

NORTHAMPTON COUNTY, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2022

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COUNTY MANAGER

Julian Phillips

BOARD OF COUNTY COMMISSIONERS

Charles R. Tyner Sr. - Chair
Geneva Riddick-Faulkner - Vice Chair
Kelvin M. Edwards
Nicole J. Boone
Joyce V. Buffaloe

Finance Director

Kenya Walker

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FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Northampton County
Jackson, 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 the Northampton County, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise Northampton County basic financial statements as listed in the table of contents.

In our opinion, based upon our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presents component units, each major fund, and the aggregate remaining fund information Northampton County, North Carolina as of June 30, 2022, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Northampton County ABC Board, which represent 57.91 percent, 41.18 percent, and 87.32 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. as of June 30, 2022, 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 thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Northampton 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 the Northampton 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 Northampton County ABC Board and Tourism Development Authority were not audited in accordance with Governmental 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 the County's ability to continue as a going concern for the twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Governmental Auditing Standards* 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.

- exercised professional judgement and maintained professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsible to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Northampton 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 other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement Schedules of the County's Proportionate Share of Net Pension Asset and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions, and the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, and the Schedule of Changes in the Net OPEB Liability and Related Ratios, on pages 4 through 11 and 63 through 69, 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 Northampton 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 were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 12, 2023 on our consideration of Northampton County internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northampton 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
December 12, 2023

Managements' Discussion and Analysis

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

Financial Highlights

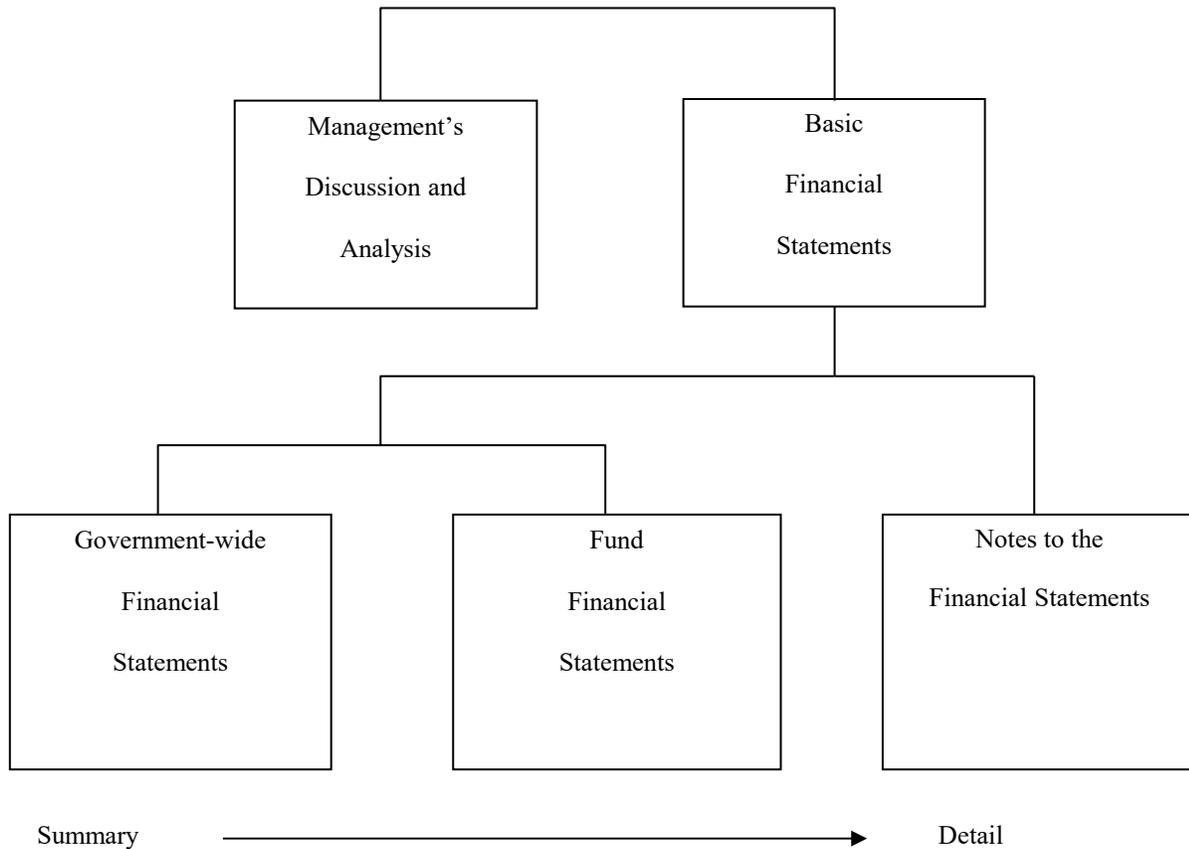
- The assets and deferred outflows of resources of Northampton County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$26,127,367 (*net position*).
- The government's total net position increased by \$5,887,445 primarily due to increased net position in the Governmental Activities.
- As of the close of the current fiscal year, Northampton County's governmental funds reported combined ending fund balances of \$27,457,017 an increase of \$3,237,235 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$19,784,381 or 57.53 percent of total general fund expenditures for the fiscal year.
- Northampton County's total general obligation and installment debt decreased by \$1,342,523 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Northampton County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Northampton 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 total of the County's assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the County's basic services, such as public safety, human services, education and general government administration. Property taxes and federal and State 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 sewer and solid waste services offered by Northampton County.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Northampton County, like all other governmental entities, 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 Northampton County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Northampton 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 – Northampton County has one kind of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Northampton County uses enterprise funds to account for its water and sewer activity and for its landfill 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. Northampton County has two fiduciary funds, all 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 start after Exhibit 10.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Northampton County’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning at Exhibit A-1, directly after the notes.

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 Northampton County exceeded liabilities and deferred inflows of resources by \$26,127,367 as of June 30, 2022. The County's net position increased by \$5,887,445 for the fiscal year ended June 30, 2022. The largest portion of the County's net position reflects the County's net investment in capital assets (e.g. buildings, equipment, and water infrastructure). Northampton County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Northampton County's net investment in capital assets is reported net of the outstanding related debt, the resources need to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

NORTHAMPTON COUNTY'S NET POSITION

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 45,937,422	\$ 29,230,296	\$ 2,594,645	\$ 1,546,839	\$ 48,532,067	\$ 30,777,135
Capital assets	19,137,773	18,262,057	20,071,478	20,656,809	39,209,251	38,918,866
Total assets	<u>65,075,195</u>	<u>47,492,353</u>	<u>22,666,123</u>	<u>22,203,648</u>	<u>87,741,318</u>	<u>69,696,001</u>
Total deferred outflows of resources	<u>8,664,808</u>	<u>7,787,070</u>	<u>386,129</u>	<u>360,113</u>	<u>9,050,937</u>	<u>8,147,183</u>
Current liabilities outstanding	2,210,193	1,694,126	1,112,064	1,082,995	3,322,257	2,777,121
Long-term liabilities outstanding	49,908,620	39,168,259	9,700,044	10,349,756	59,608,664	49,518,015
Total liabilities	<u>52,118,813</u>	<u>40,862,385</u>	<u>10,812,108</u>	<u>11,432,751</u>	<u>62,930,921</u>	<u>52,295,136</u>
Total deferred inflows of resources	<u>7,393,891</u>	<u>5,200,501</u>	<u>340,076</u>	<u>258,906</u>	<u>7,733,967</u>	<u>5,459,407</u>
Net position:						
Net investment in capital assets	10,818,692	9,584,882	11,017,968	11,182,308	21,836,660	20,767,190
Restricted	4,071,432	2,714,792	-	-	4,071,432	2,714,792
Unrestricted	(662,825)	(3,083,137)	882,100	(310,204)	219,275	(3,393,341)
Total net position	<u>\$ 14,227,299</u>	<u>\$ 9,216,537</u>	<u>\$ 11,900,068</u>	<u>\$ 10,872,104</u>	<u>\$ 26,127,367</u>	<u>\$ 20,088,641</u>

