364,000	214,784	2,578,784
2055-2059	-	-	32,000	1,594	33,594
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,423,000</u>	<u>\$ 5,456,928</u>	<u>\$ 15,879,928</u>

**Installment Purchases** – The County has several installment purchase agreements in effect at June 30, 2024. A summary of those are as follows:

**Remedies on Default.** Upon the continuation of any Event of Default, lender may, without any further demand or notice, exercise any one or more of the following remedies: (a) Declare the unpaid principal components of the Installment Payments immediately due and payable; (b) Proceed by appropriate court action to enforce the County's performance of the applicable covenants of this Agreement or to recover for the breach thereof; (c) As provided in the Project Fund Agreement, pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate; and (d) Avail itself of all available remedies under the Agreement, including execution and foreclosure, and recovery of attorneys' fees and other expenses.

On November 9, 2010, the County entered into a QSCB direct placement installment purchase \$ 523,243 contract with BB&T, with proceeds to be used for property improvements by the Vance County Board of Education. The installment purchase contract is to be paid in 15 annual installments of \$261,621 plus annual interest payments of 5.09%. The buildings and fixtures are pledged as collateral for the debt.

On June 26, 2013, the County entered into a QZAB direct placement installment purchase contract with BB&T, with proceeds to be used for property improvements by the Vance County Board of Education. The installment purchase contract was to be paid in 15 annual installments of \$133,333 with no interest. On June 26, 2018 BB&T amended the original agreement. The amended agreement provides for the contract to be paid through annual installments of \$123,155 through June 26, 2028 with no interest. The building and fixtures are pledged as collateral for the debt.

On December 22, 2016, the County entered into a \$1,703,000 direct placement installment financing agreement with USDA, with the proceeds to be used to finance the cost of the Animal Shelter. The installment contract is to be paid in 30 annual payments of \$80,024, including interest, beginning on December 22, 2017. The building and fixtures are pledged as collateral for the debt. 1,405,526

An agreement was entered into on December 15, 2010 with BB&T for the refinancing of the Kerr Lake Volunteer Fire Department's assets for the Fire and Ambulance Department. The refinancing agreement called for 180 month payments of \$1,740, including interest at 4.09%. 30,321

On April 12, 2019, the County entered into a \$474,851 direct placement installment financing agreement with Regions Equipment Finance Corporation (REFCO), with the proceeds to be used to finance the cost of a 2019 E-One Firetruck. The installment contract is to be paid in 36 quarterly payments of \$13,672, including interest, beginning on July 12, 2019. The vehicle is pledged as collateral for the debt. Remedies on Default. Upon the occurrence of any Event of Default, REFCO may exercise any one or more of the following remedies as REFCO, in its sole discretion, shall elect: (a) Declare the unpaid portion of the then outstanding principal component of the Installment Payments immediately due and payable, without notice or demand to the County; (b) Proceed by appropriate court action to enforce the performance by the County of the applicable covenants of this Contract or to recover for any breach thereof; (c) Exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code of the State and the general laws of the State with respect to the enforcement of the security interest granted or reserved hereunder and to sell, lease, sublease or make other disposition of the same in a commercially reasonable manner for the account of the County, and apply the proceeds of any such sale, lease, sublease or other disposition, after deducting all costs and expenses, including court costs and attorneys' fees, incurred with the recovery, repair, storage and other sale, lease, sublease or other disposition, toward the balance due under this Contract and, thereafter, to pay any remaining proceeds to the County; or (d) Pursue any other remedy available at law or equity to REFCO. 254,136

On March 30, 2020, the County entered into a \$407,989 direct placement installment financing agreement with Regions Equipment Finance Corporation (REFCO), with the proceeds to be used to finance the cost of an Ambulance and (4) 2019 Dodge Ram trucks. The installment contract is to be paid in 20 quarterly payments of \$22,300, including interest at 1.62%, beginning on June 30, 2020. The Equipment is pledged as collateral for the debt. Remedies on Default. Upon the occurrence of an Event of Default, and so long as such Event of Default is continuing, REFCO may, at its option, exercise any one or more of the following remedies: (a) declare all installments of the payments, payable until the end of the term of the agreement, (b) may, without demand or legal process, take possession of the Equipment with or without terminating this agreement and without any liability to the County for such repossession, and lease or sell the Equipment, (c) release or sale any and all of the Equipment at a public or private sale on such terms as it deems reasonable, (d) may require the County to furnish copies of all books and records of the County pertaining to the Equipment, and (e) may exercise any other right, remedy or privilege which may be available to it under applicable laws of the State of North Carolina or any other applicable laws including, without limitation, the rights of a secured party under the State of North Carolina Uniform Commercial Code, or proceed by appropriate court action to enforce the terms of the agreement or to recover damages for the breach of this agreement or to rescind this agreement as to any or all of the Equipment. In addition, the County will remain liable for all covenants and, to the extent permitted by applicable law, indemnities under this agreement and for all legal fees and other costs and expenses, including court costs and reasonable attorney fees, incurred by REFCO with respect to the enforcement of any of the remedies listed above or any other remedy available to REFCO. 51,072



On March 26, 2021, the County entered into a \$223,265 direct placement installment financing agreement with Bank Funding, LLC, with the proceeds to be used to finance the cost of 8 Sheriff Vehicles. The installment contract is to be paid in 20 quarterly payments of \$15,043, including interest at 1.68%, beginning on June 24, 2021. The Equipment is pledged as collateral for the debt. Remedies on Default. Upon the occurrence of an Event of Default, and so long as such Event of Default is continuing, Bank Funding, LLC may, at its option, exercise any one or more of the following remedies: (a) declare all installments of the payments, payable until the end of the term of the agreement, (b) may, without demand or legal process, take possession of the Equipment with or without terminating this agreement and without any liability to the County for such repossession, and lease or sell the Equipment, (c) release or sale any and all of the Equipment at a public or private sale on such terms as it deems reasonable, (d) may require the County to furnish copies of all books and records of the County pertaining to the Equipment, and (e) may exercise any other right, remedy or privilege which may be available to it under applicable laws of the State of North Carolina or any other applicable laws including, without limitation, the rights of a secured party under the State of North Carolina Uniform Commercial Code, or proceed by appropriate court action to enforce the terms of the agreement or to recover damages for the breach of this agreement or to rescind this agreement as to any or all of the Equipment. In addition, the County will remain liable for all covenants and, to the extent permitted by applicable law, indemnities under this agreement and for all legal fees and other costs and expenses, including court costs and reasonable attorney fees, incurred by Bank Funding, LLC with respect to the enforcement of any of the remedies listed above or any other remedy available to Bank Funding, LLC.

79,488

On September 1, 2021, the County entered into a \$7,435,000 direct placement installment financing agreement with JP Morgan Chase Bank N.A. (Chase), with the proceeds to be used to refinance the building and renovations. The installment contract is to be paid in 11 annual principal payments and 22 quarterly interest payments, interest at 1.37%, beginning on September 1, 2021. Chase holds a deed of trust on the properties as collateral for the debt. Remedies on Default. Upon the occurrence of an Event of Default, exercise all remedies available at law or in equity or under the Deed of Trust, including foreclosure and 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 attorneys' fees incurred with the recovery, repair, storage and other sale or other disposition costs, toward the principal component and accrued and unpaid interest of the balance of Installment Payments due; and subject to the Enforcement Limitation, proceed by appropriate court action to enforce performance by the County of the applicable covenants of this Agreement or to recover for the breach thereof.

4,910,000

On July 14, 2021, the County entered into a \$7,000,000 direct placement installment financing agreement with JP Morgan Chase Bank N.A. (Chase), with the proceeds to be used for a DSS Building. The installment contract is to be paid in 15 annual principal payments of \$467,000 plus interest (calculated on a 30/360 basis by using a year of 360 days comprised of 12 30-day months, beginning on August 1, 2021. Chase holds a deed of trust on the properties as collateral for the debt. Remedies on Default. Upon the occurrence of an Event of Default, exercise all remedies available at law or in equity or under the Deed of Trust, including foreclosure and 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 attorneys' fees incurred with the recovery, repair, storage and other sale or other disposition costs, toward the principal component and accrued and unpaid interest of the balance of Installment Payments due; and subject to the Enforcement Limitation, proceed by appropriate court action to enforce performance by the County of the applicable covenants of this Agreement or to recover for the breach thereof.

5,599,000

On September 23, 2021, the County entered into a \$5,105,000 direct placement installment financing agreement with Truist Bank, with the proceeds to be used for School Construction. The installment contract is to be paid in 15 annual principal payments ranging from \$340,000 to \$341,000 plus interest at 1.64% semi-annually beginning on March 1, 2022. Truist holds a deed of trust on the properties as collateral for the debt. The funds are currently sitting in an escrow account in the name of the County and can be drawn down as construction begins. 4,423,000

On September 23, 2021, the County entered into a \$106,000 direct placement installment financing agreement with Lucas Emergency Management Supply, with the proceeds to be used for EMS equipment. The installment contract is to be paid in 2 annual principal payments of \$53,000, with a 0% interest rate. Lucas holds a deed of trust on the properties as collateral for the debt. 53,000

On September 15, 2023, the County entered into a \$163,706 direct placement installment financing agreement with Axon Enterprise, Inc., with the proceeds to be used for tasers. The installment contract is to be paid in 5 annual principal payments, one of \$15,567 with the remainder \$37,035, with a 0% interest rate. Axon Enterprise, Inc. holds a deed of trust on the properties as collateral for the debt. 148,139

Total Serviced by the Governmental Funds \$ 17,970,026

**Direct Borrowing -Installment Purchase**

\$273,753 2016 NCDEQ DWI Drinking Water Federal Revolving Loan due in annual installments of \$ 164,251 \$13,688, interest at 0%. The final payment is due on May 1, 2036.

Total Serviced by the Enterprise Funds \$ 164,251

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

Year Ending June 30	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Total
	Principal	Interest	Principal	Interest	
2025	\$ 2,313,664	\$ 284,283	\$ 13,688	\$ -	\$ 2,611,635
2026	2,176,515	242,878	13,688	-	2,433,081
2027	1,862,859	203,132	13,688	-	2,079,679
2028	1,854,956	177,106	13,688	-	2,045,750
2029	1,686,886	151,236	13,688	-	1,851,810
2030-2034	5,236,922	463,060	68,438	-	5,768,420
2035-2039	2,261,172	137,010	27,373	-	2,425,555
2040-2044	347,688	52,432	-	-	400,120
2045-2049	229,364	11,009	-	-	240,373
	<u>\$ 17,970,026</u>	<u>\$ 1,722,146</u>	<u>\$ 164,251</u>	<u>\$ -</u>	<u>\$ 19,856,423</u>

## 8. Summary of Long-Term Obligations

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2024:

	Restated Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion of Balance
<b>Governmental Activities:</b>					
Direct placement Installment purchases	\$ 20,030,439	\$ 269,706	\$ 2,330,119	\$ 17,970,026	\$ 2,313,664
Lease liability	44,626	85,765	51,803	78,588	44,103
Subscription liability	3,446	12,240	9,566	6,120	-
Compensated absences	1,115,511	-	157,341	958,170	-
Net pension liability (LGERS)	9,539,389	1,844,282	-	11,383,671	-
Total pension liability (LEOSSA)	1,233,287	63,919	-	1,297,206	-
Total OPEB Liability	15,005,159	220,654	-	15,225,813	-
<b>Total governmental activities</b>	<b>\$ 46,971,857</b>	<b>\$ 2,496,566</b>	<b>\$ 2,548,829</b>	<b>\$ 46,919,594</b>	<b>\$ 2,357,767</b>
	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion of Balance
<b>Business-Type Activities:</b>					
Accrued landfill closure and post-closure care cost	\$ 720,858	\$ -	\$ 90,622	\$ 630,236	\$ -
General obligation debt	10,638,000	-	215,000	10,423,000	222,000
Direct Borrowing - Installment Purchase	177,939	-	13,688	164,251	13,688
Net pension liability (LGERS)	11,549	-	-	11,549	-
Total OPEB Liability	55,848	826	-	56,674	-
<b>Total business-type activities</b>	<b>\$ 11,604,194</b>	<b>\$ 826</b>	<b>\$ 319,310</b>	<b>\$ 11,285,710</b>	<b>\$ 235,688</b>

The following is a summary of changes in the ABC Board's long-term obligations for the fiscal year ended June 30, 2024:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion of Balance
Net pension liability (LGERS)	\$ 205,348	\$ 36,660	\$ -	\$ 242,008	\$ -
Compensated absences	21,788	19,640	-	41,428	41,428
Total OPEB Liability	297,546	-	49,917	247,629	-
<b>Total</b>	<b>\$ 524,682</b>	<b>\$ 56,300</b>	<b>\$ 49,917</b>	<b>\$ 531,065</b>	<b>\$ 41,428</b>

The following is a summary of changes in the Tourism Development Authority's long-term obligations for the fiscal year ended June 30, 2024:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion of Balance
Net pension liability (LGERS)	\$ 65,424	\$ 12,633	\$ -	\$ 78,057	\$ -
Compensated absences	14,615	-	958	13,657	13,657
Total OPEB Liability	33,057	1,677	-	34,734	-
<b>Total</b>	<b>\$ 113,096</b>	<b>\$ 14,310</b>	<b>\$ 958</b>	<b>\$ 126,448</b>	<b>\$ 13,657</b>

At June 30, 2024, the legal debt margin is \$226,998,389.

## 9. Conduit Debt

Vance County Industrial Facility and Pollution Control Authority have issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2024, there were three series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$497,716.

### Note 3 - Fund Balance

#### Interfund Balances and Activity

Transfers to/from other funds at June 30, 2024, consist of the following:

From the General Fund to the Debt Service Fund to help pay debt service obligations.**	\$ 277,647
From the General Fund to the Revaluation fund to provide funding for future revaluation the County's tax base.**	50,000
From the General Fund to the School Capital Reserve Fund to cover capital expenditures for school facility improvements - restricted portion of sales tax.	3,398,474
From the General Capital Reserve Fund to the General Fund to transfer additional funding.	1,371,856
From the General Fund to the General Capital Projects Fund to cover current year expenditures related to the projects underway.**	750,000
From General Capital Projects Fund to General Fund, for revenue replacement utilizing the ARPA funding.	183,760
From the Facility Fee Fund to the General Fund to cover costs of Courthouse operations.**	54,345
From the Fire District Fund to the General Fund for administrative services, paid volunteers, VCFD fire tax allocations.	145,900
From the School Capital Reserve Fund to the General Fund for school capital outlay budgeted for FY 2022.	625,000
From the School Capital Reserve Fund to the Debt Service Schools Fund for debt repayment.**	<u>1,660,942</u>
Total Interfund Transfers	<u><u>\$ 8,517,924</u></u>

\*\* These transfers net together as General Fund when they move forward to the front exhibits.

Balances due to/from other funds as of June 30, 2024, consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
School Capital Projects Fund	General Fund	\$ 792,458
General Fund	Facility Fees Fund	76,684
General Fund	Revaluation Fund	82,723
General Fund	Fines and Forfeitures Fund	52
General Capital Projects Fund	General Fund	<u>182,400</u>
Total Due to/from Other Funds		<u><u>\$ 1,134,317</u></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.