NORTHAMPTON COUNTY'S CHANGES IN NET POSITION

Figure 3

	Governmental		Business-type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 5,040,594	\$ 2,295,167	\$ 6,072,181	\$ 5,498,869	\$ 11,112,775	\$ 7,794,036
Operating grants and contributions	9,227,587	8,173,115	45,702	45,850	9,273,289	8,218,965
Capital grants and contributions	619,807	425,289	-	190,636	619,807	615,925
General revenues:						
Property taxes	21,833,040	21,994,734	-	-	21,833,040	21,994,734
Other taxes	3,826,118	3,713,681	-	-	3,826,118	3,713,681
Other	422,234	295,087	261	271	422,495	295,358
Total revenues	40,969,380	36,897,073	6,118,144	5,735,626	47,087,524	42,632,699
Expenses:						
General government	4,968,474	4,553,124	-	-	4,968,474	4,553,124
Public safety	13,218,449	12,334,567	-	-	13,218,449	12,334,567
Transportation	52,000	52,000	-	-	52,000	52,000
Environmental protection	127,229	123,000	-	-	127,229	123,000
Economic and physical development	858,441	898,454	-	-	858,441	898,454
Human services	11,024,472	11,442,527	-	-	11,024,472	11,442,527
Cultural and recreation	626,833	574,364	-	-	626,833	574,364
Education	4,506,931	4,213,873	-	-	4,506,931	4,213,873
Interest and fees	429,324	436,951	-	-	429,324	436,951
Water and sewer	-	-	3,246,526	3,405,480	3,246,526	3,405,480
Solid waste	-	-	2,141,400	2,442,701	2,141,400	2,442,701
Total expenses	35,812,153	34,628,860	5,387,926	5,848,181	41,200,079	40,477,041
Increase in net position before transfers						
	5,157,227	2,268,213	730,218	(112,555)	5,887,445	2,155,658
Transfers	(251,250)	-	251,250	-	-	-
Change in net position	4,905,977	2,268,213	981,468	(112,555)	5,887,445	2,155,658
Beginning of year - July 1, as previously stated						
	9,216,537	6,918,386	10,872,104	10,984,659	20,088,641	17,903,045
Restatement / Prior Period Adjust	104,785	29,938	46,496	-	151,281	29,938
Net position, beginning, restated	9,321,322	6,948,324	10,918,600	10,984,659	20,239,922	17,932,983
Net position, ending	\$ 14,227,299	\$ 9,216,537	\$ 11,900,068	\$ 10,872,104	\$ 26,127,367	\$ 20,088,641

Governmental activities. Governmental activities increased the County’s net position by \$4,905,977. Key elements of this increase are as follows:

- Increase in public safety revenues and grants.

Business-type activities. Business-type activities increased Northampton County’s net position by \$981,468. Key elements of this decrease are as follows:

- Decrease in expenditures coupled with an increase in revenues.

Financial Analysis of the County’s Funds

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

Governmental Funds. The focus of Northampton County’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Northampton 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 Northampton County. At the end of the current fiscal year, Northampton County's fund balance available in the General Fund was \$23,051,017, while total fund balance reached \$26,663,232. The County currently has an available fund balance of 67.03 percent of total General Fund expenditures, while total fund balance represents 77.53 percent of that same amount.

At June 30, 2022, the governmental funds of Northampton County reported a combined fund balance of \$27,457,017, a 13.37% percent increase from the previous year. The General Fund accounted for an increase in fund balance of \$3,497,141 while all other governmental funds combined accounted for a decrease in fund balance of \$259,372. Detailed schedules for the General Fund and each governmental fund follow the notes in this financial report.

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 \$2,207,465, which was 5.93 percent more than originally budgeted.

Proprietary Funds. Northampton County’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. The total change in net position for these funds was a decrease of \$981,468. Other factors concerning the finances of these funds have already been addressed in the discussion of Northampton County’s business-type activities.

Capital Asset and Debt Administration

Capital Assets. Northampton County’s capital assets for its governmental and business – type activities as of June 30, 2022, totals \$39,517,731 (net of accumulated depreciation and amortization). These assets include building and land, equipment, vehicles, right to use leased assets, water and sewer systems, and construction in progress.

Major capital asset transactions during the year include:

- Purchase of new vehicles & equipment for various departments
- Implementation of GASB 87 recognizing right to use leased assets
- Acquisition of land

NORTHAMPTON COUNTY'S CAPITAL ASSETS

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 2,905,678	\$ 2,285,800	\$ -	\$ -	\$ 2,905,678	\$ 2,285,800
Construction in Progress	1,600,181	788,474	608,928	555,009	2,209,109	1,343,483
Buildings and improvements	13,430,032	13,854,502	-	-	13,430,032	13,854,502
Vehicles	950,709	1,063,080	4,611	19,798	955,320	1,082,878
Furniture, fixtures and equipment	251,173	270,201	63,574	44,292	314,747	314,493
Distributions systems	-	-	19,394,365	20,037,668	19,394,365	20,037,668
Right to Use Assets, net	300,706	-	7,774	-	308,480	-
Total	\$ 19,438,479	\$ 18,262,057	\$ 20,079,252	\$ 20,656,767	\$ 39,517,731	\$ 38,918,824

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

Long-term Debt. As of June 30, 2022, Northampton County had total bonded debt outstanding of \$10,927,000, all of which is debt backed by the full faith and credit of the County.

NORTHAMPTON COUNTY'S OUTSTANDING DEBT

Notes Payable and General Obligation Bonds

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Installment notes payable	\$ 8,319,152	\$ 8,677,175	\$ -	\$ -	\$ 8,319,152	\$ 8,677,175
Capital leases	-	-	-	-	-	-
Lease liabilities	300,635	-	8,284	-	308,919	-
General obligation bonds	1,874,000	2,437,000	9,053,000	9,474,500	10,927,000	11,911,500
Total	\$ 10,493,787	\$ 11,114,175	\$ 9,061,284	\$ 9,474,500	\$ 19,555,071	\$ 20,588,675

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Northampton County is \$171,311,710.

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

Economic Factors and Next Year's Budgets and Rates

The County was experiencing an unemployment rate of 5.2% at June 30, 2022. This was higher than the non-seasonally adjusted State average of 3.6%.

Budget Highlights for Fiscal Year Ending June 30, 2023

Governmental Activities. The general fund operating budget reflects an increase of approximately 1.1% compared to fiscal year 2022.

Business Type Activities. Solid waste budgeted expenditures are \$2,266,780 which is flat compared to fiscal year 2022. The water and sewer budgeted expenditures are \$4,257,070 which is a 25.1% decrease compared to fiscal year 2022 drive by price increases.

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 (including information related to the Northampton County Tourism Development Authority and the Northampton County ABC Board, the discretely presented component units) should be directed to the Director of Finance, Northampton County, PO Box 663, Jackson, North Carolina 27845. You can also call (252) 534-2501 or visit our website at www.northamptonnc.com for more information.

BASIC
FINANCIAL STATEMENTS

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

	Primary Government			Component Units		Total Reporting Unit
	Governmental Activities	Business-type Activities	Total Primary Government	Northampton County Tourism Development Authority	Northampton County ABC Board	
ASSETS						
Current:						
Cash and cash equivalents	\$ 24,630,709	\$ 1,327,648	\$ 25,958,357	\$ 403,756	\$ 448,977	\$ 26,811,090
Taxes receivable (net)	1,659,173	-	1,659,173	-	-	1,659,173
Accounts receivables (net)	1,700,998	727,855	2,428,853	39,963	-	2,468,816
Notes receivable (net)	272,523	-	272,523	-	-	272,523
Due from other governments	1,270,358	-	1,270,358	-	-	1,270,358
Inventories	-	-	-	-	168,175	168,175
Prepaid items	315,000	-	315,000	7,000	2,091	324,091
Internal balance	(251,250)	251,250	-	-	-	-
Cash and cash equivalents, restricted	15,990,759	280,118	16,270,877	-	-	16,270,877
Net pension assets	20,946	-	20,946	-	-	20,946
Intangible asset	27,500	-	27,500	-	-	27,500
Capital assets:						
Land, improvements, and construction in progress	4,505,859	608,928	5,114,787	-	-	5,114,787
Other capital assets, net of depreciation	14,631,914	19,462,550	34,094,464	28,253	13,895	34,136,612
Right to use assets, net	300,706	7,774	308,480	-	-	308,480
Total assets	<u>65,075,195</u>	<u>22,666,123</u>	<u>87,741,318</u>	<u>478,972</u>	<u>633,138</u>	<u>88,853,428</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension deferrals	3,798,788	144,861	3,943,649	-	17,603	3,961,252
OPEB deferrals	4,866,020	241,268	5,107,288	-	8,483	5,115,771
Total Deferred Outflows of Resources	<u>8,664,808</u>	<u>386,129</u>	<u>9,050,937</u>	<u>-</u>	<u>26,086</u>	<u>9,077,023</u>
LIABILITIES						
Current Liabilities						
Accounts payable	1,165,385	208,034	1,373,419	362	106,101	1,479,882
Accrued interest payable	72,308	13,259	85,567	-	-	85,567
Payable from restricted assets	-	280,118	280,118	-	-	280,118
Unspent CARES/ARP funding	14,604,660	-	14,604,660	-	-	14,604,660
Current portion of long-term debt	972,500	610,653	1,583,153	-	-	1,583,153
Long term liabilities:						
Net Pension Liability - LGERS	2,241,357	93,389	2,334,746	-	6,748	2,341,494
Total Pension liability - LEOSSA	927,367	-	927,367	-	-	927,367
Total OPEB liability	21,599,397	1,114,343	22,713,740	-	190,671	22,904,411
Compensated absences	1,014,552	41,681	1,056,233	-	-	1,056,233
Long-term debt	9,521,287	8,450,631	17,971,918	-	-	17,971,918
Total liabilities	<u>52,118,813</u>	<u>10,812,108</u>	<u>62,930,921</u>	<u>362</u>	<u>303,520</u>	<u>63,234,803</u>
DEFERRED INFLOWS OF RESOURCES						
Pension deferrals	3,439,059	141,320	3,580,379	-	8,134	3,588,513
OPEB deferrals	3,852,504	198,756	4,051,260	-	12,507	4,063,767
Prepaid taxes	102,328	-	102,328	-	-	102,328
Total Deferred inflows of resources	<u>7,393,891</u>	<u>340,076</u>	<u>7,733,967</u>	<u>-</u>	<u>20,641</u>	<u>7,754,608</u>
NET POSITION						
Net investment in capital assets	10,818,692	11,017,968	21,836,660	28,253	13,895	21,878,808
Restricted for:						
Stabilization by state statute	3,612,215	-	3,612,215	39,963	-	3,652,178
Register of Deeds' pension plan	20,946	-	20,946	-	-	20,946
Other	438,271	-	438,271	-	75,072	513,343
Unrestricted (deficit)	(662,825)	882,100	219,275	410,394	246,096	875,765
Total net position	<u>\$ 14,227,299</u>	<u>\$ 11,900,068</u>	<u>\$ 26,127,367</u>	<u>\$ 478,610</u>	<u>\$ 335,063</u>	<u>\$ 26,941,040</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position					
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Northampton County Tourism Development Authority	Northampton County ABC Board	Total Reporting Unit
					Governmental Activities	Business-type Activities	Total Primary Government			
Primary government:										
Governmental Activities:										
General government	\$ 4,968,474	\$ 182,236	\$ 625,286	\$ -	\$ (4,160,952)	\$ -	\$ (4,160,952)	\$ -	\$ -	\$ (4,160,952)
Public safety	13,218,449	3,539,172	497,035	-	(9,182,242)	-	(9,182,242)	-	-	(9,182,242)
Transportation	52,000	-	-	-	(52,000)	-	(52,000)	-	-	(52,000)
Environmental protection	127,229	-	-	-	(127,229)	-	(127,229)	-	-	(127,229)
Economic and physical development	858,441	-	314,470	619,807	75,836	-	75,836	-	-	75,836
Human services	11,024,472	1,298,344	7,790,796	-	(1,935,332)	-	(1,935,332)	-	-	(1,935,332)
Cultural and recreation	626,833	20,842	-	-	(605,991)	-	(605,991)	-	-	(605,991)
Education	4,506,931	-	-	-	(4,506,931)	-	(4,506,931)	-	-	(4,506,931)
Interest on long-term debt	429,324	-	-	-	(429,324)	-	(429,324)	-	-	(429,324)
Total governmental activities	<u>35,812,153</u>	<u>5,040,594</u>	<u>9,227,587</u>	<u>619,807</u>	<u>(20,924,165)</u>	<u>-</u>	<u>(20,924,165)</u>	<u>-</u>	<u>-</u>	<u>(20,924,165)</u>
Business-type activities:										
Water and Sewer	2,731,586	2,879,486	-	-	-	147,900	147,900	-	-	147,900
Garysburg Water and Sewer	514,940	703,816	-	-	-	188,876	188,876	-	-	188,876
Solid Waste	2,141,400	2,488,879	45,702	-	-	393,181	393,181	-	-	393,181
Total business-type activities	<u>5,387,926</u>	<u>6,072,181</u>	<u>45,702</u>	<u>-</u>	<u>-</u>	<u>729,957</u>	<u>729,957</u>	<u>-</u>	<u>-</u>	<u>729,957</u>
Total primary government	<u>41,200,079</u>	<u>11,112,775</u>	<u>9,273,289</u>	<u>619,807</u>	<u>(20,924,165)</u>	<u>729,957</u>	<u>(20,194,208)</u>	<u>-</u>	<u>-</u>	<u>(20,194,208)</u>
Component Units:										
Northampton County Tourism Development Authority	66,732	-	-	-	-	-	-	(66,732)	-	(66,732)
Northampton County ABC Board	1,576,019	1,639,092	-	-	-	-	-	-	63,073	63,073
Total component units	<u>\$ 1,642,751</u>	<u>\$ 1,639,092</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,732)</u>	<u>63,073</u>	<u>(3,659)</u>
General revenues:										
Taxes:										
Property taxes, levied for general purpose					21,833,040	-	21,833,040	-	-	21,833,040
Local option sales tax					3,691,513	-	3,691,513	-	-	3,691,513
Other taxes and licenses					134,605	-	134,605	238,059	-	372,664
Unrestricted Intergovernmental					51,923	-	51,923	-	-	51,923
Investment earnings, unrestricted					29,380	261	29,641	48	-	29,689
Sale of assets					1,600	-	1,600	-	-	1,600
Miscellaneous, unrestricted					339,331	-	339,331	-	-	339,331
Transfers					(251,250)	251,250	-	-	-	-
Total general revenues, special items, and transfers					<u>25,830,142</u>	<u>251,511</u>	<u>26,081,653</u>	<u>238,107</u>	<u>-</u>	<u>26,319,760</u>
Change in net position					4,905,977	981,468	5,887,445	171,375	63,073	6,121,893
Net position-beginning					9,216,537	10,872,104	20,088,641	307,235	271,990	20,667,866
Prior period adjustment					104,785	46,496	151,281	-	-	151,281
Restatement of fund balance - change in accounting principal (Note 9)					-	-	-	-	-	-
Net position-beginning, restated					<u>9,321,322</u>	<u>10,918,600</u>	<u>20,239,922</u>	<u>307,235</u>	<u>271,990</u>	<u>20,819,147</u>
Net position-ending					<u>\$ 14,227,299</u>	<u>\$ 11,900,068</u>	<u>\$ 26,127,367</u>	<u>\$ 478,610</u>	<u>\$ 335,063</u>	<u>\$ 26,941,040</u>

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

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

	Major		Non-Major	Total Governmental Funds
	General Fund	New Courthouse Project	Other Governmental Funds	
ASSETS				
Cash and cash equivalents	\$ 23,516,591	\$ -	\$ 1,114,118	\$ 24,630,709
Taxes Receivable	1,357,182	-	72,350	1,429,532
Accounts Receivable	1,700,726	-	272	1,700,998
Notes Receivable	272,523	-	-	272,523
Due from other funds	968,315	-	113,567	1,081,882
Due from other governments	1,270,358	-	-	1,270,358
Prepaid expenses	315,000	-	-	315,000
Restricted Cash	556,652	13,380,193	2,053,914	15,990,759
Total assets	<u>\$ 29,957,347</u>	<u>\$ 13,380,193</u>	<u>\$ 3,354,221</u>	<u>\$ 46,691,761</u>
LIABILITIES, DEFERRRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 961,898	\$ -	\$ 203,487	\$ 1,165,385
Unspent grant proceeds	273,000	13,380,193	951,467	14,604,660
Due to other funds	-	-	1,333,132	1,333,132
Total liabilities	<u>1,234,898</u>	<u>13,380,193</u>	<u>2,488,086</u>	<u>17,103,177</u>
Deferred Inflows of Resources:				
Tax Receivable	1,357,182	-	72,350	1,429,532
Ambulance fees receivables	599,707	-	-	599,707
Prepaid taxes	102,328	-	-	102,328
Total deferred inflows of resources	<u>2,059,217</u>	<u>-</u>	<u>72,350</u>	<u>2,131,567</u>
Fund balances:				
Nonspendable				
Prepays	315,000	-	-	315,000
Restricted:				
Stabilization by State statute	3,612,215	-	-	3,612,215
Restricted, other	21,493	-	416,778	438,271
Committed:				
Committed, other	769,483	-	396,712	1,166,195
Assigned:				
Assigned, other	2,160,660	-	413,058	2,573,718
Unassigned:	19,784,381	-	(432,763)	19,351,618
Total fund balances	<u>26,663,232</u>	<u>-</u>	<u>793,785</u>	<u>27,457,017</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 29,957,347</u>	<u>\$ 13,380,193</u>	<u>\$ 3,354,221</u>	

(continued)

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

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	\$ 19,438,479
Option to purchase payments are not financial resources, and therefore, are not reported in the funds.	27,500
Accrued interest on taxes receivable	229,641
Net pension asset	20,946
Contributions to the pension plans in the current fiscal year are deferred	1,349,821
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	7,816
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	495,874
Deferred outflows of resources - pensions	2,441,151
Deferred outflows of resources - OPEB	4,370,146
Long-term debt, accrued interest, and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	
Long-term debt	(10,493,787)
Compensated absences	(1,014,552)
Accrued interest	(72,308)
Net pension liability (LGERS)	(2,241,357)
Total pension liability (LEOSSA)	(927,367)
Total OPEB liability	(21,599,397)
Pension related deferrals	(3,439,059)
OPEB related deferrals	(3,852,504)
Deferred inflows of resources for taxes and ambulance fees receivable	<u>2,029,239</u>
Net position of governmental activities (Exhibit 1)	<u>\$ 14,227,299</u>