Vance County has a revenue spending policy that provides policy 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, 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 had the authority to deviate from this policy if it is in the best interest of the County.

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation at June 30, 2024:

Total fund balance- General Fund	\$ 34,849,195
Less:	
Stabilization by state statute	7,063,995
Restricted for prepaid expense	13,672
Restricted for leases	1,949
Restricted for Register of Deeds	113,242
Committed for LEOSSA and OPEB benefits	341,303
Committed for animal shelter	31,980
Committed for future healthcare benefits	293,302
<u>Remaining Fund Balance</u>	<u>\$ 26,989,752</u>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. There were no outstanding encumbrances at June 30, 2024.

**Note 4 - Joint Ventures**

The Granville-Vance Health District is a district based board of health established under North Carolina General Statute 130A by both Granville County and Vance County to provide public health services. The joint venture is governed by a sixteen-member Board, which is composed of one County Commissioner from each of the two counties; and seven other members appointed by each of the two respective Boards of County Commissioners. The County contributed \$925,000 to the Health District during the fiscal year ended June 30, 2024. The participating governments do not have any equity interest in the joint venture, therefore no equity interest has been reflected in the financial statements at June 30, 2024. Complete financial statements for the Health District can be obtained from the Health District’s administrative offices at 101 Hunt Drive, Oxford, NC 27565.

Vaya Health is the managed care organization that provided mental health services for Vance County and several other counties in fiscal year ended June 30, 2024. Vance County has two members appointed to their regional community board which in turn appoint two members of the Vaya Health Board. The County contributed \$146,100 to Vaya Health during fiscal year ended June 30, 2024. The participating governments do not have any equity interest in the joint venture, therefore no equity interest has been reflected in the financial statements at June 30, 2024. Complete financial statements for Vaya Health can be obtained from their administrative offices.

The County in conjunction with Granville County, Warren County, Franklin County, the State of North Carolina, and the Boards of Education of Vance, Granville, Warren, and Franklin Counties, participates in a joint venture to operate Vance-Granville Community College. Each participant appoints members of the thirteen-member board of trustees of the Community College. No participant appoints a majority. The president of the Community College's student government serves as an ex-officio nonvoting member of the Community College's board of trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and provides some financial support for the Community College's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,445,430 and \$41,220 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2024. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2024. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at P.O. Box 917, Henderson, NC 27536.

The Kerr Area Rural Transportation Authority (KARTS) is an association of five county governments, including Vance County. Karts is a joint venture of the participating counties for the purpose of providing a safe, adequate, and convenient transportation system for the jurisdictional area creating the Authority and its immediate environs. The counties served by KARTS, in addition to Vance County, are Granville, Franklin, Warren, and Person. General support of KARTS is provided by Federal, State, and local grants and user fees. Each county appoints two members of the Authority's managing body and this governing body determines the budget and financing requirements of the Authority. The criteria in NCGA Statement 3 were applied to the Authority, and while there were positive responses to some of the criteria, it was determined the County did not have significant influence over the Authority to justify inclusion of the Authority as part of the County reporting entity. The County contributed \$113,577 to KARTS during the fiscal year ended June 30, 2024. The participating governments do not have any equity interest in the joint venture, therefore no equity interest has been reflected in the financial statements at June 30, 2024. Complete financial statements for KARTS can be obtained from their administrative offices.

#### **Note 5- Jointly Governed Organization**

The County has joined with four other counties and fifteen municipalities in the area to establish the Kerr-Tar Regional Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$18,008 to the Council during the fiscal year ended June 30, 2024. The County has no equity interest in the Council.

The County has joined with three other counties in the establishment and governance of the Kerr-Tar Regional Economic Development Corporation (Corporation), a non-profit entity. The participating governments established the Corporation for the purpose of promoting and supporting economic and community development activities in the four participating counties. Each County appoints two members to the Board of the Corporation, which also reports to the Kerr-Tar Regional Council of Governments. The County paid membership fees of \$55,000 to the Corporation during the fiscal year ended June 30, 2024. The County has no equity interest in the Corporation.

#### **Note 6- Summary Disclosure of Significant Commitments and Contingencies**

##### **Unemployment Taxes**

The County has elected to pay direct costs of employment security benefits in lieu of employment security taxes on payroll. A liability for benefit payments could accrue in the year following discharge of employees.

## **Economic Incentives**

In December 2020, Vance County recruited Select Product Holdings to the county and negotiated an economic incentive grant. Select Products Holdings is committed to creating \$5.01 million in business personal property, \$50,000 in real property investment and 73 new jobs with an average wage of \$45,541 over five years. To date they have surpassed the investment threshold and are well on their way to surpassing the jobs requirement.

In November 2021 the county negotiated a local incentive agreement with MR Williams related to their \$4 million investment and addition of 25 new jobs at an average wage of \$45,756 over five years.

In April 2016, Ardagh Glass, Inc. ("the Company") entered into an agreement with Vance County ("the County") for an economic development project aimed at establishing a manufacturing and distribution facility within Vance County. Ardagh Glass, Inc., a prominent manufacturer and distributor of glass containers, committed to invest a minimum of \$42,040,000 towards the development of the project site. The project was anticipated to generate a minimum of 259 local qualified jobs with an average annual wage of \$65,000, inclusive of benefits. Under the terms of the agreement, the County agreed to provide incentive grant payments not exceeding a cumulative total of \$954,391 over a period of 10 years, commencing from the fiscal year in which the Company becomes liable for County property taxes. This maximum grant amount adheres to the statutory limits prescribed by North Carolina Law. An investment step-down clause was incorporated, stipulating that failure to achieve the \$42,040,000 investment threshold by December 31, 2020, would proportionately reduce the Company's eligibility for the maximum grant. Furthermore, failure to maintain a workforce of 259 qualified jobs during the initial 5-year period following the first annual incentive grant payment would require repayment of all disbursed grant payments. Subsequently, any shortfall in employment numbers during years 6 to 10 would result in a proportional reduction of the maximum incentive grant. The agreement also outlines provisions for potential repayment of incentive grants in the event of cessation of operations or non-utilization of the designated site for the intended purposes, with refund amounts subject to adjustment.

## **Federal and State Assisted Programs**

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

### **Note 7 - Significant Effects of Subsequent Events**

Subsequent to the fiscal year end of June 30, 2023, the County became aware of a significant event involving the former Finance Officer, which has material financial implications. On February 9, 2024, the former Finance Officer was relieved of their duties following the results of an investigation that revealed falsification of their background and credentials.

Subsequent investigations uncovered that the former Finance Officer had engaged in the embezzlement of County funds totaling \$1.4 million dollars over the period spanning fiscal year 2022 through fiscal year 2024.

The Federal Bureau of Investigation has since initiated an investigation, with a focus on recovery of funds. However, as of the issuance date of these financial statements, the amount of embezzled funds that may be recoverable remains uncertain. The former Finance Officer was also bonded for \$1 million. The County received the pay out of the bond coverage in September 2024 in the amount of \$1 million. This has been considered in the calculation for amount of embezzled funds which may be unrecoverable.

Given the nature and potential financial impact of this subsequent event, the County is closely cooperating with law enforcement authorities and pursuing all available legal remedies to mitigate the financial losses incurred.

**Note 8 - Special Item(s)**

The County has determined an estimate for the amount of loss associated with the former Finance Officer's embezzlement of County funds. This estimate is based on the assumption that the County can expect, at a minimum, to receive \$1 million in coverage of said losses, through the bonding agency which covered the previous Finance Officer. As disclosed in Note 7, the County has received the \$1,000,000 in bonding coverage subsequent to June 30, 2024.

**Note 9 - Change in Accounting Principle and Correction of Errors in Previously Issued Financial Statements**

In the prior fiscal year, the County received money from the Opioid Settlement. See Note D Opioid Settlement Funds for further discussion of this nationwide settlement.

During fiscal year 2024 the conclusion for the appropriate accounting and financial reporting guidance evolved. Instead of a single approach being applicable to the activity, there was realization that the approach needed to be more nuanced. Based on the facts and circumstances of the different distribution methods of the funds, it was determined that the appropriate guidance is either that for exchange and exchange-like transactions or that for government-mandated or voluntary nonexchange transactions.

After reviewing the method through which the County received the resources it was determined that the activity should have followed the guidance for exchange and exchange-like transactions. As a result, it was necessary for the County to record prior period adjustments in fiscal year 2024 for a change in accounting principal.

As an exchange/exchange-like transaction the County should have recognized revenue when they obtained a legal claim to the resources. For the opioid settlement the County obtains a claim to the resources on an accrual basis as the settlements are finalized. On the modified accrual basis of accounting the resources must also be measurable and available for revenue recognition to occur.

In the prior year, the County received cash payments of \$948,035, which was properly recorded on the modified accrual basis. However, the total net receivable had not been accrued on the accrual basis (on the government-wide statements) at June 30, 2023, so that was recorded as a prior year restatement. Given that settlements had reached \$26 billion in fiscal year 2023 it was necessary to determine the portion of that amount related to the County and recognize an additional prior period adjustment for that amount.

Following are the prior period adjustments for this change in accounting principle:

**Accrual basis of accounting**

	Governmental <u>Activities</u>
Net position, beginning, as previously reported	\$ 27,369,026
Prior period adjustment - change in accounting principle - County's share of North Carolina's unpaid aggregate settlements through FY 23, net of allowance for uncollectible accounts of \$576,569	<u>5,189,117</u>
Net position, beginning, as restated	<u><u>\$ 32,558,143</u></u>



**REQUIRED  
SUPPLEMENTAL FINANCIAL DATA**

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

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

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

<b>Local Government Employees' Retirement System</b>					
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
County's proportion of the net pension liability (asset) (%)	0.17205%	0.16930%	0.18289%	0.19083%	0.21218%
County's proportion of the net pension liability (asset) (\$)	\$ 11,395,220	\$ 9,550,938	\$ 2,804,794	\$ 6,819,169	\$ 5,794,470
County's covered payroll	\$ 15,011,192	\$ 13,971,873	\$ 13,627,326	\$ 13,250,221	\$ 13,534,969
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	75.91%	68.36%	20.58%	51.46%	42.81%
Plan fiduciary net position as a percentage of the total pension liability**	82.49%	84.14%	95.51%	88.61%	90.86%
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
County's proportion of the net pension liability (asset) (%)	0.21986%	0.21724%	0.20088%	0.20260%	0.20307%
County's proportion of the net pension liability (asset) (\$)	\$ 5,215,831	\$ 3,318,825	\$ 4,263,347	\$ 909,257	\$ (1,197,597)
County's covered payroll	\$ 13,256,124	\$ 12,457,196	\$ 11,843,244	\$ 11,883,802	\$ 11,508,426
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	39.35%	26.64%	36.00%	7.65%	-10.41%
Plan fiduciary net position as a percentage of the total pension liability**	94.18%	94.18%	91.47%	98.09%	102.64%

\* 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.

**Vance County, North Carolina**  
**Schedule of County Contributions**  
**Local Government Employees' Retirement System**  
**Last Ten Fiscal Years\***

<b>Local Government Employees' Retirement System</b>					
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 1,978,949	\$ 1,844,199	\$ 1,607,806	\$ 1,410,130	\$ 1,225,276
Contributions in relation to the contractually required contribution	1,978,949	1,844,199	1,607,806	1,410,130	1,225,276
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 15,132,109	\$ 15,011,192	\$ 13,971,873	\$ 13,627,326	\$ 13,250,221
Contributions as a percentage of covered payroll	13.08%	12.29%	11.51%	10.35%	9.25%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,070,611	\$ 985,875	\$ 792,557	\$ 795,724	\$ 844,790
Contributions in relation to the contractually required contribution	1,070,611	985,875	792,557	795,724	844,790
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 13,534,969	\$ 13,256,124	\$ 12,457,196	\$ 11,843,244	\$ 11,883,802
Contributions as a percentage of covered payroll	7.91%	7.44%	6.36%	6.72%	7.11%

**Vance County, North Carolina**  
**Schedule of TDA's Proportionate Share of Net Pension Liability (Asset)**  
**Local Government Employees' Retirement System**  
**Last Ten Fiscal Years\***

<b>Local Government Employees' Retirement System</b>					
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
TDA's proportion of the net pension liability (asset) (%)	0.0012%	0.0012%	0.0013%	0.0013%	0.0015%
TDA's proportion of the net pension liability (asset) (\$)	\$ 78,057	\$ 65,424	\$ 19,213	\$ 46,711	\$ 39,692
TDA's covered payroll	\$ 112,335	\$ 96,248	\$ 95,127	\$ 94,369	\$ 93,242
TDA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	69.49%	67.97%	20.20%	49.50%	42.57%
Plan fiduciary net position as a percentage of the total pension liability**	82.49%	95.51%	88.61%	90.86%	91.63%
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
TDA's proportion of the net pension liability (asset) (%)	0.0007%	0.0021%	0.0019%	0.0019%	0.0018%
TDA's proportion of the net pension liability (asset) (\$)	\$ 15,647	\$ 31,529	\$ 40,502	\$ 8,547	\$ (10,898)
TDA's covered payroll	\$ 88,738	\$ 104,508	\$ 103,045	\$ 101,738	\$ 11,508,426
TDA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	17.63%	30.17%	39.31%	8.40%	-0.09%
Plan fiduciary net position as a percentage of the total pension liability**	91.63%	94.18%	91.47%	98.09%	102.64%

\* 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.

**Vance County, North Carolina**  
**Schedule of TDA Contributions**  
**Local Government Employees' Retirement System**  
**Last Ten Fiscal Years\***

<b>Local Government Employees' Retirement System</b>					
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 13,556	\$ 12,633	\$ 20,047	\$ 9,659	\$ 8,393
Contributions in relation to the contractually required contribution	13,556	12,633	20,047	9,659	8,393
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TDA's covered payroll	109,569	\$ 112,335	\$ 96,248	\$ 95,127	\$ 94,369
Contributions as a percentage of covered payroll	12.37%	11.25%	20.83%	10.15%	8.89%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 7,291	\$ 6,717	\$ 7,671	\$ 6,976	\$ 7,172
Contributions in relation to the contractually required contribution	7,291	6,717	7,671	6,976	7,172
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TDA's covered payroll	\$ 93,242	\$ 88,738	\$ 104,508	\$ 103,045	\$ 101,738
Contributions as a percentage of covered payroll	7.82%	7.57%	7.34%	6.77%	7.05%

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's proportionate share of the net pension liability (%)	0.3550%	0.3126%	0.2789%	0.3338%	0.2764%
County's proportionate share of the net pension liability (\$)	\$ (42,657)	\$ (41,390)	\$ (53,589)	\$ (76,489)	\$ (54,571)
Plan fiduciary net position as a percentage of the total pension liability **	135.74%	139.04%	156.53%	173.62%	154.11%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportionate share of the net pension liability (%)	0.3547%	0.3568%	0.3612%	0.3705%	0.3810%
County's proportionate share of the net pension liability (\$)	\$ (60,551)	\$ (60,899)	\$ (67,524)	\$ (85,850)	\$ (86,355)
Plan fiduciary net position as a percentage of the total pension liability **	153.31%	153.77%	160.17%	197.29%	193.88%

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

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

**Vance County, North Carolina**  
**Schedule of County Contributions**  
**Register of Deeds' Supplemental Pension Fund**  
**Last Ten Fiscal Years\***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's required contribution	\$ 2,814	\$ 3,168	\$ 3,584	\$ 3,347	\$ 2,917
Contributions in relation to contractually required contribution	<u>2,814</u>	<u>3,168</u>	<u>3,584</u>	<u>3,347</u>	<u>2,917</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's required contribution	\$ 4,871	\$ 4,248	\$ 4,123	\$ 2,951	\$ 2,964
Contributions in relation to contractually required contribution	<u>4,871</u>	<u>4,248</u>	<u>2,951</u>	<u>2,964</u>	<u>2,964</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* Information is not required to be presented retroactively.