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

	<u>Major Governmental</u>		<u>Non-Major</u>	<u>Total</u>
	<u>General Fund</u>	<u>New Courthouse Project</u>	<u>Governmental Funds</u> <u>Other Governmental Funds</u>	
REVENUES				
Ad valorem taxes	\$ 21,286,850	\$ -	\$ 904,972	\$ 22,191,822
Other taxes and licenses	3,864,794	-	-	3,864,794
Unrestricted intergovernmental	47,514	-	-	47,514
Restricted intergovernmental	7,980,851	619,807	953,569	9,554,227
Permits and fees	212,968	-	-	212,968
Sales and services	3,968,359	-	684,877	4,653,236
Investment earnings	27,909	-	1,471	29,380
Special project fund	5,000	-	-	5,000
Miscellaneous	491,245	-	24,232	515,477
Total revenues	<u>37,885,490</u>	<u>619,807</u>	<u>2,569,121</u>	<u>41,074,418</u>
EXPENDITURES				
Current:				
General government	6,011,207	619,807	-	6,631,014
Public safety	11,120,442	-	1,657,223	12,777,665
Transportation	52,000	-	-	52,000
Environmental protection	123,000	-	-	123,000
Economic and physical development	808,962	-	50,000	858,962
Human Services	11,101,291	-	-	11,101,291
Cultural and recreational	487,165	-	-	487,165
Education	4,393,668	-	113,263	4,506,931
Debt service:				-
Principal	182,458	-	873,257	1,055,715
Interest	17,740	-	362,779	380,519
Bond issuance expenses	-	-	49,450	49,450
Total expenditures	<u>34,297,933</u>	<u>619,807</u>	<u>3,105,972</u>	<u>38,023,712</u>
Revenues over expenditures	<u>3,587,557</u>	<u>-</u>	<u>(536,851)</u>	<u>3,050,706</u>
OTHER FINANCING SOURCES (USES)				
Transfers (to) from other funds	(474,195)	-	222,945	(251,250)
Sale of capital assets	1,600	-	-	1,600
Lease liabilities issued	382,179	-	-	382,179
Payments to refunded bond escrow agent	-	-	(2,437,000)	(2,437,000)
Loan proceeds	-	-	2,491,000	2,491,000
Total other financing sources and uses	<u>(90,416)</u>	<u>-</u>	<u>276,945</u>	<u>186,529</u>
Net change in fund balance	3,497,141	-	(259,906)	3,237,235
Fund balances-beginning	23,061,306	-	1,053,691	24,114,997
Prior Period Restatement (See Note 9)	104,785	-	-	104,785
Fund balance - beginning, as restated	<u>23,166,091</u>	<u>-</u>	<u>1,053,691</u>	<u>24,219,782</u>
Fund balances-ending	<u>\$ 26,663,232</u>	<u>\$ -</u>	<u>\$ 793,785</u>	<u>\$ 27,457,017</u>

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

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

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

Net changes in fund balances - total governmental funds (Exhibit 4)	\$	3,237,235
<p>Exhibit 4 reports revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 90 days of year-end. Exhibit 2 reported revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition difference for the following revenue types:</p>		
Property taxes		(306,470)
Ambulance and other miscellaneous revenues		252,143
<p>Expenses that do not require current financial resources are not reported as expenditures in the governmental funds statement.</p>		
Accrued interest payable		(206)
Compensated absences		(58,440)
OPEB Expense		(799,301)
<p>Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.</p>		
		1,674,817
<p>Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.</p>		
		(799,101)
<p>Right to use leased asset expenditures recorded in the fund statements but capitalized as assets in the statement of activities.</p>		
		382,179
<p>Amortization expense allocates the costs of right to use assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.</p>		
		(81,473)
<p>Principal repayments are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.</p>		
		3,493,567
<p>New debt issued during the year is recorded as a source of funds on the fund statements but affect only the statement of net position in the government-wide statements.</p>		
		(2,873,179)
<p>Change in accrued interest on taxes receivable.</p>		
		(52,312)
<p>Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.</p>		
		1,349,821
<p>Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position</p>		
		7,816
<p>Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position</p>		
		495,874
Pension expense		<u>(1,016,993)</u>
Total changes in net position of governmental activities	\$	<u>4,905,977</u>

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

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

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 21,413,233	\$ 21,413,233	\$ 21,286,850	\$ (126,383)
Other taxes and licenses	2,806,100	2,806,100	3,864,794	1,058,694
Unrestricted intergovernmental	63,000	63,000	47,514	(15,486)
Restricted intergovernmental	7,826,044	8,937,796	7,980,851	(956,945)
Permits and fees	255,290	257,290	212,968	(44,322)
Sales and services	2,396,000	2,401,841	3,968,359	1,566,518
Investment earnings	21,000	21,000	27,909	6,909
Special Project revenue	30,000	30,000	5,000	(25,000)
Miscellaneous	327,801	450,944	491,245	40,301
Total revenues	<u>35,138,468</u>	<u>36,381,204</u>	<u>37,885,490</u>	<u>1,504,286</u>
Expenditures				
Current:				
General government	5,548,130	6,042,427	6,011,207	31,220
Public safety	11,081,906	11,630,721	11,120,442	510,279
Transportation	52,000	52,000	52,000	-
Environmental Protection	123,000	123,000	123,000	-
Economic and physical development	1,175,481	1,205,531	808,962	396,569
Human services	12,569,908	13,882,159	11,101,291	2,780,868
Cultural and recreational	537,183	604,683	487,165	117,518
Education	4,405,949	4,405,949	4,393,668	12,281
Debt service				
Principal payments	68,844	221,762	182,458	39,304
Interest	4,291	(156,262)	17,740	(174,002)
Total expenditures	<u>35,566,692</u>	<u>38,011,970</u>	<u>34,297,933</u>	<u>3,714,037</u>
Revenues over (under) expenditures	<u>(428,224)</u>	<u>(1,630,766)</u>	<u>3,587,557</u>	<u>5,218,323</u>
Other financing sources (uses):				
Transfers (to) from other funds	(1,277,444)	(1,277,444)	(474,195)	803,249
Lease liabilities issued	-	-	382,179	382,179
Appropriated fund balance	2,064,729	3,006,458	-	(3,006,458)
Sale of capital assets	-	23,000	1,600	(21,400)
Contingency	(359,061)	(85,504)	-	85,504
Total other financing sources (uses)	<u>428,224</u>	<u>1,666,510</u>	<u>(90,416)</u>	<u>(1,756,926)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 35,744</u>	3,497,141	<u>\$ 3,461,397</u>
Fund balances:				
Beginning of year, July 1			<u>23,061,306</u>	
Prior Period Adjustment (see Note 10)			<u>104,785</u>	
End of year, June 30			<u>\$ 26,663,232</u>	

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

Northampton County, North Carolina
Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	MAJOR		NONMAJOR	Total Enterprise Funds
	Water and Sewer Fund	Solid Waste Fund	Garysburg Water and Sewer	
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 499,111	\$ 375,405	\$ 453,132	\$ 1,327,648
Accounts receivable (net)	639,311	11,991	76,553	727,855
Due from other funds	154,150	-	97,100	251,250
Restricted assets:				
Cash and cash equivalents, restricted	220,166	-	59,952	280,118
Total current assets	<u>1,512,738</u>	<u>387,396</u>	<u>686,737</u>	<u>2,586,871</u>
Non-current assets:				
Land and construction in progress	608,928	-	-	608,928
Other capital assets, net	19,038,166	-	424,384	19,462,550
Right to use asset, net	7,774	-	-	7,774
Total non-current assets	<u>19,654,868</u>	<u>-</u>	<u>424,384</u>	<u>20,079,252</u>
Total assets	<u>21,167,606</u>	<u>387,396</u>	<u>1,111,121</u>	<u>22,666,123</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Pension Deferrals	86,917	36,215	21,729	144,861
OPEB Deferrals	176,276	36,872	28,120	241,268
Total deferred outflows of resources	<u>263,193</u>	<u>73,087</u>	<u>49,849</u>	<u>386,129</u>
LIABILITIES:				
Current liabilities:				
Accounts payable and accrued liabilities	138,692	6,985	62,357	208,034
Accrued interest	12,669	-	590	13,259
Current portion of long-term debt	594,653	-	16,000	610,653
Liabilities payable from restricted assets:				
Customer Deposits	220,166	-	59,952	280,118
Total current liabilities	<u>966,180</u>	<u>6,985</u>	<u>138,899</u>	<u>1,112,064</u>
Noncurrent liabilities:				
Compensated absences-non current	30,716	6,453	4,512	41,681
Non-current portion of long-term debt	8,141,631	-	309,000	8,450,631
Net pension liability	56,034	23,347	14,008	93,389
Total OPEB Liability	793,125	182,237	138,981	1,114,343
Total noncurrent liabilities	<u>9,021,506</u>	<u>212,037</u>	<u>466,501</u>	<u>9,700,044</u>
Total liabilities	<u>9,987,686</u>	<u>219,022</u>	<u>605,400</u>	<u>10,812,108</u>
DEFERRED INFLOWS OF RESOURCES:				
Pension Deferrals	84,792	35,330	21,198	141,320
OPEB Deferrals	141,463	32,504	24,789	198,756
Total deferred inflows of resources	<u>226,255</u>	<u>67,834</u>	<u>45,987</u>	<u>340,076</u>
NET POSITION:				
Net investment in capital assets	10,918,584	-	99,384	11,017,968
Unrestricted	298,274	173,627	410,199	882,100
Total net position	<u>\$ 11,216,858</u>	<u>\$ 173,627</u>	<u>\$ 509,583</u>	<u>\$ 11,900,068</u>

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

Northampton County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	<u>MAJOR</u>		<u>NONMAJOR</u>	<u>Totals</u>
	<u>Water and Sewer</u>	<u>Solid Waste Fund</u>	<u>Garysburg Water and Sewer</u>	
Operating Revenues:				
Charges for services	\$ 2,837,805	\$ 2,346,626	\$ 703,816	\$ 5,888,247
Water and sewer taps	33,600	-	-	33,600
White goods and tire disposal tax	-	33,691	-	33,691
Solid waste disposal tax	-	12,011	-	12,011
Other operating revenues	8,081	142,253	-	150,334
Total operating revenues	<u>2,879,486</u>	<u>2,534,581</u>	<u>703,816</u>	<u>6,117,883</u>
Operating Expenses:				
Water distribution and sewage treatment	1,760,201	-	483,348	2,243,549
Solid waste	-	2,141,400	-	2,141,400
Depreciation	658,791	-	15,986	674,777
Total operating expenses	<u>2,418,992</u>	<u>2,141,400</u>	<u>499,334</u>	<u>5,059,726</u>
Operating income (loss)	<u>460,494</u>	<u>393,181</u>	<u>204,482</u>	<u>1,058,157</u>
Non-Operating Revenues (Expenses):				
Gain on Sale of Assets	-	-	-	-
Interest earned on investments	179	37	45	261
Interest and fees	(312,594)	-	(15,606)	(328,200)
Total non-operating revenues (expenses)	<u>(312,415)</u>	<u>37</u>	<u>(15,561)</u>	<u>(327,939)</u>
Income (loss) before capital contributions and transfers	148,079	393,218	188,921	730,218
Capital contributions	-	-	-	-
Transfers from other funds	154,150	-	97,100	251,250
Change in net position	<u>302,229</u>	<u>393,218</u>	<u>286,021</u>	<u>981,468</u>
Net Position:				
Beginning of year - July 1	10,868,133	(219,591)	223,562	10,872,104
Prior period adjustment	46,496	-	-	46,496
Restatement	-	-	-	-
Beginning of year - July 1, restated	<u>10,914,629</u>	<u>(219,591)</u>	<u>223,562</u>	<u>10,918,600</u>
End of year - June 30	<u>\$ 11,216,858</u>	<u>\$ 173,627</u>	<u>\$ 509,583</u>	<u>\$ 11,900,068</u>

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

Northampton County, North Carolina
Proprietary Fund
Combining Statement of Cash Flows
For the Year Ended June 30, 2022

	<u>MAJOR</u>		<u>NONMAJOR</u>	
	<u>Water and Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Garysburg Water and Sewer Fund</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from customers	\$ 2,658,665	\$ 2,538,280	\$ 674,996	\$ 5,871,941
Cash paid for goods and services	(1,278,365)	(2,244,320)	(399,372)	(3,922,057)
Cash paid to employees for services	(411,240)	(74,690)	(49,961)	(535,891)
Net cash provided (used) by operating activities	<u>969,060</u>	<u>219,270</u>	<u>225,663</u>	<u>1,413,993</u>
Cash flows from non-capital financing activities				
Loans from (to) other funds	(154,150)	-	(97,100)	(251,250)
Transfer from other funds	154,150	-	97,100	251,250
Net cash provided (used) by non-capital financial activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(87,544)	-	-	(87,544)
Gain on Sale of Assets	-	-	-	-
Right to use leased assets	(9,718)	-	-	(9,718)
Principal paid on long-term debt	(672,434)	-	(21,000)	(693,434)
Issuance of long-term debt proceeds	-	-	-	-
Refunding debt issued	9,399,000	-	346,000	9,745,000
Payment to escrow agent for refunding	(9,143,000)	-	(331,500)	(9,474,500)
Lease proceeds	9,718	-	-	9,718
Interest and fees	(329,958)	-	(16,376)	(346,334)
Capital contributions	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(833,936)</u>	<u>-</u>	<u>(22,876)</u>	<u>(856,812)</u>
Cash flows from investing activities:				
Interest on investments	179	37	45	261
Net increase (decrease) in cash and cash equivalents	135,303	219,307	202,832	557,442
Cash and cash equivalents, July 1	<u>583,974</u>	<u>156,098</u>	<u>310,252</u>	<u>1,050,324</u>
Cash and cash equivalents, June 30	<u>\$ 719,277</u>	<u>\$ 375,405</u>	<u>\$ 513,084</u>	<u>\$ 1,607,766</u>

(continued)

Northampton County, North Carolina
Enterprise Fund
Combining Statement of Cash Flows
For the Year Ended June 30, 2022

	MAJOR		NONMAJOR	
	Water and Sewer Fund	Solid Waste Fund	Garysburg Water and Sewer Fund	Total
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	\$ 460,494	\$ 393,181	\$ 204,482	\$ 1,058,157
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	658,791	-	15,986	674,777
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(210,887)	3,699	(24,152)	(231,340)
(Increase) decrease in deferred outflows of resources for pensions	(11,117)	(4,632)	(2,779)	(18,528)
(Increase) decrease in deferred outflows of resources for OPEB	(9,885)	1,360	1,037	(7,488)
Increase (decrease) in deferred inflows of resources for pensions	80,462	33,526	20,116	134,104
Increase (decrease) in deferred inflows of resources for OPEB	(37,675)	(8,657)	(6,602)	(52,934)
Increase (decrease) in accounts payable and accrued liabilities	65,537	(180,163)	31,315	(83,311)
Increase (decrease) in net pension liability	(80,954)	(33,731)	(20,239)	(134,924)
Increase (decrease) in deposits	(9,934)	-	(4,668)	(14,602)
Increase (decrease) in Total OPEB liability	61,106	14,039	10,708	85,853
Increase (decrease) in compensated absences	3,122	648	459	4,229
Total adjustments	508,566	(173,911)	21,181	355,836
Net cash provided (used) by operating activities	\$ 969,060	\$ 219,270	\$ 225,663	\$ 1,413,993

Northampton County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	Custodial Funds
Assets:	
Cash and investments	\$ 241,499
Accounts receivable	295,309
Total Assets	\$ 536,808
Liabilities:	
Intergovernmental payable	\$ 58,739
Total Liabilities	58,739
Net Position	
Restricted for:	
Individuals, organizations, and other governments	478,069
Total fiduciary net position	\$ 478,069

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

	Custodial Funds
Additions	
Ad Valorem taxes for other governments	\$ 1,011,605
Collections for Inmates	88,314
Total additions	1,099,919
Deductions	
Tax distributions to other governments	1,043,222
Payment on behalf of inmates	59,938
Total deductions	1,103,160
Net Increase (decrease) in fiduciary net position	(3,241)
Net Position, beginning as previously reported	481,310
Prior period restatement - change in accounting principle	-
Net position, beginning, as restated	481,310
Net position, ending	\$ 478,069

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

1. Summary of Significant Accounting Policies

The accounting policies of Northampton County and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting

A. Reporting Entity

The County, which is governed by a five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by 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 discretely presented component unit is reported in a separate column in the basic financial statements in order to emphasize that it is legally separate from the County.

Discretely Presented Component Unit

Northampton County Industrial Facilities and Pollution Control Financing Authority

Northampton County Industrial Facilities and Pollution Control Financing Authority ("the Authority") exists to issue and service revenue bond debt of private business for economic development purposes. The Authority is governed by a five member Board of Commissioners, all of whom are appointed by the County Commissioners. The County can remove any Commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

Northampton County ABC Board

The members of the ABC Board's governing board are appointed by the County. In addition, the ABC Board is required by State statute to distribute its surpluses to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund (discrete presentation). Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at the Northampton County ABC Board, Highway 158 East, Jackson North Carolina 27845.

Northampton County Tourism Development Authority

The Northampton County Tourism Development Authority ("Tourism Development Authority") is governed by a five-member Board appointed by the County Commissioners as Tourism Development Authority members' terms expire. The County is authorized by State statute to collect an occupancy tax up to six percent (6%) on gross receipts derived from the rental of any room, lodging, or accommodation furnished by any hotel, motel, inn, tourist camp, or similar place within the County. Collections are remitted to the Tourism Development Authority, less than 3% administration charge, on a monthly basis. The County is financially accountable for the Tourism Development Authority, which is reported as a discretely presented component unit separate from the financial information of the primary government. Complete the financial statements for the Tourism Development Authority may be obtained from the entity's administrative offices at the Northampton County Tourism Development Authority, 100 West Jefferson Street, Jackson, North Carolina 27845.

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 and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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. 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 and investment earnings, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County has the following fund categories (further divided by fund type):

Governmental Funds

Governmental funds are used to account for Northampton County's general governmental activities. Governmental funds include the following fund types:

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 Revaluation Fund and the Revolving Loan Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, it is consolidated in the General Fund.