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning Balance	\$ 1,233,287	\$ 1,326,589	\$ 1,426,855	\$ 978,974
Service Cost	54,620	72,587	83,070	49,361
Interest on the total pension liability	52,438	29,633	27,355	31,527
Differences between expected and actual experience in the measurement of the total pension liability	(41,607)	56,276	(152,050)	13,903
Changes of assumptions or other inputs	31,701	(232,671)	(39,671)	376,858
Benefit payments	<u>(33,233)</u>	<u>(19,127)</u>	<u>(18,970)</u>	<u>(23,768)</u>
Ending balance of the total pension liability	<u>\$ 1,297,206</u>	<u>\$ 1,233,287</u>	<u>\$ 1,326,589</u>	<u>\$ 1,426,855</u>
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning Balance	\$ 865,373	\$ 860,596	\$ 745,443	\$ 728,452
Service Cost	43,953	41,506	35,825	35,498
Interest on the total pension liability	31,023	26,504	27,884	25,524
Differences between expected and actual experience in the measurement of the total pension liability	36,274	14,105	41,296	-
Changes of assumptions or other inputs	28,518	(33,631)	56,288	(17,044)
Benefit payments	<u>(26,167)</u>	<u>(43,707)</u>	<u>(46,140)</u>	<u>(26,987)</u>
Ending balance of the total pension liability	<u>\$ 978,974</u>	<u>\$ 865,373</u>	<u>\$ 860,596</u>	<u>\$ 745,443</u>

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

\* Information is not required to be presented retroactively.

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



**Vance County, North Carolina**  
**Schedule of Changes in Total Pension Liability as a Percentage of Covered Payroll**  
**Law Enforcement Officers' Special Separation Allowance**  
**Last Eight Fiscal Years\***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 1,297,206	\$ 1,233,287	\$ 1,326,589	\$ 1,426,855
Covered payroll	2,108,560	1,910,179	2,055,137	1,824,999
Total pension liability as a percentage of covered payroll	61.52%	64.56%	64.55%	78.18%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 978,974	\$ 865,373	\$ 860,596	\$ 745,443
Covered payroll	1,888,184	1,601,700	1,421,180	1,300,214
Total pension liability as a percentage of covered payroll	51.85%	54.03%	60.56%	57.33%

Notes to the schedules:

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

\* Information is not required to be presented retroactively.

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

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 381,860	\$ 824,835	\$ 844,854
Interest	539,791	474,439	463,988
Changes of benefit terms	-	-	-
Differences between expected and actual experience	25,771	(3,437,082)	79,840
Changes of assumptions	(265,103)	(3,678,239)	65,755
Benefit payments	(459,162)	(457,238)	(471,771)
<b>Net change in total OPEB liability</b>	<u>223,157</u>	<u>(6,273,285)</u>	<u>982,666</u>
<b>Total OPEB liability - beginning</b>	<u>15,094,064</u>	<u>21,367,349</u>	<u>20,384,683</u>
<b>Total OPEB liability - ending</b>	<u>\$ 15,317,221</u>	<u>\$ 15,094,064</u>	<u>\$ 21,367,349</u>
<b>Covered payroll</b>	\$ 11,465,163	\$ 11,465,163	\$ 11,864,184
<b>Total OPEB liability as a percentage of covered payroll</b>	133.60%	131.65%	180.10%
	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 756,571	\$ 677,211	\$ 794,652
Interest	754,298	724,379	738,161
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(5,205,120)	18,280	(2,223,909)
Changes of assumptions	3,542,636	1,266,106	(890,254)
Benefit payments	(512,604)	(512,404)	(551,531)
<b>Net change in total OPEB liability</b>	<u>(664,219)</u>	<u>2,173,572</u>	<u>(2,132,881)</u>
<b>Total OPEB liability - beginning</b>	<u>21,048,902</u>	<u>18,875,330</u>	<u>21,008,211</u>
<b>Total OPEB liability - ending</b>	<u>\$ 20,384,683</u>	<u>\$ 21,048,902</u>	<u>\$ 18,875,330</u>
<b>Covered payroll</b>	\$ 11,864,184	\$ 12,171,656	\$ 12,171,653
<b>Total OPEB liability as a percentage of covered payroll</b>	171.82%	172.93%	155.08%

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

## **GENERAL FUND**

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

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Vance County, North Carolina  
 General Fund  
 Combining Balance Sheet  
 June 30, 2024

	General Fund	Revaluation Fund	Debt Service Fund	School Debt Service Fund	Facility Fees Fund	LEOSSA Pension Fund	MERP Fund	Totals June 30, 2024
<b>ASSETS</b>								
Cash and cash equivalents	\$ 29,918,685	\$ -	\$ 78,311	\$ 323,861	\$ -	\$ 341,303	\$ 293,302	\$ 30,955,462
Restricted Cash	31,980	-	-	-	-	-	-	31,980
Receivables:								
Property Tax	1,004,768	-	-	-	-	-	-	1,004,768
Accounts receivable	3,005,441	-	-	-	3,426	-	-	3,008,867
Due from other governments	3,894,296	299	-	-	1,074	-	-	3,895,669
Due from other funds	159,459	-	-	-	-	-	-	159,459
Leases receivable	259,532	-	-	-	-	-	-	259,532
Prepaid Expenses	13,672	-	-	-	-	-	-	13,672
Total assets	<u>\$ 38,287,833</u>	<u>\$ 299</u>	<u>\$ 78,311</u>	<u>\$ 323,861</u>	<u>\$ 4,500</u>	<u>\$ 341,303</u>	<u>\$ 293,302</u>	<u>\$ 39,329,409</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued liabilities	\$ 1,841,224	\$ 102,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,944,034
Due to other funds	974,858	82,723	-	-	76,684	-	-	1,134,265
Total liabilities	<u>2,816,082</u>	<u>185,533</u>	<u>-</u>	<u>-</u>	<u>76,684</u>	<u>-</u>	<u>-</u>	<u>3,078,299</u>
Deferred inflows of resources								
Prepaid taxes	139,563	-	-	-	-	-	-	139,563
Reserve for taxes receivable	1,004,769	-	-	-	-	-	-	1,004,769
Lease receivables	257,583	-	-	-	-	-	-	257,583
Total deferred inflows of resources	<u>1,401,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,401,915</u>
Fund balances:								
Nonspendable								
Prepays	13,672	-	-	-	-	-	-	13,672
Restricted								
Stabilization by state statute	7,059,196	299	-	-	4,500	-	-	7,063,995
Register of deeds	113,242	-	-	-	-	-	-	113,242
Committed								
LEO SSA Pension and OPEB benefits	-	-	-	-	-	341,303	-	341,303
Animal Shelter Reserve	31,980	-	-	-	-	-	-	31,980
Future healthcare benefits	-	-	-	-	-	-	293,302	293,302
Assigned								
Subsequent years' expenditures	-	-	-	-	-	-	-	-
Unassigned	26,851,746	(185,533)	78,311	323,861	(76,684)	-	-	26,991,701
Total fund balances	<u>34,069,836</u>	<u>(185,234)</u>	<u>78,311</u>	<u>323,861</u>	<u>(72,184)</u>	<u>341,303</u>	<u>293,302</u>	<u>34,849,195</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 38,287,833</u>	<u>\$ 299</u>	<u>\$ 78,311</u>	<u>\$ 323,861</u>	<u>\$ 4,500</u>	<u>\$ 341,303</u>	<u>\$ 293,302</u>	<u>\$ 39,329,409</u>

**Vance County, North Carolina  
General Fund  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2024**

	General Fund	Revaluation Reserve Fund	Debt Service Fund	School Debt Service Fund	Facility Fees Fund	LEOSSA Pension Fund	MERP Fund	Totals June 30, 2024
<b>Revenues</b>								
Ad valorem taxes	\$ 27,238,194	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,238,194
Local option	13,619,433	-	-	-	-	-	-	13,619,433
Other taxes and licenses	81,529	-	-	-	-	-	-	81,529
Unrestricted intergovernmental	464,160	-	-	-	-	-	-	464,160
Restricted intergovernmental	8,137,943	-	-	-	48,843	-	-	8,186,786
Sales service	4,360,722	-	-	-	-	-	-	4,360,722
Investment earnings	1,288,746	37,656	31,363	-	1,799	17,480	-	1,377,044
Miscellaneous other	138,192	-	-	-	-	-	154,014	292,206
Total revenues	<u>55,328,919</u>	<u>37,656</u>	<u>31,363</u>	<u>-</u>	<u>50,642</u>	<u>17,480</u>	<u>154,014</u>	<u>55,620,074</u>
<b>Expenditures</b>								
General Government	4,780,865	342,251	-	-	26,321	-	215,949	5,365,386
Public safety	17,045,321	-	-	-	-	-	-	17,045,321
Transportation	33,750	-	-	-	-	-	-	33,750
Economic and community development	1,494,914	-	-	-	-	-	-	1,494,914
Human services	10,691,831	-	-	-	-	-	-	10,691,831
Cultural and recreational	2,093,231	-	-	-	-	-	-	2,093,231
Education	10,957,515	-	-	-	-	-	-	10,957,515
Debt Services								
Principal	686,042	-	212,798	1,492,648	-	-	-	2,391,488
Interest and fees	81,512	-	57,205	195,935	-	-	-	334,652
Total expenditures	<u>47,864,981</u>	<u>342,251</u>	<u>270,003</u>	<u>1,688,583</u>	<u>26,321</u>	<u>-</u>	<u>215,949</u>	<u>50,408,088</u>
Revenues over (under) expenditures	<u>7,463,938</u>	<u>(304,595)</u>	<u>(238,640)</u>	<u>(1,688,583)</u>	<u>24,321</u>	<u>17,480</u>	<u>(61,935)</u>	<u>5,211,986</u>
Other financing sources (uses):								
Installment purchase obligations issued	269,706	-	-	-	-	-	-	269,706
Transfers in	2,380,861	50,000	277,647	1,660,942	-	-	-	4,369,450
Transfers out	(4,476,121)	-	-	-	(54,345)	-	-	(4,530,466)
Lease liabilities issued	98,005	-	-	-	-	-	-	98,005
Contingency	(63,984)	-	-	-	-	-	-	(63,984)
Sales of fixed assets	42,890	-	-	-	-	-	-	42,890
Special Item (see Note 8)	(336,665)	-	-	-	-	-	-	(336,665)
Total other financing sources (uses)	<u>(2,085,308)</u>	<u>50,000</u>	<u>277,647</u>	<u>1,660,942</u>	<u>(54,345)</u>	<u>-</u>	<u>-</u>	<u>(151,064)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	5,378,630	(254,595)	39,007	(27,641)	(30,024)	17,480	(61,935)	5,060,922
Fund balances, beginning	28,691,206	69,361	39,304	351,502	(42,160)	323,823	355,237	29,788,273
Fund balances, ending	<u>\$ 34,069,836</u>	<u>\$ (185,234)</u>	<u>\$ 78,311</u>	<u>\$ 323,861</u>	<u>\$ (72,184)</u>	<u>\$ 341,303</u>	<u>\$ 293,302</u>	<u>\$ 34,849,195</u>

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Ad Valorem taxes			
Taxes	\$ 26,563,477	\$ 27,022,553	\$ 459,076
Penalties and interest	170,000	215,641	45,641
Total	<u>26,733,477</u>	<u>27,238,194</u>	<u>504,717</u>
Local option sales tax			
Article 39 one percent	5,600,000	5,969,774	369,774
Article 40 one - half of one percent	3,450,000	3,976,573	526,573
Article 42 one - half of one percent	3,260,000	3,673,086	413,086
Total	<u>12,310,000</u>	<u>13,619,433</u>	<u>1,309,433</u>
Other taxes and licenses			
Real estate transfer tax	30,000	22,005	(7,995)
Motor Vehicle rental tax	35,000	56,893	21,893
Privilege licenses	2,750	2,631	(119)
Total	<u>67,750</u>	<u>81,529</u>	<u>13,779</u>
Unrestricted intergovernmental			
Beer and wine tax	130,000	129,285	(715)
ABC Distribution	130,000	253,805	123,805
Video franchise fees	122,000	81,070	(40,930)
Total	<u>382,000</u>	<u>464,160</u>	<u>82,160</u>
Restricted intergovernmental			
Federal, State, and local grants	8,414,805	6,337,052	(2,077,753)
H.L. Perry Library	700,000	694,542	(5,458)
Vance County Housing Authority	250,000	274,270	24,270
911 fees	934,671	801,127	(133,544)
ABC bottle tax	22,000	30,952	8,952
Total	<u>10,321,476</u>	<u>8,137,943</u>	<u>(2,183,533)</u>

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
Sales and services			
Animal Shelter	112,600	143,117	30,517
4H service	17,000	16,109	(891)
DSS local fees	56,021	60,262	4,241
City of Henderson- tax collections fees	203,483	236,768	33,285
Elections	74,476	113,629	39,153
Rent	142,258	220,835	78,577
Sale of maps and ordinance	50	-	(50)
Fire incident billing reimbursement	5,000	741	(4,259)
Law enforcement fees	569,442	491,895	(77,547)
Jail fees	331,100	302,722	(28,378)
Ambulance fees	2,400,000	2,010,947	(389,053)
Register of deeds	355,500	325,861	(29,639)
Inspection fees	325,000	394,912	69,912
Tax foreclosure fees	40,000	11,147	(28,853)
Vance County TDA fees	30,000	31,777	1,777
Total	<u>4,661,930</u>	<u>4,360,722</u>	<u>(301,208)</u>
Investment earnings	363,361	1,288,746	925,385
Total	<u>363,361</u>	<u>1,288,746</u>	<u>925,385</u>
Miscellaneous:			
Fines	1,100	2,600	1,500
Other revenues	133,470	135,592	2,122
Total	<u>134,570</u>	<u>138,192</u>	<u>3,622</u>
Total Revenues	<u>54,974,564</u>	<u>55,328,919</u>	<u>354,355</u>
<b>Expenditures</b>			
<b>General Government:</b>			
Governing body			
Salaries and employee benefits		149,435	
Other operating expenditures		233,716	
Total	<u>418,480</u>	<u>383,151</u>	<u>35,329</u>
Administration and finance			
Salaries and employee benefits		1,069,440	
Other operating expenditures		99,810	
Total	<u>1,184,294</u>	<u>1,169,250</u>	<u>15,044</u>