Special Revenue Fund. Special Revenue Funds account for specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The County maintains seven special revenue funds: American Rescue Plan Fund, Mid- Atlantic Distribution Park Fund, Emergency Telephone System Fund, Fire District Fund, Solar Farm Trust Fund, COVID Relief Fund, Representative Payee Fund, and the Rescue Squad Fund.

Capital Project Fund. Capital Project Funds account for financial resources to be used for the acquisition and construction for major capital facilities (other than those financed by proprietary funds and trusts funds). The County maintains nine capital project funds: Capital Reserve Fund, Ambulance Capital Reserve Fund , Enviva Infrastructure Project, EDC Capital Reserve Fund, Public School Building Fund, EDC REEP Project Fund, Severn Peanut Natural Gas Project, and Courthouse/Admin/DSS Renovation Fund, New Courthouse Project fund.

Debt Service Fund. The Debt Service Fund is used to account for all expenditures for principal and interest for all debt not accounted for in the enterprise funds. The other governmental fund types provide the resources to the Debt Service Fund to make the payments through transfers.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Proprietary Funds

Enterprise Funds. Enterprise funds account for those operations that (a) are financed and operated in a manner similar to private business enterprises where the intent for the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on the continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintained, public policy, management control, accountability, or other purposes. The County has three enterprises funds: the Water and Sewer Fund, the Garysburg Water and Sewer Fund, and Solid Waste Fund.

Fiduciary Funds

Fiduciary funds account for the assets held by the County in trustee capacity or as an custodian for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds include the following funds:

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 that 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.

Major Funds

The General Fund, New Courthouse Project Fund., Water and Sewer Fund, and Solid Waste Fund are considered major funds for the year ended June 30, 2022.

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

Amounts reported as program revenues include; 1) charged 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 revenue, rather than as program revenues. Likewise, general revenues include all taxes.

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

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

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

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Special Revenue Funds (excluding the CDBG Fund), certain capital project funds (capital reserve funds), and the enterprise funds. All annual appropriation lapse at the fiscal year-end. Project ordinances are adopted for the funds. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for the General Fund, special revenue funds, enterprise funds, and at the object level for the capital project funds. The County Manager is authorized to transfer appropriations between departments within a fund up to \$5,000; however, any revisions that alter the total expenditures of any funds exceed \$5,000, must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

Deposits and Investments

All deposits of the County and the ABC Board are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the ABC Board 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 and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The County's and the ABC Board's investments are carried at fair value. Non-participating interest earning contracts are accounted for at cost. The North Carolina Capital Management Trust (NCCMT), which consists of two SEC registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAm by S&P and AAmf by Moody Investor Services. The Government Portfolio is reported at fair value.

Cash and Cash Equivalents

The County pools money from several funds, except the Social Services Fund, to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.

Restricted Assets

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the tax revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Capital Projects Fund is classified as restricted because its restricted per North Carolina General Statutes 159-18 through 22. In addition, there was a cash balance remaining in the project fund which was also considered restricted. The following table illustrates the breakdown of the County's restricted cash.

Governmental Activities

General Fund	
Tax Revaluation	\$ 556,652
Total General Fund	<u>556,652</u>
Other Governmental Funds	
American Rescue Plan Act	1,892,776
SCIF Grant	13,380,193
School Capital Fund	<u>161,138</u>
Total Other Governmental Funds	<u>15,434,107</u>
Total - Governmental Activities	<u>\$ 15,990,759</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Business-Type Activities

Water & Sewer Fund	
Customer Deposits	\$ 220,166
Unexpended Project Funds	-
Total Water & Sewer Fund	<u>220,166</u>
Garysburg Water & Sewer Fund	
Customer Deposits	<u>59,952</u>
Total Water & Sewer Fund	<u>59,952</u>
Total - Business Type Activities	<u>\$ 280,118</u>
Total Restricted Cash	<u><u>\$ 16,270,877</u></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 on property other than motor vehicles July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2021.

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.

Capital Assets

Purchased or constructed capital assets are reported at original cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Certain items acquired before July 1, 1980 are recorded at an estimated original cost. The total of such estimates is not considered as a whole. Any interest incurred during the construction phase of capital assets is reflected in the capitalized value of the assets constructed. 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 extend assets' lives are not capitalized.

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

The County's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the County reports a lease (only applies when the County is the lessee) in accordance with the requirements of GASB 87.

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 assets are amortized on a straight-line bases over the life of the related lease.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

<u>Assets</u>	<u>Estimated Useful Lives</u>
Buildings	20-75 years
Equipment	5-10 years
Vehicles	5-10 years
Water Distribution System	20-50 years

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 several items that meets this criterion - pension related deferrals and OPEB related 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 four items that meet the criterion for this category - prepaid taxes, taxes and special assessments receivable, other pension related deferrals and OPEB related deferrals.

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 an other financing source.

Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

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

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

Restricted for Stabilization of 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 preceeding 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 - Other

Restricted for Public Safety- E911 - portion of fund balance that is restricted by revenue source E911 expenditures.

Restricted for General Government - portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deed's office.

Restricted for Public Safety - portion of fund balance that can only be used by the rescue squads in the County.

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

	General Fund	Special Revenue Fund	Capital Project Fund
Restricted for Stabilization of State Statute	\$ 4,565,784	\$ -	\$ -
Restricted - Other			
Restricted for Public Safety- E911	-	382,409	-
Restricted for General Government	21,493	-	-
Restricted for Economic and Physical Development	-	569	-
Restricted for Public Safety	-	-	-
Restricted for Health Services	-	33,800	-
Total	\$ 4,587,277	\$ 416,778	\$ -

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

	General Fund	Special Revenue Fund	Capital Project Fund
<i>Committed for Tax Revaluation</i> - portion of fund balance that is committed by revenue source to pay for property tax revaluations purpose.	\$ 417,500	\$ -	\$ -
<i>Committed for Public Safety</i> - portion of fund balance that is committed for public safety expenditures.	-	-	969
<i>Committed for Economic and Physical Development</i> - portion of fund balance that is committed to pay for economic development expenditures.	351,983	-	14,296
<i>Committed for Capital Outlay</i> - portion of fund balance that is committed for future capital expenditures	-	-	220,309
<i>Committed for Education</i> - portion of fund balance that is committed for education expenditures	-	-	161,138
Total	\$ 769,483	\$ -	\$ 396,712

Assigned Fund Balance - portion of fund balance that the County governing board has budgeted.

	General Fund	Special Revenue Fund	Debt Service Fund
<i>Assigned for Debt Service</i> - portion of fund balance that is assigned for debt service expenditures	\$ -	\$ -	\$ -
<i>Assigned for Subsequent Year's Expenditures</i> -portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Manager to modify appropriations up to \$5,000 between departments within a fund.	2,160,660	-	-
<i>Assigned for Economic and Physical Development</i> - portion of fund balance that is assigned to pay for economic development expenditures.	-	413,058	-
Total	\$ 2,160,660	\$ 413,058	\$ -

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

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

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

Total fund balance- General Fund (Exhibit 3)	\$ 26,663,232
Less:	
Stabilization by State statute	<u>(4,565,784)</u>
Available for appropriation	<u>\$ 22,097,448</u>

Defined Benefit Cost Sharing Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employee's Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The 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 LGERS. Investments are reported at fair value.

F. Revenues, Expenditures, and Expenses

Compensated Absences

The vacation policy of the County provides for the accumulation of up to thirty (30) days earned vacation leave, with such leave being fully vested when earned. For the County's government-wide and proprietary funds, as well as the government-wide financial statements of the TDA, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The County has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide statements.

The sick leave policies of the County and the TDA provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the County nor the TDA has any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made.

G. Use of Estimates

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

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

2. Stewardship, Compliance and Accountability

A. Deficit Fund Balance or Net Position of Individual Funds not appropriated in subsequent year's budget ordinance

The following funds had a deficit fund balance as follows:

Special Revenue Funds:

Fire District Fund	\$	30,276
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Rescue Squad Fund		43,721
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Capital Project Fund:

Severn Peanut Natural Gas Project Fund		23,955
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Courthouse/Admin/DSS Renovations		1,120
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Debt Service Fund		333,691
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Corrective Action Plan. Deficits, caused by timing issues, will be eliminated with future revenues. Budgeted transfers will be made in a timely manner to eliminate deficit fund balance at year-end.

B. Unbudgeted Funds/ Unbalance Budget

Three funds were unbudgeted - Fund 33 Solar Farm Trust Fund, Fund 05 ARPA Fund, Fund 50 Public School Building Fund. A budget will be adopted for these funds going forward. Balanced budgets could not be provided from the software for the following funds: General Fund and the Solid Waste Fund.