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
Elections:			
Salaries and employee benefits		243,948	
Other operating expenditures		114,344	
Total	392,539	358,292	34,247
Taxes:			
Salaries and employee benefits		613,589	
Other operating expenditures		149,719	
Total	818,391	763,308	55,083
County Attorney			
Contracted Services		65,352	
Total	82,592	65,352	17,240
Court facilities:			
Salaries and employee benefits		190,882	
Other operating expenditures		209,358	
Total	474,730	400,240	74,490
Register of deeds			
Salaries and employee benefits		266,045	
Other operating expenditures		124,709	
Total	332,035	390,754	(58,719)
Public Buildings			
Salaries and employee benefits		207,417	
Other operating expenditures		172,285	
Capital Outlay		133,141	
Total	710,482	512,843	197,639
Central Services			
Salaries and employee benefits		192	
Other operating expenditures		69,171	
Retiree health insurance		347,156	
Total	633,056	416,519	216,537
Management Information Systems			
Salaries and employee benefits		235,422	
Other operating expenditures		85,734	
Capital outlay		-	
Total	445,926	321,156	124,770
Total general government	5,492,525	4,780,865	711,660



**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Public safety:</b>			
Sheriff			
Salaries and employee benefits		3,998,565	
Other operating expenditures		879,090	
Capital outlay		334,723	
Total	5,899,983	5,212,378	687,605
Jail			
Salaries and employee benefits		1,963,485	
Other operating expenditures		2,041,134	
Total	5,612,603	4,004,619	1,607,984
Sheriff's interdiction program			
Other operating expenditures		-	
Total	2,882	-	2,882
Fire and ambulance			
Salaries and employee benefits		3,630,529	
Other operating expenditures		1,088,427	
Capital outlay		571,281	
Total	5,735,607	5,290,237	445,370
E911 communications			
Salaries and employee benefits		1,456,192	
Other operating expenditures		126,044	
Capital outlay		147,818	
Total	1,919,957	1,730,054	189,903
Animal control			
Salaries and employee benefits		374,774	
Other operating expenditures		257,892	
Capital outlay		9,117	
Total	665,883	641,783	24,100
Rescue squad			
Contracted services		110,000	
Total	110,000	110,000	-
Medical examiner			
Contracted services		50,250	
Total	50,000	50,250	(250)
Crime stoppers			
Other operating expenditures		-	
Total	500	-	500

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
Beaver management			
Other operating expenditures		6,000	
Total	6,000	6,000	-
Total public safety	20,003,415	17,045,321	2,958,094
<b>Transportation</b>			
Contribution to regional airport		33,750	
Total transportation	33,750	33,750	-
<b>Environmental Protection</b>			
Demolitions and removals		-	
Total environmental protection	5,000	-	5,000
<b>Economic and Community Development:</b>			
Economic development:			
Salaries and employee benefits		153,220	
Other operating expenditures		289,978	
Total	261,586	443,198	(181,612)
Soil and water conservation:			
Salaries and employee benefits		108,284	
Other operating expenditures		11,073	
Total	136,530	119,357	17,173
Planning:			
Salaries and employee benefits		299,341	
Other operating expenditures		186,281	
Capital outlay		5,759	
Total	851,511	491,381	360,130
Contributions to other agencies:			
Kerr Tar Regional COG membership dues		18,008	
Economic Development Commission		57,000	
Various other agencies		156,500	
Total	83,229	231,508	(148,279)
Farmers Market			
Salaries and employee benefits		16,314	
Other operating expenditures		21,594	
Total	36,813	37,908	(1,095)

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
Cooperative extensions:			
Salaries and employee benefits		3,585	
Other operating expenditures		167,977	
Total	234,865	171,562	63,303
Total economic and physical development	1,604,534	1,494,914	109,620
<b>Human Services:</b>			
Health:			
Administration:			
Other operating expenditures		66,474	
Contracted Services- GVHD		1,034,706	
Total	1,014,380	1,101,180	(86,800)
Mental health:			
Administration:			
Other operating expenditures		286,149	
Total	280,060	286,149	(6,089)
Social services:			
Administration:			
Salaries and employee benefits		4,591,367	
Other operating expenditures		2,427,871	
Public assistance payments		234,116	
Work First assistance payments		212,338	
Covid-19 payments		7,432	
Total	10,939,202	7,473,124	3,466,078
Aging services:			
Administration:			
Salaries and employee benefits		462,277	
Other operating expenditures		265,587	
Total	771,461	727,864	43,597
Nutritional meals:			
Administration:			
Salaries and employee benefits		13,760	
Other operating expenditures		27,198	
Purchased meals		60,883	
Total	110,739	101,841	8,898

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
Smart Start:			
Administration:			
Salaries and employee benefits		48,657	
Contracted services		7,117	
Operating expenditures		8,527	
Total	76,051	64,301	11,750
Veterans services:			
Salaries and employee benefits		116,917	
Other operating expenditures		12,942	
Total	134,548	129,859	4,689
Vance County Housing Authority:			
Salaries and employee benefits		251,038	
Other operating expenditures		1,483	
Total	250,000	252,521	(2,521)
NYPUM Program:			
Contracted Services		120,207	
Operating expenditures		8,231	
Total	169,237	128,438	40,799
Pal-to-Pal Program:			
Contracted services		49,542	
Operating expenditures		8,661	
Total	61,800	58,203	3,597
Other Human Services Contributions:			
Lifeline	2,000	-	2,000
FVW Opportunities	12,000	-	12,000
K.A.R.T.S.	258,320	196,567	61,753
Smart Start	5,500	5,500	-
Boys and Girls Club	27,000	27,000	-
JCPC	46,072	44,243	1,829
Other contributions	353,190	95,041	258,149
Total	704,082	368,351	335,731
Total human services	14,511,560	10,691,831	3,819,729
Cultural and recreational:			
Recreation:			
Operating expenditures- City of Henderson	893,989	679,294	214,695
Arts Council:			
Operating expenditures	3,000	3,000	-

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
Libraries			
Salaries and employee benefits		677,837	
Contribution to regional library		733,100	
Total	1,433,100	1,410,937	22,163
Total cultural and recreational	2,330,089	2,093,231	236,858
Education:			
Public schools- current	8,845,865	8,845,865	-
Public schools- capital outlay	625,000	625,000	-
Community colleges- current	1,445,430	1,445,430	-
Community colleges-capital outlay	41,220	41,220	-
Total education	10,957,515	10,957,515	-
Debt service:			
Debt principal	554,721	686,042	(131,321)
Interest and fees	76,686	81,512	(4,826)
Total debt service	631,407	767,554	(136,147)
Total expenditures	55,569,795	47,864,981	7,704,814
Revenue over (under) expenditures	(595,231)	7,463,938	8,059,169
<b>Other Financing Sources (Uses):</b>			
Transfers to other funds	(3,856,959)	(4,476,121)	(619,162)
Transfers from other funds	2,197,101	2,380,861	183,760
Total transfers	(1,659,858)	(2,095,260)	(435,402)
Proceeds from lease/SBITA obligation	-	98,005	98,005
Installment Proceeds - Refinancing	-	269,706	269,706
Sale of fixed assets	89,956	42,890	(47,066)
Contingency	(146,869)	(63,984)	82,885
Special Item (see Note 8)	-	(336,665)	(336,665)
Appropriated fund balance	2,312,002	-	(2,312,002)
Total other financing sources (uses)	595,231	(2,085,308)	(2,680,539)
Net change in fund balance	\$ -	5,378,630	\$ 5,378,630
Fund balance, beginning		28,691,206	
Prior period adjustment (See Note 9)		-	
Fund balance, ending		\$ 34,069,836	

**Vance County, North Carolina**  
**Revaluation Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Investment earnings	\$ 6,000	\$ 37,656	\$ 31,656
Total Revenues	<u>6,000</u>	<u>37,656</u>	<u>31,656</u>
<b>Expenditures</b>			
General Government			
Tax revaluation	700,000	342,251	357,749
Total Expenditures	<u>700,000</u>	<u>342,251</u>	<u>357,749</u>
Revenue over (under) expenditures	<u>(694,000)</u>	<u>(304,595)</u>	<u>389,405</u>
<b>Other Financing Sources (Uses)</b>			
Transfer from General Fund	50,000	50,000	-
Fund Balance Appropriated	644,000	-	(644,000)
Total Other Financing Sources (Uses)	<u>694,000</u>	<u>50,000</u>	<u>(644,000)</u>
Revenues and appropriated fund balance over (under) expenditures	\$ <u><u>-</u></u>	(254,595)	\$ <u><u>(254,595)</u></u>
Fund balance, beginning		<u>69,361</u>	
Fund balance, ending		\$ <u><u>(185,234)</u></u>	

**Vance County, North Carolina**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Investment earnings	\$ -	\$ 31,363	\$ 31,363
Total Revenues	<u>-</u>	<u>31,363</u>	<u>31,363</u>
<b>Expenditures</b>			
Debt Service			
Principal retirement	219,861	212,798	7,063
Interest and fees	49,783	57,205	(7,422)
Total Expenditures	<u>269,644</u>	<u>270,003</u>	<u>(359)</u>
Revenue over (under) expenditures	<u>(269,644)</u>	<u>(238,640)</u>	<u>31,004</u>
<b>Other Financing Sources (Uses)</b>			
Transfer from General Fund	277,647	277,647	-
Transfer to General Fund	(8,003)	-	8,003
Total Other Financing Sources (Uses)	<u>269,644</u>	<u>277,647</u>	<u>8,003</u>
Revenue and other financing sources over (under) expenditures	<u>\$ -</u>	39,007	<u>\$ 39,007</u>
Fund balance, beginning		<u>39,304</u>	
Fund balance, ending		<u>\$ 78,311</u>	

**Vance County, North Carolina**  
**School Debt Service Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Investment earnings	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Debt Service			
Principal retirement	1,492,889	1,492,648	241
Interest and fees	168,053	195,935	(27,882)
Total Expenditures	<u>1,660,942</u>	<u>1,688,583</u>	<u>(27,641)</u>
Revenue over (under) expenditures	<u>(1,660,942)</u>	<u>(1,688,583)</u>	<u>(27,641)</u>
<b>Other Financing Sources (Uses)</b>			
Transfer from General Fund	1,660,942	1,660,942	-
Total Other Financing Sources (Uses)	<u>1,660,942</u>	<u>1,660,942</u>	<u>-</u>
Revenue and other financing sources over (under) expenditures	\$ <u>-</u>	(27,641)	\$ <u>(27,641)</u>
Fund balance, beginning		<u>351,502</u>	
Fund balance, ending		<u>\$ <u>323,861</u></u>	



**Vance County, North Carolina**  
**Facility Fee Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted intergovernmental	\$ 80,500	\$ 48,843	\$ (31,657)
Investment earnings	200	1,799	1,599
Total Revenues	<u>80,700</u>	<u>50,642</u>	<u>(30,058)</u>
<b>Expenditures</b>			
General Government			
Courthouse facility fees	26,355	26,321	34
Total Expenditures	<u>26,355</u>	<u>26,321</u>	<u>34</u>
Revenue over (under) expenditures	<u>54,345</u>	<u>24,321</u>	<u>(30,024)</u>
<b>Other Financing Sources (Uses)</b>			
Transfer to General Fund	(54,345)	(54,345)	-
Total Other Financing Sources (Uses)	<u>(54,345)</u>	<u>(54,345)</u>	<u>-</u>
Revenue and other financing sources over (under) expenditures	<u>\$ -</u>	<u>(30,024)</u>	<u>\$ (30,024)</u>
Fund balance, beginning		<u>(42,160)</u>	
Fund balance, ending		<u>\$ (72,184)</u>	

**Vance County, North Carolina**  
**Law Enforcement Officers Special Separation Allowance**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Investment earnings	\$ -	\$ 17,480	\$ 17,480
Total Revenues	<u>-</u>	<u>17,480</u>	<u>17,480</u>
<b>Expenditures</b>			
Public Safety			
LEO Separation allowance benefit	330,000	-	330,000
Total Expenditures	<u>330,000</u>	<u>-</u>	<u>330,000</u>
Revenue over (under) expenditures	<u>(330,000)</u>	<u>17,480</u>	<u>347,480</u>
<b>Other Financing Sources (Uses)</b>			
Fund Balance Appropriated	330,000	-	(330,000)
Total Other Financing Sources (Uses)	<u>330,000</u>	<u>-</u>	<u>(330,000)</u>
Revenue and other financing sources over (under) expenditures	\$ <u>-</u>	17,480	\$ <u>17,480</u>
Fund balance, beginning		<u>323,823</u>	
Fund balance, ending		<u>\$ 341,303</u>	

**Vance County, North Carolina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**Medical Expense Reimbursement Plan (MERP) Fund**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Contribution from General Fund	\$ 500,000	\$ 154,014	\$ (345,986)
Total Revenues	<u>500,000</u>	<u>154,014</u>	<u>(345,986)</u>
<b>Expenditures</b>			
Claims Paid		215,949	
Total Expenditures	<u>500,000</u>	<u>215,949</u>	<u>284,051</u>
Revenue over (under) expenditures	<u>-</u>	<u>(61,935)</u>	<u>(61,935)</u>
Net change in fund balance	\$ <u>-</u>	(61,935)	\$ <u>(61,935)</u>
Fund balance, beginning		<u>355,237</u>	
Fund balance, ending		<u>\$ 293,302</u>	

**OTHER MAJOR GOVERNMENTAL FUNDS**

**Vance County, North Carolina**  
**Capital Projects Fund - General Capital Projects Fund**  
**General Capital Projects Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2024**

	Project Authorization	Restated Prior Years	Current Year	Total To Date	Variance Positive (Negative)
<b>Revenues</b>					
Restricted intergovernmental-					
Grants and donations	\$ 33,066	\$ -	\$ -	\$ -	\$ (33,066)
COVID-19 Revenue	982,154	982,153	-	982,153	(1)
ARPA Revenue	8,650,402	2,248,201	183,760	2,431,961	(6,218,441)
Headstart Wing Renovation Payback	792,000	-	-	-	(792,000)
Investment earnings	-	2,506	896	3,402	3,402
Total Revenues	<u>10,457,622</u>	<u>3,232,860</u>	<u>184,656</u>	<u>3,417,516</u>	<u>(7,040,106)</u>
<b>Expenditures</b>					
County Buildings					
Legal and fiscal-					
Debt issuance cost	7,500	7,500	-	7,500	-
Contracted Services	637,950	276,601	-	276,601	361,349
Construction	8,398,193	12,127,082	-	12,127,082	(3,728,889)
Contingency	289,266	7,807	-	7,807	281,459
Bond issuance cost	29,064	5,900	-	5,900	23,164
COVID-19 Expenditures	2,813,531	1,287,653	-	1,287,653	1,525,878
ARPA Expenditures	8,650,402	269,113	-	269,113	8,381,289
Total Expenditures	<u>20,825,906</u>	<u>13,981,656</u>	<u>-</u>	<u>13,981,656</u>	<u>6,844,250</u>
Revenue over (under) expenditures	<u>(10,368,284)</u>	<u>(10,748,796)</u>	<u>184,656</u>	<u>(10,564,140)</u>	<u>(195,856)</u>
<b>Other Financing Sources (Uses)</b>					
Installment financing proceeds	10,182,300	13,418,526	-	13,418,526	3,236,226
Transfers in	54,928	396,000	-	396,000	341,072
Transfers out	-	(1,979,089)	(183,760)	(2,162,849)	(2,162,849)
Fund Balance appropriated	131,056	-	-	-	(131,056)
Total Other Financing Sources (Uses)	<u>10,368,284</u>	<u>11,835,437</u>	<u>(183,760)</u>	<u>11,651,677</u>	<u>1,283,393</u>
Revenue and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 1,086,641</u>	<u>896</u>	<u>\$ 1,087,537</u>	<u>\$ 1,087,537</u>
Fund balance, beginning			<u>1,086,641</u>		
Fund balance, ending			<u>\$ 1,087,537</u>		
Amounts reported for revenues, expenditures, and changes in fund balance are different from budget/actual statement due to consolidation of the General Capital Reserve Fund:					
Investment earnings			\$ 370,642		
Transfers out			(1,371,856)		
Fund balance, beginning, General Capital Reserve Fund			<u>6,174,778</u>		
Fund balance, ending, consolidated General Capital Project Fund			<u>\$ 7,011,101</u>		

**Vance County, North Carolina**  
**Capital Projects Fund - General Capital Reserve Fund**  
**General Capital Reserve Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Investment earnings	\$ 5,000	\$ 370,642	\$ 365,642
Total Revenues	<u>5,000</u>	<u>370,642</u>	<u>365,642</u>
<b>Expenditures</b>			
Public Safety			
Operating Expenses	<u>6,710,961</u>	<u>-</u>	<u>6,710,961</u>
Total Expenditures	<u>6,710,961</u>	<u>-</u>	<u>6,710,961</u>
Revenue over (under) expenditures	<u>(6,705,961)</u>	<u>370,642</u>	<u>7,076,603</u>
<b>Other Financing Sources (Uses)</b>			
Transfers out	(1,371,856)	(1,371,856)	-
Fund balance appropriated	<u>7,327,817</u>	<u>-</u>	<u>7,327,817</u>
Total Other Financing Sources (Uses)	<u>6,705,961</u>	<u>(621,856)</u>	<u>7,327,817</u>
Revenue and other sources over (under) expenditures	\$ <u><u>-</u></u>	(251,214)	\$ <u><u>(251,214)</u></u>
Fund balance, beginning		<u>6,174,778</u>	
Fund balance, ending		\$ <u><u>5,923,564</u></u>	

**Vance County, North Carolina**  
**Henderson Vance Industrial Park Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2024**

	2024				Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Restricted Intergovernmental					
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
Economic and physical development					
Special projects- economic incentives	2,900,000	1,800,000	500,000	2,300,000	2,400,000
Total Expenditures	<u>2,900,000</u>	<u>1,800,000</u>	<u>500,000</u>	<u>2,300,000</u>	<u>2,400,000</u>
Revenue over (under) expenditures	<u>(2,900,000)</u>	<u>(1,800,000)</u>	<u>(500,000)</u>	<u>(2,300,000)</u>	<u>2,400,000</u>
<b>Other Financing Sources (Uses)</b>					
Transfer from General Fund	500,000	500,000	-	500,000	(500,000)
Transfer from Economic Improvement Fund	2,400,000	2,400,000	-	2,400,000	(2,400,000)
Total Other Financing Sources (Uses)	<u>2,900,000</u>	<u>2,900,000</u>	<u>-</u>	<u>2,900,000</u>	<u>(2,900,000)</u>
Revenue and other sources over (under) expenditures	\$ <u>-</u>	\$ <u>1,100,000</u>	(500,000)	\$ <u>600,000</u>	\$ <u>(500,000)</u>
Fund balance, beginning			<u>1,100,000</u>		
Fund balance, ending			<u>\$ <u>600,000</u></u>		

**Vance County, North Carolina**  
**Opioid Settlement Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2024**

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>					
Restricted intergovernmental					
Opioid Settlement Funds	\$ 315,053	\$ 447,739	\$ 948,035	\$ 1,395,774	\$ 632,982
Interest Income	-	4,946	33,092	38,038	33,092
Total Revenues	<u>315,053</u>	<u>452,685</u>	<u>981,127</u>	<u>1,433,812</u>	<u>666,074</u>
<b>Expenditures</b>					
Human Services					
Administration	315,053	-	-	-	315,053
Total Expenditures	<u>315,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>315,053</u>
Revenue over (under) expenditures	<u>\$ -</u>	<u>\$ 452,685</u>	981,127	<u>\$ 1,433,812</u>	<u>\$ 981,127</u>
Fund balance, beginning			<u>452,685</u>		
Fund balance, ending			<u>1,433,812</u>		



## **NON-MAJOR GOVERNMENTAL FUNDS**

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Non-Major Governmental Funds are Special Revenue Funds and Capital Projects Funds

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**Vance County, North Carolina**  
**Non-Major Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2024**

	Special Revenue Funds	Capital Project Funds	Totals June 30, 2024
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,074,850	\$ -	\$ 2,074,850
Restricted cash	-	6,267,597	6,267,597
Receivables:			
Property tax	82,117	-	82,117
Accounts receivable	81,183	-	81,183
Due from other governments	75,905	-	75,905
Due from other funds	-	792,458	792,458
Restricted opioid receivable, net	-	-	-
Total assets	<u>\$ 2,314,055</u>	<u>\$ 7,060,055</u>	<u>\$ 9,374,110</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 97,936	\$ -	\$ 97,936
Due to other funds	52	-	52
Total liabilities	<u>97,988</u>	<u>-</u>	<u>97,988</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes Receivable	82,118	-	82,118
Total deferred inflows of resources	<u>82,118</u>	<u>-</u>	<u>82,118</u>
Fund balances:			
Restricted:			
Stabilization by state statute	157,088	-	157,088
Public safety	1,623,710	-	1,623,710
Capital Projects	-	7,060,055	7,060,055
Human services	152,259	-	152,259
Community development	217,903	-	217,903
Unassigned	<u>(17,011)</u>	<u>-</u>	<u>(17,011)</u>
Total fund balances	<u>2,133,949</u>	<u>7,060,055</u>	<u>9,194,004</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,314,055</u>	<u>\$ 7,060,055</u>	<u>\$ 9,374,110</u>

**Vance County, North Carolina**  
**Non-Major Governmental Funds**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	Special Revenue Funds	Capital Project Funds	Totals June 30, 2024
<b>Revenues</b>			
Ad valorem taxes	\$ 1,860,725	\$ -	\$ 1,860,725
Restricted intergovernmental	916,842	88,014	1,004,856
Investment earnings	40,749	373,708	414,457
Total Revenues	<u>2,818,316</u>	<u>461,722</u>	<u>3,280,038</u>
<b>Expenditures</b>			
Current:			
General government	165,302	-	165,302
Public safety	1,699,641	-	1,699,641
Human services	106,171	-	106,171
Economic and physical development	978,443	-	978,443
Total Expenditures	<u>2,949,557</u>	<u>-</u>	<u>2,949,557</u>
Excess (deficiency) of revenues over expenditures	<u>(131,241)</u>	<u>461,722</u>	<u>330,481</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	3,398,474	3,398,474
Transfers (out)	(145,900)	(2,285,942)	(2,431,842)
Total Other Financing Sources (Uses)	<u>(145,900)</u>	<u>1,112,532</u>	<u>966,632</u>
Net change in fund balance	(277,141)	1,574,254	1,297,113
Fund balances, beginning	<u>2,411,090</u>	<u>5,485,801</u>	<u>7,896,891</u>
Fund balances, ending	<u>\$ 2,133,949</u>	<u>\$ 7,060,055</u>	<u>\$ 9,194,004</u>

**Vance County, North Carolina**  
**Non-Major Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2024**

	Emergency Telephone System Fund	Fire District Fund	Economic Development Fund	Representative Payee Fund	Deed of Trust Fund	Fines & Forfeitures Fund	Totals June 30, 2024
<b>ASSETS</b>							
Cash and cash equivalents	\$ 886,217	\$ 796,661	\$ 239,349	\$ 152,129	\$ 494	\$ -	\$ 2,074,850
Receivables:							
Property Tax	-	82,117	-	-	-	-	82,117
Accounts receivable	32,016	32,208	-	-	-	16,959	81,183
Due from other governments	68,261	-	7,644	-	-	-	75,905
Total assets	<u>\$ 986,494</u>	<u>\$ 910,986</u>	<u>\$ 246,993</u>	<u>\$ 152,129</u>	<u>\$ 494</u>	<u>\$ 16,959</u>	<u>\$ 2,314,055</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$ 4,636	\$ 54,531	\$ 21,446	\$ -	\$ 364	\$ 16,959	\$ 97,936
Due to other funds	-	-	-	-	-	52	52
Total liabilities	<u>4,636</u>	<u>54,531</u>	<u>21,446</u>	<u>-</u>	<u>364</u>	<u>17,011</u>	<u>97,988</u>
Deferred inflows of resources							
Taxes receivable	-	82,118	-	-	-	-	82,118
Total deferred inflows of resources	<u>-</u>	<u>82,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,118</u>
Fund balances:							
Restricted							
Stabilization by state statute	100,277	32,208	7,644	-	-	16,959	157,088
Public safety	881,581	742,129	-	-	-	-	1,623,710
Human Services	-	-	-	152,129	130	-	152,259
Community Development	-	-	217,903	-	-	-	217,903
Unassigned	-	-	-	-	-	(17,011)	(17,011)
Total fund balances	<u>981,858</u>	<u>774,337</u>	<u>225,547</u>	<u>152,129</u>	<u>130</u>	<u>(52)</u>	<u>2,133,949</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 986,494</u>	<u>\$ 910,986</u>	<u>\$ 246,993</u>	<u>\$ 152,129</u>	<u>\$ 494</u>	<u>\$ 16,959</u>	<u>\$ 2,314,055</u>

**Vance County, North Carolina**  
**Non-Major Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	Emergency Telephone System Fund	Fire District Funds	Economic Development Fund	Representative Payee Fund	Deed of Trust Fund	Fines & Forfeitures Fund	Totals June 30, 2024
<b>Revenues</b>							
Ad valorem taxes	\$ -	\$ 1,860,725	\$ -	\$ -	\$ -	\$ -	\$ 1,860,725
Restricted intergovernmental	384,195	-	231,224	136,121	4,774	160,528	916,842
Investment earnings	40,719	-	-	-	30	-	40,749
Total Revenues	<u>424,914</u>	<u>1,860,725</u>	<u>231,224</u>	<u>136,121</u>	<u>4,804</u>	<u>160,528</u>	<u>2,818,316</u>
<b>Expenditures</b>							
General government	-	-	-	-	4,774	160,528	165,302
Public safety	166,721	1,532,920	-	-	-	-	1,699,641
Human services	-	-	-	106,171	-	-	106,171
Economic and community development	-	-	978,443	-	-	-	978,443
Total Expenditures	<u>166,721</u>	<u>1,532,920</u>	<u>978,443</u>	<u>106,171</u>	<u>4,774</u>	<u>160,528</u>	<u>2,949,557</u>
Excess (deficiency) of revenues over expenditures	<u>258,193</u>	<u>327,805</u>	<u>(747,219)</u>	<u>29,950</u>	<u>30</u>	<u>-</u>	<u>(131,241)</u>
<b>Other Financing Sources (Uses)</b>							
Transfers out	-	(145,900)	-	-	-	-	(145,900)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(145,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(145,900)</u>
Net change in fund balance	258,193	181,905	(747,219)	29,950	30	-	(277,141)
Fund balances, beginning	<u>723,665</u>	<u>592,432</u>	<u>972,766</u>	<u>122,179</u>	<u>100</u>	<u>(52)</u>	<u>2,411,090</u>
Fund balances, ending	<u>\$ 981,858</u>	<u>\$ 774,337</u>	<u>\$ 225,547</u>	<u>\$ 152,129</u>	<u>\$ 130</u>	<u>\$ (52)</u>	<u>\$ 2,133,949</u>

**Vance County, North Carolina**  
**Emergency Telephone System Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted intergovernmental	\$ 384,195	\$ 384,195	\$ -
Investment earnings	5,000	40,719	35,719
Total Revenues	<u>389,195</u>	<u>424,914</u>	<u>35,719</u>
<b>Expenditures</b>			
Public safety			
Operating expenditures	168,469	132,350	36,119
Capital outlay	466,548	34,371	432,177
Total Expenditures	<u>635,017</u>	<u>166,721</u>	<u>468,296</u>
Revenue over (under) expenditures	<u>(245,822)</u>	<u>258,193</u>	<u>504,015</u>
<b>Other Financing Sources (Uses)</b>			
Fund Balance Appropriated	245,822	-	(245,822)
Total Other Financing Sources (Uses)	<u>245,822</u>	<u>-</u>	<u>(245,822)</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>258,193</u>	<u>\$ 258,193</u>
Fund balance, beginning		<u>723,665</u>	
Fund balance, ending		<u>\$ 981,858</u>	

**Vance County, North Carolina**  
**Fire District Fund**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Ad valorem tax	\$ 1,828,337	\$ 1,860,725	\$ 32,388
Total Revenues	<u>1,828,337</u>	<u>1,860,725</u>	<u>32,388</u>
<b>Expenditures</b>			
Public Safety			
Contracted Services	1,897,984	1,532,920	365,064
Total Expenditures	<u>1,897,984</u>	<u>1,532,920</u>	<u>365,064</u>
Revenue over (under) expenditures	<u>(69,647)</u>	<u>327,805</u>	<u>397,452</u>
<b>Other financing sources (uses):</b>			
Transfer to general fund	(155,900)	(145,900)	10,000
Fund Balance Appropriated	225,547	-	(225,547)
Total Other Financing Sources (Uses)	<u>69,647</u>	<u>(145,900)</u>	<u>(215,547)</u>
Revenues and other financing sources over (under) expenditures	\$ <u>-</u>	181,905	\$ <u>181,905</u>
Fund balance, beginning		<u>592,432</u>	
Fund balance, ending		<u>\$ 774,337</u>	

**Vance County, North Carolina**  
**Economic Development Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted Intergovernmental			
NC Commerce EDA Grant	\$ 951,300	\$ 216,991	\$ (734,309)
Horner Trust Funds	-	14,233	14,233
Total Revenues	<u>951,300</u>	<u>231,224</u>	<u>(720,076)</u>
<b>Expenditures</b>			
Economic and physical development			
Special projects- economic incentives	1,221,790	978,093	243,697
Contracted Services	-	350	(350)
Total Expenditures	<u>1,221,790</u>	<u>978,443</u>	<u>243,347</u>
Revenue over (under) expenditures	<u>(270,490)</u>	<u>(747,219)</u>	<u>(476,729)</u>
<b>Other Financing Sources (Uses)</b>			
Fund Balance Appropriated	270,490	-	(270,490)
Total Other Financing Sources (Uses)	<u>270,490</u>	<u>-</u>	<u>(270,490)</u>
Revenue and other sources over (under) expenditures	<u>\$ -</u>	(747,219)	<u>\$ (747,219)</u>
Fund balance, beginning		<u>972,766</u>	
Fund balance, ending		<u>\$ 225,547</u>	