C. Excess of Expenditures over Appropriations

Excess of expenditures over appropriations are in violation of the State law. At June 30, 2022, several departments in the General Fund (Administration, Hospitalization - Retirees, Taxes, Land Records, Legal, Register of Deeds, Ambulance Service, Breast and Cervical Cancer, School Health - Kate B. Reynolds, Maternal Care Coordination, Elderly and Handicapped, Home and Community Care Block Grant, AIDS control, Universal Childhood Vaccines, Mental Health, Community Based Alternatives, Libraries, and Debt Service), expenditures exceeded appropriation. Additionally, expenditures exceeded appropriation for the Fire District Fund, Solar Farm Trust Fund, Rescue Squad Fund, ARPA Fund, Public School Building Funds, Debt Service Fund, West Fraiser Wastewater Grant, Water Asset Inventory and Assessment Grant Fund, and Garysburg Water and Sewer District Fund. Additionally, no budget was adopted to account for the principal paid off by the refunding bond in the Debt Service Fund, Water and Sewer Fund and Garysburg Water and Sewer Fund. The County plans closer monitoring of the expenditure process to assure adequate appropriations prior to incurring expenditures.

D. Timeliness of Audit

The audit report was issued 13 months after the required due date of October 31, 2022. 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.

E. General Statute Violation

In accordance with G.S. 159-29, the finance officer shall give a true accounting and faithful performance bond with sufficient sureties in an amount to be fixed by the governing board not less than \$50,000. The County's finance officer position did not carry the minimum required bond for the fiscal year ended June 30, 2022.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

3. Detail Notes on All Funds

A. Assets

Deposits

All the County's, TDA's, and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's, TDA's, or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, the TDA and the ABC Board, these deposits are held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interestbearing 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 TDA, the ABC Board, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, the TDA, or the ABC Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and the TDA rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2022, the County's deposits had a carrying amount of \$25,821,122 and a bank balance of \$27,031,555. Of the bank balance, \$463,722 was covered by federal depository insurance, and \$26,567,833 was covered by collateral held under the Pooling Method. At June 30, 2022, the County had \$2,650 cash on hand.

At June 30, 2022, the Authority's deposits had a carrying amount of \$403,756. The cash balance of the TDA is included in the County's central depository account, so there is no separate FDIC coverage reported for the TDA. Any balance over FDIC coverage is covered by the pooling method.

At June 30, 2022, the carrying amount of deposits for the County ABC Board was \$446,607 and the bank balance was \$450,890. Of the bank balance \$250,000 was covered by federal depository insurance, and \$200,890 was covered by collateral held under the Pooling Method.

Investments

At June 30, 2022, the County had \$16,441,899 invested with the North Carolina Capital Management Trust's Cash Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The County has no policy regarding credit risk.

Investment Type	Valuation	Fair Value	Less than 6 months	6-12 months	1-3 Years
	Measurement Method				
NC Capital Management Trust-Governmental Portfolio	Fair Value - Level 1	\$ 16,441,899	\$ 16,441,899	\$ -	\$ -
Total:	-	16,441,899	16,441,899	-	-

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Property Tax - Use-Value Assessment on Certain Lands

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

Year Levied	Tax	Interest	Total
2018	\$ 2,489,626	\$ 815,353	\$ 3,304,979
2019	2,443,811	580,405	3,024,216
2020	2,435,993	359,309	2,795,302
2021	2,422,555	139,297	2,561,852
Total	<u>\$ 9,791,985</u>	<u>\$ 1,894,364</u>	<u>\$ 11,686,349</u>

Receivables

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

	Accounts	Taxes	Due From Other Governments	Total
Governmental Activities:				
General	\$ 1,101,291	\$ 2,996,647	\$ 1,270,358	\$ 5,368,296
Ambulance	2,497,286	-	-	2,497,286
Fire district	-	72,350	-	72,350
Total Receivables	<u>3,598,577</u>	<u>3,068,997</u>	<u>1,270,358</u>	<u>7,937,932</u>
Allowance for doubtful accounts	<u>(1,897,579)</u>	<u>(1,409,824)</u>	<u>-</u>	<u>(3,307,403)</u>
Total governmental activities	<u>\$ 1,700,998</u>	<u>\$ 1,659,173</u>	<u>\$ 1,270,358</u>	<u>\$ 4,630,529</u>
Business-type Activities:				
Solid Waste	\$ 11,991	\$ -	\$ -	\$ 11,991
Garysburg Water and Sewer	102,465	-	-	102,465
Water and sewer	1,242,106	-	-	1,242,106
Total Receivables	<u>1,356,562</u>	<u>-</u>	<u>-</u>	<u>1,356,562</u>
Allowance for doubtful accounts	<u>(628,707)</u>	<u>-</u>	<u>-</u>	<u>(628,707)</u>
Total business-type activities	<u>\$ 727,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 727,855</u>

Due from other governments consisted of the following:

Governmental Activities:	
Local option sales tax	\$ 1,003,088
Sales tax refund	267,270
Total	<u>\$ 1,270,358</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Capital Assets

A summary of changes in the County's governmental capital assets follows:

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2022</u>
Non- Depreciable Assets:				
Land	\$ 2,285,800	\$ 619,878	\$ -	\$ 2,905,678
Construction in Process	788,474	811,707	-	1,600,181
Total Capital Assets Not Being Depreciated	<u>3,074,274</u>	<u>1,431,585</u>	<u>-</u>	<u>4,505,859</u>
Depreciable Assets:				
Buildings and Improvements	20,832,201	-	-	20,832,201
Equipment	2,492,706	44,590	-	2,537,296
Vehicles and Motor Equipment	4,878,628	198,642	-	5,077,270
Total Capital Assets	<u>31,277,809</u>	<u>1,674,817</u>	<u>-</u>	<u>32,952,626</u>
Less accumulated depreciation:				
Buildings and Improvements	6,977,699	424,470	-	7,402,169
Equipment	2,222,505	63,618	-	2,286,123
Vehicles and motor equipment	3,815,548	311,013	-	4,126,561
Total Accumulated Depreciation	<u>13,015,752</u>	<u>799,101</u>	<u>-</u>	<u>13,814,853</u>
Total Capital Assets being Depreciated, net	<u>15,187,783</u>	<u>875,716</u>	<u>-</u>	<u>14,631,914</u>
Capital Assets being amortized:				
Leased Building	-	122,741	-	122,741
Leased Equipment	-	259,438	-	259,438
Total Capital Assets being Amortized	<u>-</u>	<u>382,179</u>	<u>-</u>	<u>382,179</u>
Less Amortization:				
Buildings	-	6,819	-	6,819
Equipment	-	74,654	-	74,654
Total Amortization	<u>-</u>	<u>81,473</u>	<u>-</u>	<u>81,473</u>
Total Capital Assets being Amortized, net	<u>-</u>	<u>300,706</u>	<u>-</u>	<u>300,706</u>
Capital Assets, net	<u>\$ 18,262,057</u>	<u>\$ 2,608,007</u>	<u>\$ -</u>	<u>\$ 19,438,479</u>

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

Government Activities :

General Government	\$ 179,448
Public Safety	374,665
Economic and physical development	4,351
Human Services	197,884
Cultural and Recreational	124,227
Total	<u>\$ 880,575</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Summary of Proprietary Capital Assets

Capital assets for the proprietary funds of the County at June 30, 2022 are as follows:

	July 1, 2021	Additions	Retirements	June 30, 2022
Water and Sewer Fund				
Non- Depreciable Assets:				
Construction in progress	\$ 555,009	\$ 53,919	\$ -	\$ 608,928
Depreciable Assets:				
Plant and distribution systems	31,330,960	-	-	31,330,960
Furniture and equipment	366,613	33,625	-	400,238
Vehicles	370,561	-	-	370,561
Total Capital Assets	32,623,143	87,544	-	32,710,687
Less accumulated depreciation:				
Plant and distribution systems	11,733,662	627,317	-	12,360,979
Furniture and equipment	322,321	14,343	-	336,664
Vehicles	350,763	15,187	-	365,950
Total Accumulated Depreciation	12,406,746	\$ 656,847	\$ -	13,063,593
Total Capital Assets being depreciated, net	19,661,388			19,038,166
Capital Assets being amortized:				
Leased Equipment	-	9,718	-	9,718
Total Capital Assets being Amortized	-	9,718	-	9,718
Less Amortization:				
Equipment	-	1,944	-	1,944
Total Amortization	-	1,944	-	1,944
Total Capital Assets being Amortized, net	-	7,774	-	7,774
Water and Sewer Capital Assets, Net	\$ 20,216,397			\$ 19,654,868
Garysburg Water and Sewer District Fund				
Non- Depreciable Assets:				
Construction in progress	\$ -	\$ -	\$ -	\$ -
Depreciable Assets:				
Plant and distribution systems	799,324	-	-	799,324
Furniture and equipment	-	-	-	-
Vehicles	-	-	-	-
Total Capital Assets	799,324	-	-	799,324
Less accumulated depreciation:				
Plant and distribution systems	358,954	15,986	-	374,940
Furniture and equipment	-	-	-	-
Vehicles	-	-	-	-
Total Accumulated Depreciation	358,954	\$ 15,986	\$ -	374,940
Garysburg Water and Sewer District Capital Assets,	\$ 440,370			\$ 424,384

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

	July 1, 2021	Additions	Retirements	June 30, 2022
Solid Waste Fund:				
Depreciable Assets:				
Plant and distribution systems	\$ 2,250	\$ -	\$ -	\$ 2,250
Furniture and equipment	183,605	-	-	183,605
Vehicles	153,924	-	-	153,924
Total Capital Assets	339,779	-	-	339,779
Less accumulated depreciation:				
Plant and distribution systems	2,250	-	-	2,250
Furniture and equipment	183,605	-	-	183,605
Vehicles	153,924	-	-	153,924
Total Accumulated Depreciation	339,779	\$ -	\$ -	339,779
Solid Waste Capital Assets, Net	\$ -			\$ -
Business-Type Activities Capital Assets, net	\$ 20,656,767			\$ 20,079,252

B. Liabilities

Payables

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

Type of Payable	Governmental Activities	Business-Type Activities	Total
Vendors	\$ 1,165,385	\$ 208,034	\$ 1,373,419
Other	-	-	-
Total	\$ 1,165,385	\$ 208,034	\$ 1,373,419

Pension Plan Obligations

Local Governmental Employees' Retirement System

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

Northampton County, North Carolina
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For the Year Ended June 30, 2022

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. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2022, was 12.04% of compensation for law enforcement officers and 11.42% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$1,404,578 for the year ended June 30, 2022.