**Vance County, North Carolina**  
**Representative Payee Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted intergovernmental	\$ 100,000	\$ 136,121	\$ 36,121
<b>Expenditures</b>			
Human Services			
Payments made for the benefit of beneficiaries	100,000	106,171	(6,171)
Net change in fund balance	\$ -	29,950	\$ 29,950
Fund balance, beginning		122,179	
Fund balance, ending		\$ 152,129	

**Vance County, North Carolina**  
**Deed of Trust Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted intergovernmental	\$ 97,620	\$ 4,774	\$ (92,846)
Interest Income	-	30	30
Total Revenues	<u>97,620</u>	<u>4,804</u>	<u>(92,816)</u>
<b>Expenditures</b>			
General Government			
Payments of fees collected to the State of NC	<u>97,620</u>	<u>4,774</u>	<u>92,846</u>
Net change in fund balance	\$ <u>-</u>	30	\$ <u>30</u>
Fund balance, beginning		<u>100</u>	
Fund balance, ending		<u>\$ <u>130</u></u>	

**Vance County, North Carolina  
Fines and Forfeitures Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted intergovernmental	\$ 158,000	\$ 160,528	\$ 2,528
<b>Expenditures</b>			
General Government			
Payments of penalties, fines, and forfeitures to the Board of Education	158,000	160,528	(2,528)
Net change in fund balance	\$ -	-	\$ -
Fund balance, beginning		(52)	
Fund balance, ending		\$ (52)	

## **CAPITAL PROJECTS FUND**

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Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

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**Vance County, North Carolina**  
**Non-major Governmental Funds - Capital Project Funds**  
**Combining Balance Sheet**  
**June 30, 2024**

	School Capital Projects Fund	Totals June 30, 2024
<b>ASSETS</b>		
Restricted Cash	\$ 6,267,597	\$ 6,267,597
Receivables:		
Due from other funds	792,458	792,458
Total Assets	\$ 7,060,055	\$ 7,060,055
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable and accrued liabilities	-	-
Total Liabilities	\$ -	\$ -
Fund balances:		
Restricted		
Capital projects	7,060,055	7,060,055
Total Fund Balances	7,060,055	7,060,055
Total liabilities, deferred inflows of resources, and fund balances	\$ 7,060,055	\$ 7,060,055

**Vance County, North Carolina**  
**Non-major Governmental Funds - Capital Project Funds**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	School Capital Projects Fund	Totals June 30, 2024
<b>Revenues</b>		
Restricted intergovernmental	\$ 88,014	\$ 88,014
Investment earnings	373,708	373,708
Total Revenues	<u>461,722</u>	<u>461,722</u>
<b>Expenditures</b>		
Education	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>461,722</u>	<u>461,722</u>
Other financing sources (uses):		
Transfers in	3,398,474	3,398,474
Transfers out	(2,285,942)	(2,285,942)
Total Other Financing Sources (Uses)	<u>1,112,532</u>	<u>1,112,532</u>
Net change in fund balance	1,574,254	1,574,254
Fund balances, beginning	<u>5,485,801</u>	<u>5,485,801</u>
Fund balances, ending	<u>\$ 7,060,055</u>	<u>\$ 7,060,055</u>

**Vance County, North Carolina**  
**Capital Projects Fund - School 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, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total To Date	
<b>Revenues</b>					
Restricted intergovernmental					
Lottery proceeds	\$ 931,154	\$ 1,751,757	\$ -	\$ 1,751,757	\$ 820,603
Vance County Schools contribution	99,026	-	-	-	(99,026)
Investment earnings		18,375	-	18,375	18,375
Total Revenues	<u>1,030,180</u>	<u>1,770,132</u>	<u>-</u>	<u>1,770,132</u>	<u>739,952</u>
<b>Expenditures</b>					
Education					
New Clarke Elementary School	14,016,545	13,789,232	-	13,789,232	227,313
Multi-purpose rooms, HVAC	3,952,945	3,651,049	-	3,651,049	301,896
Public School Facility Improvement	2,982,495	2,871,321	-	2,871,321	111,174
NVHS Science Labs	545,850	507,520	-	507,520	38,330
Total Education	<u>21,497,835</u>	<u>20,819,122</u>	<u>-</u>	<u>20,819,122</u>	<u>678,713</u>
Total Expenditures	<u>21,497,835</u>	<u>20,819,122</u>	<u>-</u>	<u>20,819,122</u>	<u>678,713</u>
Revenue over (under) expenditures	<u>(20,467,655)</u>	<u>(19,048,990)</u>	<u>-</u>	<u>(19,048,990)</u>	<u>1,418,665</u>
<b>Other Financing Sources (Uses)</b>					
Installment purchase obligations	18,924,320	18,924,320	-	18,924,320	-
Operating transfers in	<u>1,543,335</u>	<u>430,435</u>	<u>-</u>	<u>430,435</u>	<u>(1,112,900)</u>
Total Other Financing Sources (Uses)	<u>20,467,655</u>	<u>19,354,755</u>	<u>-</u>	<u>19,354,755</u>	<u>(1,112,900)</u>
Revenue and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 305,765</u>	<u>-</u>	<u>\$ 305,765</u>	<u>\$ 305,765</u>
Fund balance, beginning			<u>305,765</u>		
Fund balance, ending			<u>\$ 305,765</u>		
Amounts reported for revenues, expenditures, and changes in fund balance are different from budget/actual statement due to consolidation of the School Capital Reserve Fund:					
Investment earnings			\$ 373,708		
QSCB interest			88,014		
Transfers in			3,398,474		
Transfers out			(2,285,942)		
Fund balance, beginning, School Capital Reserve Fund			<u>5,180,036</u>		
Fund balance, ending, consolidated School Capital Projects			<u>\$ 7,060,055</u>		

**Vance County, North Carolina**  
**Capital Projects Fund - School Capital Reserve**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted intergovernmental			
QSCB interest reimbursement	\$ 85,000	\$ 88,014	\$ 3,014
Lottery proceeds	384,535	-	(384,535)
Investment earnings	50,000	373,708	323,708
Total revenues	<u>519,535</u>	<u>461,722</u>	<u>(57,813)</u>
<b>Expenditures</b>			
Education			
Capital Outlay	-	-	-
Total Education	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenue over (under) expenditures	<u>519,535</u>	<u>461,722</u>	<u>(57,813)</u>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	2,750,000	3,398,474	648,474
Operating transfers out	<u>(3,269,535)</u>	<u>(2,285,942)</u>	983,593
Total other financing sources	<u>(519,535)</u>	<u>1,112,532</u>	<u>1,632,067</u>
Revenue and other financing sources over (under) expenditures	<u>\$ -</u>	1,574,254	<u>\$ 1,574,254</u>
Fund balance, beginning		<u>5,180,036</u>	
Fund balance, ending		<u>\$ 6,754,290</u>	



## **ENTERPRISE FUNDS**

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

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**Vance County, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Operating Revenues</b>			
Charges for services			
Household fees	\$ 2,335,560	\$ 2,324,569	\$ (10,991)
Warren County manned site	45,000	53,573	8,573
Other operating revenues	17,500	29,265	11,765
Total Operating Revenues	<u>2,398,060</u>	<u>2,407,407</u>	<u>9,347</u>
<b>Nonoperating Revenues (Expenditures)</b>			
Federal, state and local grants	5,125	8,263	3,138
Intergovernmental taxes and fees	145,000	139,493	(5,507)
Total Nonoperating revenues	<u>150,125</u>	<u>147,756</u>	<u>(2,369)</u>
 Total Revenues	 <u>2,548,185</u>	 <u>2,555,163</u>	 <u>6,978</u>
<b>Operating Expenditures</b>			
Landfill operations			
Salaries and employee benefits	26,468	26,130	338
Operating expenditures	2,428,267	2,364,730	63,537
Contracted services	235,100	189,251	45,849
Total Operating Expenditures	<u>2,689,835</u>	<u>2,580,111</u>	<u>109,724</u>
 Total Operating Expenditures	 <u>2,689,835</u>	 <u>2,580,111</u>	 <u>109,724</u>
 Total Revenues over Expenditures	 <u>(141,650)</u>	 <u>(24,948)</u>	 <u>116,702</u>
<b>Other Financing Sources (uses):</b>			
Fund Balance Appropriated	141,650	-	(141,650)
Total Other Financing Sources	<u>141,650</u>	<u>-</u>	<u>(141,650)</u>
 Revenues and other sources over (under) expenditures	 <u>\$ -</u>	 <u>(24,948)</u>	 <u>\$ (24,948)</u>

**Vance County, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2024**

	2024
Reconciliation from budgetary basis	
(modified accrual) to full accrual basis	
Depreciation	(43,057)
Increase (decrease) in deferred outflows of resources - OPEB	(2,630)
(Increase) decrease in net pension liability	137
(Increase) decrease in OPEB liability	(826)
(Increase) decrease in deferred inflows of resource - OPEB	8,375
Decrease in accrued landfill closure costs	90,622
Total reconciling items	52,621
Change in net position	\$ 27,673

**Vance County, North Carolina**  
**Water District Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2024**

	2024		Variance Positive (Negative)
	Budget	Actual	
<b>Operating Revenues</b>			
Charges for services			
Water sales and connection fees	\$ 1,247,200	\$ 1,156,062	\$ (91,138)
Debt setoff Revenue	5,000	5,355	355
Other operating Revenues	16,504	17,992	1,488
Total Operating Revenues	<u>1,268,704</u>	<u>1,179,409</u>	<u>(89,295)</u>
<b>Nonoperating Revenues (Expenditures)</b>			
Investment earnings	15,000	62,807	47,807
Total Nonoperating revenues	<u>15,000</u>	<u>62,807</u>	<u>47,807</u>
 Total Revenues	 <u>1,283,704</u>	 <u>1,242,216</u>	 <u>(41,488)</u>
<b>Operating Expenditures</b>			
Water Operations			
Purchased water	270,000	300,646	(30,646)
Operating expenditures	163,258	97,820	65,438
Contracted services	280,000	279,234	766
Total	<u>713,258</u>	<u>677,700</u>	<u>35,558</u>
Debt service			
Debt Principal	228,688	228,688	-
Interest and other charges	315,940	315,940	-
Total Debt service	<u>544,628</u>	<u>544,628</u>	<u>-</u>
Total Operating expenditures	<u>1,257,886</u>	<u>1,222,328</u>	<u>35,558</u>
Revenues over expenditures	<u>25,818</u>	<u>19,888</u>	<u>(5,930)</u>
Other financing sources (uses):			
Transfers in	29,312	-	(29,312)
Debt Service Reserve	(55,130)	-	55,130
Total Other financing sources	<u>(25,818)</u>	<u>-</u>	<u>25,818</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	19,888	<u>\$ 19,888</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis			
Capital outlay		15,000	
Debt principal		228,688	
Depreciation		(416,719)	
Increase in accrued interest		688	
Total reconciling items		<u>(172,343)</u>	
Change in net position		<u>\$ (152,455)</u>	

**Vance County, North Carolina**  
**Water District Capital Project Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2024**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total To Date	
<b>Revenues</b>					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
Phase 1b					
Contracted Services	355,000	61,340	-	61,340	293,660
Land Easement	-	8,300	-	8,300	(8,300)
Phase 2a					
Contracted Services	-	26,410	-	26,410	(26,410)
Total Expenditures	<u>355,000</u>	<u>96,050</u>	<u>-</u>	<u>96,050</u>	<u>258,950</u>
<b>Other Financing Sources (Uses)</b>					
USDA Loan	355,000	-	-	-	(355,000)
Total Other Financing Sources	<u>355,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(355,000)</u>
<b>Revenues and other sources over (under) expenditures</b>	<u>\$ -</u>	<u>\$ (96,050)</u>	<u>\$ -</u>	<u>\$ (96,050)</u>	<u>\$ (96,050)</u>

## **CUSTODIAL FUNDS**

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Custodial funds are used to account for assets held by the county as an agent for individuals or other governments.

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**Vance County, North Carolina**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2024**

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 15,719	\$ 7,388	\$ 23,107
Taxes receivable for other governments, net	303,072	-	303,072
Total assets	<u>318,791</u>	<u>7,388</u>	<u>326,179</u>
<b>LIABILITIES</b>			
Due to other governments	<u>14,655</u>	-	<u>14,655</u>
Total liabilities	<u>14,655</u>	-	<u>14,655</u>
<b>NET POSITION</b>			
Restricted for:			
Individuals, organizations, and other	<u>304,136</u>	<u>7,388</u>	<u>311,524</u>
Total net position	<u>\$ 304,136</u>	<u>\$ 7,388</u>	<u>\$ 311,524</u>

**Vance County, North Carolina**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the Year Ending June 30, 2024**

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
<b>ADDITIONS</b>			
Ad valorem taxes for other governments	\$ 7,996,399	\$ -	\$ 7,996,399
Collections on behalf of inmates	-	309,080	309,080
Total additions	<u>7,996,399</u>	<u>309,080</u>	<u>8,305,479</u>
<b>DEDUCTIONS</b>			
Tax distributions to other governments	7,969,161	-	7,969,161
Payments on behalf of inmates	-	316,092	316,092
Total deductions	<u>7,969,161</u>	<u>316,092</u>	<u>8,285,253</u>
Net increase (decrease) in fiduciary net position	27,238	(7,012)	20,226
Net position, beginning	<u>276,898</u>	<u>14,400</u>	<u>291,298</u>
Net position, ending	<u>\$ 304,136</u>	<u>\$ 7,388</u>	<u>\$ 311,524</u>



## **OTHER SCHEDULES**

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This section includes additional information on property taxes.

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**Vance County, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**For the Year Ended June 30, 2024**

Fiscal Year	Uncollected Beginning Balance	Additions	Collections And Credits	Uncollected Ending Balance
2023-2024	\$ -	\$ 27,320,595	\$ 26,601,174	\$ 719,421
2022-2023	637,260	-	378,977	258,283
2021-2022	208,174	-	100,354	107,820
2000-2021	112,360	-	31,441	80,919
2019-2020	84,781	-	15,306	69,475
2018-2019	61,452	-	8,257	53,195
2017-2018	110,981	-	5,534	105,447
2016-2017	117,617	-	4,708	112,909
2015-2016	22,451	-	1,542	20,909
2014-2015	35,734	-	1,343	34,391
2013-2014	47,586	-	47,586	-
	<u>\$ 1,438,396</u>	<u>\$ 27,320,595</u>	<u>\$ 27,196,222</u>	<u>1,562,769</u>
Less: allowance for uncollectible accounts:				
	General Fund			<u>558,000</u>
Ad valorem taxes receivable - net:				
	General Fund			<u>\$ 1,004,769</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				\$ 27,238,194
Reconciling items:				
	Interest collected			(215,641)
	Taxes Written Off			(46,482)
	Adjustment / Collection Fees			<u>220,151</u>
	Total reconciling items			<u>(41,972)</u>
Total collections and credits				<u>\$ 27,196,222</u>

**Vance County, North Carolina**  
**Analysis of Current Tax Levy**  
**County - wide Levy**  
**For the Year Ended June 30, 2024**

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current years rate	\$ 3,046,432,946	\$ 0.890	\$ 27,112,217	\$ 23,212,233	\$ 3,899,984
Penalties	-		64,717	64,717	-
Total	<u>3,046,432,946</u>		<u>27,176,934</u>	<u>23,276,950</u>	<u>3,899,984</u>
Discoveries:					
Current year taxes	3,455,888	0.890	30,758	30,758	-
Prior years taxes	21,275,337	0.890	189,350	189,350	-
Total	<u>24,731,225</u>		<u>220,108</u>	<u>220,108</u>	<u>-</u>
Abatements/Releases:					
Current year	(5,688,501)	0.890	(56,985)	(56,985)	-
Prior Year	(2,186,739)	0.890	(19,462)	(19,462)	-
Total	<u>(7,875,240)</u>		<u>(76,447)</u>	<u>(76,447)</u>	<u>-</u>
Total Property Valuation	<u>\$ 3,063,288,931</u>				
Net levy			27,320,595	23,420,611	3,899,984
Uncollected taxes at June 30, 2024 (County Only)			<u>719,421</u>	<u>719,421</u>	<u>-</u>
Current year's taxes collected (includes penalty)			<u>\$ 26,601,174</u>	<u>\$ 22,701,190</u>	<u>\$ 3,899,984</u>
Current levy collection percentage			<u>97.37%</u>	<u>96.93%</u>	<u>100.00%</u>

**Vance County, North Carolina  
Analysis of Current Tax Levy  
County - wide Levy  
For the Year Ended June 30, 2024**

**Secondary Market Disclosures:**

Assessed Valuation:	
Assessment Ratio <sup>1</sup>	100%
Real Property	\$ 2,071,464,733
Personal Property	918,371,276
Public Service Companies <sup>2</sup>	73,452,922
Total Assessed Valuation	\$ <u>3,063,288,931</u>
Tax Rate per \$100	0.89
Levy (includes discoveries, releases and abatements) <sup>3</sup>	\$ 27,320,595

In addition to the County-wide rate, the following table lists the levies by the County on behalf of fire protection districts for the fiscal year ended June 30:

	\$ 1,589,044
--	--------------

<sup>1</sup> Percentage of appraised value has been established by statute.

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

<sup>3</sup> The levy includes interest and penalties.

**Vance County, North Carolina  
Ten Largest Taxpayers  
For the Year Ended June 30, 2024**

Taxpayer	Type of Business	2023 Assessed Valuation	Percentage of Total Assessed Valuation
I AMS Company	Manufacturing	\$ 89,452,066	2.92%
DLP Maria Parham Medical	Private Hospital	58,564,838	1.91%
Duke Energy Progress	Utility	49,113,750	1.60%
Ardagh Glass Inc.	Manufacturing	46,811,275	1.53%
Wal-Mart Stores East LP	Retail	26,953,436	0.88%
DLP Maria Parham Medical Center	Private Hospital	25,661,950	0.84%
Variety Wholesalers	Retail	19,964,515	0.65%
Carolina Sunrock LLC	Rock Quarry	19,869,854	0.65%
W&W Properties and Rentals LLC	Property Management	17,480,477	0.57%
Bullock Solar LLC	Solar Farms	14,197,400	0.46%
Total		<u>\$ 368,069,561</u>	<u>12.02%</u>

## **COMPLIANCE SECTION**



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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  
Vance 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 Vance County, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprises Vance County's basic financial statements, and have issued our report thereon dated January 27, 2025. Our report includes a reference to other auditors who audited the financial statements of the Vance County ABC Board, as described in our report on the Vance County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Vance County TDA and Vance County ABC Board were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Vance 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 Vance 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies as items [2024-001, 2024-002, 2024-003] that we consider to be material weaknesses.

Members

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### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Vance County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items [2024-001].

### Vance County's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on Vance County's responses to the findings identified in our audit are 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  
January 27, 2025





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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  
Vance County, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Vance 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 Vance County's major federal programs for the year ended June 30, 2024. Vance 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, Vance 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations 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 Vance County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Vance County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Members

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## 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 Vance 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 Vance 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 Vance 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 Vance 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 Vance 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 [2024-004, 2024-005, 2024-006, 2024-007] to be significant deficiencies.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on Vance County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Vance 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.

Vance County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Vance 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  
January 27, 2025



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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  
Vance County, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Vance 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 Vance County's major State programs for the year ended June 30, 2024. Vance 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, Vance 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, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations 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 Vance 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 Vance County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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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 Vance 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 Vance 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 Vance 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 Vance 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 Vance 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 [2024-004, 2024-005, 2024-006, 2024-007, 2024-008] to be significant deficiencies.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on Vance County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Vance 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.

Vance County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Vance 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  
January 27, 2025

**Vance County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024**

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**Section I. Summary of Auditors' Results**

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Financial Statements

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

Internal control over financial reporting:

- Material Weakness(es) identified?   X   yes    no
- Significant Deficiency(s) identified    yes   X   none reported

Noncompliance material to financial statements noted   X   yes    no

Federal Awards

Internal control over major federal programs:

- Material Weakness(es) identified?    yes   X   no
- Significant Deficiency(s) identified   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>CFDA #</u>	<u>Program Name</u>
93.563	Child Support Enforcement
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?    yes   X   no

State Awards

Internal control over major State programs:

- Material Weakness(es) identified?    yes   X   no
- Significant Deficiency(s) identified   X   yes    none reported

Type of auditors' report issued on compliance for major State programs: Unmodified

**Vance County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Section I. Summary of Auditors' Results (continued)**

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Identification of major State programs:

<u>Program Name</u>
Medical Assistance Program
Regional Economic Development Reserve - Directed Grant
Regional Economic Development Reserve - Sheriff's Office

Dollar threshold used to determine a State major program \$ 500,000

Auditee qualified as State low-risk auditee?   yes   X  no

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**Section II. Financial Statement Findings**

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**Finding: 2024-001                      Budget Violation**

NONCOMPLIANCE / MATERIAL WEAKNESS

Criteria:                      In accordance with North Carolina General Statutes § 143C, Budget revisions must be requested and approved prior to any commitment and/or expenditure that would exceed the amount budgeted. Entities should not overspend the authorized budget.

Condition:                      The County adopts their budget by department. Expenditures exceeded the budgeted primarily in the following departments: General Fund: Register of Deeds, Medical Examiner, Economic Development, Contributions to Other Agencies, Farmers Market, Health Administration, Mental Health, Vance County Housing Authority, Debt Service, Transfers to Other Funds, Debt Service Fund Debt service, School Debt Service Fund Debt Service, Representative Payee Fund Payments made on Behalf of Beneficiaries, and Fines & Forfeitures General Government.

Effect:                              The Board spent funds that were not available for those respective departments.

Cause:                              The County did not properly adopt and record budget amendments as needed for these departments.

Identification of a repeat finding:                      This is a repeat finding from the immediate previous audit, 2023-001.

Recommendation:                      The budget should be reviewed and appropriate amendments made 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.

**Finding: 2024-002                      Reconciliation of Records**

MATERIAL WEAKNESS

Criteria:                              Management should have a system in place to reduce the likelihood of errors in financial reporting and ensure the timeliness of financial reporting.



**Vance County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Section II. Financial Statement Findings (continued)**

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Condition:	In reviewing records and testing certain account balances, we noted that several accounts were not reconciled/adjusted timely to include the reconciling to the subsidiary ledgers for EMS Receivables, Water Receivables, Solid Waste Receivables, Taxes Receivable.
Effect:	The County's management and other users of the financial statements do not have accurate and timely information for decision 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, and fraud risks increase with delays in reconciliation of key accounts.
Cause:	Entries that should be part of the year-end close were overlooked. Finance should ensure that the balance sheet accounts are all reconciled to subsidiary ledgers, and that year-end entries are made to properly reflect balances. The adjustment of balance sheet items often leads to changes in revenues and expenditures, which management relies on to make decisions.
Identification of a repeat finding:	This is a repeat finding from the immediate previous audit, 2023-003.
Recommendation:	The County should evaluate the allocation of internal resources dedicated to financial reporting to ensure adequate resources are available for timely account reconciliations, year-end close and annual financial reporting purposes. Management should consult with outside accountants or auditors if additional assistance is required in order to prepare for the annual audit, or to determine appropriate accounting for complex transactions.
Views of responsible officials and planned corrective actions:	The County agrees with this finding. Please refer to the corrective action plan for details.

**Finding: 2024-003                      Failure of Internal Controls**

**MATERIAL WEAKNESS**

Criteria:	The assignments of responsibilities should be segregated so that one person is not responsible for the authorization and recording of a transaction and the custody of the related asset. There needs to be a reconciliation or control activity to provide reasonable assurance that transactions are handled appropriately. The County also failed to comply with G.S. 159-28(b), which requires at least two signatures on all checks or drafts issued by a government, one being the Finance Officer or properly designated Deputy Finance Officer, and the other by another official of the local government designated for that responsibility by the governing board.
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**Vance County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Section II. Financial Statement Findings (continued)**

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Condition:	The former County Finance Officer, without secondary approval or oversight, was able to wire County funds to a company that they were affiliated with. This was able to occur due to key duties and functions not being segregated amongst County personnel and has been of special concern with regards to the cash management of the County. This action was able to go undetected for the time that it did due to a lack of understanding by the staff of the County in their assigned duties, and no cross-training of individuals who would have been able to provide oversight on the transactions. This former Finance Officer was not removed from their duties until February 2024, therefore this activity was occurring through a portion of fiscal year 2024.
Effect:	The County was deprived of its monetary resources, resources which should have gone to covering legitimate expenditures and projects which the County has undertaken.
Cause:	The former County Finance Officer wired, from the County's bank account, funds equating to approximately \$1.4 million dollars through the end of fiscal year 2024, with wire transfers occurring in fiscal year 2024 until their dismissal in February 2024. They were able to accomplish this because the County followed no policy relating to requiring secondary approval or oversight of EFT disbursements as required under G.S. 159-25(b), as they were essentially the only employee overseeing these matters. The former County Finance Officer was also able to post entries to the financial software, along with performing the bank reconciliations, with no secondary review or approval required, and no one on staff with the training or experience to review their work.
Identification of a repeat finding:	This is a repeat finding from the immediate previous audit, 2023-005.
Recommendation:	The County has terminated the employment of the former Finance Officer. Pursuant to G.S. 159-28(e), the County is seeking to be compensated for the illegally disbursed amounts through the legal processes available to the County. As disclosed in Note 7, the County has received subsequent to the end of fiscal year 2024 \$1 million due to the Finance Officer bond coverage claim. The County should seek to institute better controls relating to authorization and approval processes, segregation of duties and responsibilities, and monitoring and oversight of management and employees, in order to mitigate the risk of a situation such as this occurring again in the future. The County has taken steps to do so after the dismissal of the previous Finance Officer, and this issue should be alleviated in fiscal year 2025.
Views of responsible officials and planned corrective actions:	The County agrees with this finding. Please refer to the corrective action plan for details.

**Vance County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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

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**U.S. Department of Health and Human Services**

Passed through the NC Department of Health and Human Services

Program Name: Medical Assistance Program (Medicaid; Title XIX)

AL #: 93.778

**Finding: 2024-004                      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 2 errors discovered during our procedures that referrals between DSS and Child Support Agencies were not properly made.
Questioned Costs:	There was no known affect to eligibility and there were no known questioned costs.
Context:	We examined 60 cases from of a total of 830,748 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 North Carolina Families Accessing Services through Technology (NC FAST) and a participant could have been approved for benefits for which they were not eligible.
Cause:	Human error in reading the Automated Collection and Tracking System (ACTS) report and/or ineffective case review process.
Identification of a repeat finding:	This is a repeat finding from the immediate previous audit, 2023-008.
Recommendation:	Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determining 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. See Corrective Action Plan in the following section.

**Vance County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Section III. Federal Award Findings and Questioned Costs (continued)**

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**U.S. Department of Health and Human Services**

Passed through the NC Department of Health and Human Services  
Program Name: Medical Assistance Program (Medicaid; Title XIX)  
AL #: 93.778

**Finding: 2024-005                      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 4 errors discovered during our procedures that inaccurate information was entered when determining eligibility.
Questioned Costs:	There was no known affect to eligibility and there were no known questioned costs.
Context:	We examined 60 cases from of a total of 830,748 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.
Cause:	Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.
Identification of a repeat finding:	This is a repeat finding from the immediate previous audit, 2023-009.
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. See Corrective Action Plan in the following section.

**Vance County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Section III. Federal Award Findings and Questioned Costs (continued)**

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**U.S. Department of Health and Human Services**

Passed through the NC Department of Health and Human Services  
Program Name: Medical Assistance Program (Medicaid; Title XIX)  
AL #: 93.778

**Finding: 2024-006                      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 noncountable resources and explained within the documentation.
Condition:	There were 4 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 Costs:	There was no known affect to eligibility and there were no known questioned costs.
Context:	We examined 60 cases from of a total of 830,748 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.
Cause:	Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.
Identification of a repeat finding:	This is a repeat finding from the immediate previous audit, 2023-010.
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.

**Vance County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Section III. Federal Award Findings and Questioned Costs (continued)**

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Views of responsible officials and planned corrective actions:      The County agrees with the finding. See Corrective Action Plan in the following section.

**U.S. Department of Health and Human Services**

Passed through the NC Department of Health and Human Services  
Program Name: Medical Assistance Program (Medicaid; Title XIX)  
AL #: 93.778

**Finding: 2024-007                      Inadequate Request for Information**

**SIGNIFICANT DEFICIENCY**

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 14 errors discovered during our procedures where required information needed for eligibility determinations were not requested or not requested timely at applications or redeterminations. Of these 14 errors, one was determined to be an eligibility error with potential questioned costs.

Questioned Costs:           As a result of the lack of a proper eligibility determination, federal funds were distributed to ineligible recipients. Due to the nature of these types of eligibility determinations and the lack of a proper review by the department, the auditor is unable to determine the known or likely questioned costs.

Context:                      We examined 60 cases from of a total of 830,748 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.

Cause:                         Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Identification of a repeat finding:      This is a repeat finding from the immediate previous audit, 2023-012.

**Vance County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024**

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

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**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.

**Views of responsible officials and planned corrective actions:** The County agrees with the finding. See Corrective Action Plan in the following section.

Program Name: Medical Assistance Program (Medicaid; Title XIX)  
AL #: 93.778

SIGNIFICANT DEFICENCY: Finding 2024-004, 2024-005, 2024-006, and 2024-007 also apply to State requirements and State Awards.

**N.C. Office of State Budget and Management**

Program Name: Regional Economic Development Reserve

**Finding: 2024-008          Funds Management**

SIGNIFICANT DEFICENCY

Cash Management

**Criteria:** In accordance with North Carolina General Statute (G.S.) 143C-6-23 and the grant contract with North Carolina Office of State Budget and Management, the grant funds should be accounted for in a separate fund and accounting structure within the recipient's central accounting and/or grant management system.

**Condition:** The grant funds were accounted for in County General Fund instead of a separate fund.

**Effect:** Grant funds were not properly managed as required.

**Cause:** Budget was adopted when the funds were awarded to the County before the grant contracts were signed.

**Recommendation:** Account each source of fund separately in County accounting system.

**Views of responsible officials and planned corrective actions:** The County agrees with the finding. See Corrective Action Plan in the following section.



COUNTY OF VANCE, NORTH CAROLINA  
122 YOUNG STREET, SUITE B  
HENDERSON, NORTH CAROLINA 27536

C. RENEE PERRY  
COUNTY MANAGER  
(252) 738 – 2002

KELLY H. GRISSOM  
CLERK TO BOARD  
(252) 738 - 2003

**Corrective Action Plan  
For the Year Ended June 30, 2024**

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**Section II - Financial Statement Findings**

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**Finding 2024-001**

Name of contact person: Stephanie Williams, Budget and Finance Director

Corrective Action: All requests for products and/or services will be made via a Purchase Requisition and Purchase Order Process. Staff will NOT be able to key in Purchase Requisitions if the funds are not available in their budget ordinance. Department Heads will be expected to continuously review their needs and meet with the County Manager if their need(s) exceed the amount approved in the Budget Ordinance. After that consultation, if necessary, then a Budget Amendment will be prepared for BoCC's approval. All other funds not categorized in the General Fund, will be reviewed semi-weekly to ensure compliance with the NCGS 143C.

Proposed Completion Date: Feb-25

**Finding 2024-002**

Name of contact person: Stephanie Williams, Budget and Finance Director

Corrective Action: Monthly reconciliations of General Ledger accounts will be completed and reviewed by the Finance Director. Job descriptions are being reviewed for modifications and some responsibilities will be shifted amongst staff for internal controls, department coverage, cross training and completion of job responsibilities. Staff will receive additional training from the UNC School of Government, other training and consultation with a more seasoned colleague, when applicable.

Proposed Completion Date: May-25





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**Corrective Action Plan  
For the Year Ended June 30, 2024**

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**Section II - Financial Statement Findings (continued)**

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**Finding 2024-003**

Name of contact person: Stephanie Williams, Budget and Finance Director

Corrective Action: The disbursement of funds will be done via a check or ACH transfer. The wiring of funds will not be a means of paying vendors. If a governmental agency requires a wire transfer, then a wire template will be set up. ALL wire templates will require the approval of the County Manager. The Budget & Finance Director Officer will set up the Wire Template. The County Manager, Budget & Finance Officer, Assistant Finance Officer can initiate a wire, but CANNOT approve their own wire. One of the other designees will need to approve it. All checks now require the signature of the BoCC Chair and the Budget & Finance Director. There will be a shift in staff responsibilities to facilitate dual controls, a segregation of duties, cross-trainings of staff and to maintain internal controls over the assets. Financial Policies and Procedures will be written and communicated to staff.

Proposed Completion Date: Jul-24

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**Section III - Federal Award Findings and Question Costs**

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**Finding 2024-004**

Name of contact person: Ebony Mitchell, Medicaid Program Manager

Corrective Action: Additional Training will be given now to staff to ensure they are keying child support referrals timely and adequately once the CCU period is done, since they are currently not required. Caseworkers will be instructed if IV-D referrals are keyed to provide the necessary documentation to support the (child support worker's request) if keyed during the CCU period. Child support enforcement Job aid will be discussed and distributed with team members. Child support (IV-D) referrals for MA, CA, & MAGI Cases will also be reviewed and discussed with team members.

Proposed Completion Date: 1/31/2025



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**Corrective Action Plan  
For the Year Ended June 30, 2024**

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**Section III - Federal Award Findings and Question Costs (continued)**

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**Finding 2024-005**

Name of contact person: Ebony Mitchell, Medicaid Program Manager

Corrective Action: NC Fast Learning gateway (Magi Budgeting: Income Determination) training. Review of family and children's Medicaid policy section MA – 3300 Income and MA – 3306 Modified adjusted gross income (MAGI). Review of Adult Medicaid income policy section MA – 2250 Income.

Proposed Completion Date: 1/31/2025

**Finding 2024-006**

Name of contact person: Ebony Mitchell, Medicaid Program Manager

Corrective Action: Review of Adult Policy section 2230 (Financial resources) and acknowledgement required with signature.

Proposed Completion Date: 1/31/2025

**Finding 2024-007**

Name of contact person: Ebony Mitchell, Medicaid Program Manager

Corrective Action: Review of Verifications needed for Adult cases to determine eligibility correctly will be presented by supervisor to ensure workers know what verifications are needed at time of review or application. Documentation standards will be implemented to ensure workers are applying the correct documentation to the case. For the untimely reviews, Magi and Traditional Recertification Recertification Job Aid will be discussed. Acceptable timeframes and processing times will be discussed. Magi pending recertification details report and traditional recertification details report will be reviewed with staff.

Proposed Completion Date: 1/31/2025



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**Corrective Action Plan  
For the Year Ended June 30, 2024**

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**Section IV - State Award Findings and Question Costs**

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Corrective Action Plan for Finding 2024-004, 2024-005, 2024-006, and 2024-007 also apply to State Awards findings.

**Finding 2024-008**

Name of contact person: Stephanie Williams, Budget and Finance Director

Corrective Action: The County Manager has instituted a Grant approval process so that she, Department Heads, Offices and the Finance Department are aware of grants prior to receipt or spending of them. This process will allow time for receipt, BoCC approval, if necessary, and to be coded and tracked separately from the General Fund.

Proposed Completion Date: May-25

**Vance County, North Carolina**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended June 30, 2024**

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Finding: 2023-001  
Status: This finding is not corrected, repeated as 2024-001

Finding: 2023-002  
Status: Corrected

Finding: 2023-003  
Status: This finding is not corrected, repeated as 2024-002

Finding: 2023-004  
Status: Corrected

Finding: 2023-005  
Status: This finding is not corrected, repeated as 2024-003

Finding: 2023-006  
Status: Corrected

Finding: 2023-007  
Status: Corrected

Finding: 2023-008  
Status: This finding is not corrected, repeated as 2024-004

Finding: 2023-009  
Status: This finding is not corrected, repeated as 2024-005

Finding: 2023-010  
Status: This finding is not corrected, repeated as 2024-006

Finding: 2023-011  
Status: Corrected

Finding: 2023-012  
Status: This finding is not corrected, repeated as 2024-007

**Vance County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Year Ended June 30, 2024**

<b>Grantor/Pass-through Grantor/Program Title</b>	<b>Federal Assistance Listing No.</b>	<b>State/ Pass-through Grantor's Number</b>	<b>Fed (Direct &amp; Pass-through Expenditures</b>	<b>State Expenditures</b>	<b>Provided to Subrecipients</b>
<b>Federal Awards:</b>					
<u>U. S. Department of Agriculture</u>					
Passed-through N.C. Dept of Health and Human Services: Division of Social Services: Administration:					
<u>SNAP Cluster</u>					
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 31,637	\$ -	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		692,624	-	-
Total Supplemental Nutrition Assistance Program			<u>724,261</u>	<u>-</u>	<u>-</u>
Total U.S. Dept. of Agriculture			<u>724,261</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Commerce</u>					
Economic Adjustment Assistance	11.307		216,991	-	-
Total U.S. Department of Commerce			<u>216,991</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Justice</u>					
Edward Byrne Memorial Justice Assistance Grant Program	16.738		47,000	-	-
Total of U.S Department of Justice			<u>47,000</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Treasury</u>					
Direct Awards					
Coronavirus State and Local Fiscal Recovery Fund	21.027		183,760	-	-
Passed-through N.C. Dept of Environmental Quality					
Coronavirus State and Local Fiscal Recovery Fund	21.027	AIA-D-ARP-0214	24,800	-	-
Total U.S. Department of Treasury			<u>208,560</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Health and Human Services</u>					
Passed-through Kerr-Tar Regional Council of Governments Division of Aging and Adult Services: Family Caregiver Support					
	93.052		1,856	124	-
<u>Aging Cluster:</u>					
Special Programs for the Aging Title IIIB					
Grants for Supportive Services and Senior Centers	93.044		42,700	2,512	-
Special Programs for the Aging - Title III C					
Nutrition Services	93.045		126,097	7,417	-
Nutrition Services Incentive Program	93.053		15,332	-	-
Total Aging Cluster			<u>184,129</u>	<u>9,929</u>	<u>-</u>
Passed-through the N.C. Dept. of Health and Human Services Division of Social Services:					
TANF-Work First	93.558		473,585	-	-
Family Preservation	93.556		2,972	-	-
<u>Foster Care and Adoption Cluster</u>					
Foster Care - Title IV-E	93.658		93,591	11,256	-
Foster Care - Title IV-E - Benefit Payments	93.658		129,603	42,893	-
Adoption Assistance	93.659		50	-	-
Total Foster Care and Adoption Cluster			<u>223,244</u>	<u>54,149</u>	<u>-</u>
Child Support Enforcement	93.563		569,914	-	-
Low Income Energy Assistance					
Crisis Intervention Program	93.568		5,793	1,800	-
Weatherization Assistance and Heating and Air Repair	93.568		66,356	-	-
COVID - 19 Weatherization Assistance and Heating and Air Repair	93.568		5,799	-	-
Total Low-Income Home Energy Assistance			<u>77,948</u>	<u>1,800</u>	<u>-</u>

**Vance County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Year Ended June 30, 2024**

<b>Grantor/Pass-through Grantor/Program Title</b>	<b>Federal Assistance Listing No.</b>	<b>State/ Pass-through Grantor's Number</b>	<b>Fed (Direct &amp; Pass-through Expenditures</b>	<b>State Expenditures</b>	<b>Provided to Subrecipients</b>
Stephanie Tubbs Jones Child Welfare Services Program Permanency Planning - Families for Kids	93.645		4,405	137	-
Chafee Foster Care Independence Program	93.674		3,243	811	-
SSBG - Other Service and Training	93.667		205,435	-	-
Division of Social Services:					
SSBG - State In-Home Services	93.667		152,545	-	-
Total Social Service Block Grant			357,980	-	-
<b><u>Administration for Children and Families</u></b>					
Passed-through the N.C. Dept. of Health and Human Services					
Subsidized Child Care					
Division of Social Services					
Child Care Development Fund - Administration	93.596		192,849	-	-
Total Subsidized Child Care Cluster (Note 4)			192,849	-	-
Passed -through the N.C. Dept. Health and Human Services:					
Division of Medical Assistance					
Division of Social Services					
Administration					
Medical Assistance Program	93.778	1228467.21	1,484,541	81,861	-
Total Medical Assistance Program			1,484,541	81,861	-
Division of Social Services					
Administration					
State Children's Insurance Program - N.C. Health Choice	93.767		18,562	1,627	-
Total U.S. Dept. of Health and Human Services			3,595,228	150,438	-
<b><u>U.S. Department of Homeland Security</u></b>					
Passed -through N.C. Department of Public Safety					
Division of Emergency Management					
Emergency Management Performance Grant	97.042		30,625	-	-
Total U.S. Department of Homeland Security			30,625	-	-
Total Federal Awards			\$ 4,822,665	\$ 150,438	\$ -
<b>State Awards:</b>					
<b><u>N.C. Department of Administration</u></b>					
Veterans Service					
Total N. C. Department of Administration			\$ -	\$ 2,174	\$ -
<b><u>N.C. Dept. of Health and Human Services</u></b>					
Division of Social Services:					
Administration					
Smart Start			-	48,240	-
State Child Welfare - State Protective Services			-	45,807	-
Direct Benefit Payments					
State Foster Home			-	95,420	-
State Foster Home Fund (SFHF) Maximization			-	195,369	-
Foster Care at Risk Maximization			-	6,539	-
Extended Foster Care Maximization Non IV-E programs			-	37,017	-
Total Division of Social Services			-	428,392	-
Passed-through Kerr-Tar Regional Council of Governments					
Division of Aging and Adult Services					
HCCBG-Access					
			-	32,614	-
HCCBG-In-Home Support Services					
			-	92,184	-
Total Division of Aging and Adult Services			-	124,798	-
Total N.C. Dept. of Health and Human Services			-	553,190	-

**Vance County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For The Year Ended June 30, 2024**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct &amp; Pass-through Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
<u>N.C. Dept. of Environmental Quality</u>					
Division of Waste Management					
Electronics Management			-	3,417	-
Recycling Grant			-	4,846	-
Total of N.C. Dept. of Environmental Quality			-	8,263	-
<u>N.C. Department of Public Safety</u>					
Juvenile Crime Prevention Commission					
JCPC Admin			-	5,220	-
Henderson-Vance Prevention Services			-	122,426	-
Boys and Girls Club			-	24,638	-
Youth Villages			-	39,023	-
Total of N.C. Dept. of Public Safety			-	191,307	-
<u>N.C. Department of Insurance</u>					
SHIIP Grant			-	11,135	-
Total of N.C. Department of Insurance			-	11,135	-
<u>Office of State Budget and Management</u>					
Regional Economic Development Reserve - Directed Grant		20802		150,000	
Regional Economic Development Reserve - Sheriff's Office		20803		691,536	
Total Office of State Budget and Management			-	841,536	-
<u>N.C. Department of Transportation</u>					
ROAP Cluster					
ROAP - RGP		DOT-16CL 36228.22.12.1	-	67,075	-
ROAP - EMPLOYMENT		DOT-16CL 36236.11.11.1	-	15,915	-
ROAP - EDTAP		DOT-16CL 36220.10.12.1	-	78,162	-
Total ROAP Cluster			-	161,152	-
Total N.C. Department of Transportation			-	161,152	-
Total State Awards			\$ -	\$ 1,768,757	\$ -
Total Federal and State Awards			\$ 4,822,665	\$ 1,919,195	\$ -

Notes to the Schedule of Expenditures of Federal and State 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 Vance County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. The information in this SEFSA is presented in accordance with the requirements of Title 2 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 Vance County, it is not intended to and does not present the financial position, changes in net position or cash flows of Vance 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**

Vance County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 4: Cluster of Programs**

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

Vance County, North Carolina  
 Schedule of Expenditures of Federal and State Awards  
 For The Year Ended June 30, 2024

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct &amp; Pass-through Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
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**Note 5: Benefit Payments Issued by the State**

The amounts listed below were paid directly to individual recipients by the State from federal and State 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	\$ 24,775,240	\$ -
Special Supplemental Nutrition Program for Women Infant and Children	10.557	1,435,523	-
Temporary Assistance for Needy Families	93.558	260,880	84,848
Adoption Assistance	93.659	101,357	25,014
Medical Assistance Program	93.778	130,692,409	54,547,980
Child Welfare Services Adoption	N/A	-	78,824
State / County Special Assistance program	N/A	-	239,192