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

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

At June 30, 2022, the County reported a liability of \$2,334,747 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the County's proportion was 0.1522% (measured as of June 30, 2021), which was a decrease of 0.0075% from its proportion measured as of June 30, 2021 (measured as of June 30, 2010).

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

For the year ended June 30, 2022, the County recognized pension expense of \$920,918. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 742,767	\$ -
Changes of assumptions	1,466,817	-
Net difference between projected and actual earnings on pension plan investments	-	3,335,651
Changes in proportion and differences between County Contributions and proportionate share of contributions	7,368	197,369
County contributions subsequent to the measurement date	1,404,587	-
Total	\$ 3,621,539	\$ 3,533,020

\$1,404,587 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 127,142
2023	(141,647)
2024	(280,833)
2025	(1,020,730)
2026	-
Thereafter	-
Total	\$ (1,316,068)

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

Inflation	2.5 Percent
Salary Increases	3.25 to 8.25 Percent, which includes a 3.25 percent inflation and productivity factor
Investment Rate	6.5 percent, net of pension plan investment expense, including inflation

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

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

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

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

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

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

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

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

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	\$ 9,063,292	\$ 2,334,747	\$ (3,202,455)

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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.

Law Enforcement Officers' Special Separation Allowance

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

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

Retirees receiving benefits	2
Terminated plan members entitled to, but not yet receiving benefits	-
Active plan members	38
Total	40

A separate report was not issued for the Plan.

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.

Method Used to Value Investments - No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Actuarial Assumptions

Inflation	2.50 Percent
Salary Increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	2.25 percent

The discount rate is based on the yield of 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.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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 benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The County paid \$13,764 as benefits came due for the reporting period.

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

At June 30, 2022 the County reported a total pension liability of \$927,367. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was rolled forward to December 31, 2021 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the County recognized pension expense of \$129,410.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 157,136	\$ 14,935
Changes of assumptions	150,609	32,107
Benefit payments and administrative expenses subsequent to the	7,816	-
Total	\$ 315,561	\$ 47,042

The County paid \$7,816 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, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 48,542
2023	59,078
2024	58,515
2025	56,400
2026	25,562
Thereafter	12,606
Total	\$ 260,703

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

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
County's proportionate share of the net pension liability (asset)	\$ 1,019,902	\$ 927,367	\$ 843,771

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

Beginning balance	\$	713,172
Service Cost		73,556
Interest on the total pension liability		13,631
Changes of benefit terms		-
Differences between expected and actual experience in the measurement of the total		169,383
Changes in assumptions or other inputs		(28,611)
Benefit payments		(13,764)
Other changes		-
Ending balance of the total pension liability		<u><u>\$ 927,367</u></u>

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

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

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

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

Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2022 were \$90,038 which consisted of \$67,738 from the County and \$22,300 from the law enforcement officers.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation plan is not available to employees until termination, retirement, death or unforeseeable emergency.

Northampton County, North Carolina
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For the Year Ended June 30, 2022

The County complies with the laws which govern the County's Deferred Compensation Plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts which had been deferred by the plan participants were required to be reported as assets by the County. In accordance with GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans", the County's Deferred Compensation Plan is no longer reported within the County's agency funds.

Registers of Deeds' Supplemental Pension Fund

Plan Description. Northampton County 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.

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 \$1,417 for the year ended June 30, 2022.

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

At June 30, 2022, the County reported an asset of \$20,946 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on 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, 2021, the County's proportion was 0.109%, which was a decrease of 0.0189% from its proportion measured as of June 30, 2020.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

For the year ended June 30, 2022, the County recognized pension expense of \$3,502. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 223	\$ 254
Changes of assumptions	1,527	-
Net difference between projected and actual earnings on pension plan investments	-	64
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,383	-
County contributions subsequent to the measurement date	1,417	-
Total	\$ 6,550	\$ 318

\$1,417 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2023	\$ 2,683
2024	1,693
2025	(49)
2026	488
2027	-
Thereafter	-
Total	\$ 4,815

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

Inflation	2.5 Percent
Salary Increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment Rate of Return	3.00 percent, 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, 2020 valuation were based on the results of an actuarial experience review for LGERS for the period January 1, 2015 through December 31, 2019.

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

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 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 (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	\$ (16,638)	\$ (20,946)	\$ (24,567)

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

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

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

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 2,334,747	\$ (20,946)	\$ -	\$ 2,313,801
Proportion of the Net Pension Liability (Asset)	0.1522%	0.1090%	n/a	
Total Pension Liability	-	-	927,367	927,367
Pension Expense	920,918	3,502	129,410	1,053,830

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

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 742,767	\$ 223	\$ 157,136	\$ 900,126
Changes of assumptions	1,466,817	-	150,609	1,617,426
Net difference between projected and actual earnings on pension plan investments	-	3,383	-	3,383
Changes in proportion and differences between County contributions and proportionate share of contributions	7,368	1,527	-	8,895
County contributions (LGERS,ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date.	1,404,587	1,417	7,816	1,413,820
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 254	\$ 14,935	\$ 15,189
Changes of assumptions	-	-	32,107	32,107
Changes in proportion and differences between County contributions and proportionate share of contributions	197,369	64	-	197,433

Northampton County, North Carolina
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For the Year Ended June 30, 2022

Other Postemployment Benefits

Healthcare Benefits

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB plan). The HCB plan provides post-employment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employee's Retirement System (System) and have thirty or more years of service, with a minimum of twenty years of service with the County, or early retirement at age sixty with twenty years of service with the County. The County will pay the total cost of continued health insurance for the retiring employee up to the time the employee becomes eligible for Medicare, at which time the County will pay the premiums on or after July 1, 2013 and forward, the County will pay 50% of the total cost of continued individual health insurance up to a maximum of \$350.00 monthly for the retiring employee until such time as the employee become eligible for Medicare. The County will not pay for a Medicare supplemental policy. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the HCB plan.

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

Retirees receiving benefits	62
Terminated plan members entitled to but not yet receiving benefits	-
Active members, general employees	247
Active members, law enforcement officers	34
Total	<u>343</u>

Total OPEB Liability

The County's total OPEB liability of \$22,713,740 was measured as of June 30, 2021 and was determined by an actuarial valuation of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.0 percent
Salary increases	3.5-7.80 percent, average, including inflation
Discount Rate	2.16 percent
Healthcare cost trend rates	Pre-Medicare - 7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030 Medicare - 5.25% for 2020 decreasing to an ultimate rate of 4.50% by 2024

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year High Grade Rate Index as of the measurement date.

Changes in the Total OPEB Liability

Balance at July 1, 2021	\$ 20,963,792
Changes for the year	
Service cost	503,694
Interest	469,022
Changes of benefit terms	-
Differences between expected and actual experience	100,768
Changes in assumptions or other inputs	1,168,731
Benefit payments	<u>(492,267)</u>
Net Changes	<u>1,749,948</u>
Balance at June 30, 2021	<u>\$ 22,713,740</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the December 31, 2019 Actuarial Valuation of the North Carolina Local Government Employees' Retirement System.

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

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	\$ 27,483,837	\$ 22,713,740	\$ 1,903,928

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

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 18,686,662	\$ 22,713,740	\$ 28,009,215

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

For the year ended June 30, 2022, the County recognized OPEB expense of \$840,539. At June 30, 2022 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 123,815	\$ 2,857,515
Net difference between projected and actual earnings on pension	-	-
Changes in proportion and differences between employer	-	-
Changes of assumptions	4,471,793	1,193,745
Benefit payments and administrative costs made subsequent to the measurement date	511,679	-
Total	\$ 5,107,287	\$ 4,051,260

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

\$511,679 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2023	\$	(132,495)
2024		(132,495)
2025		(18,066)
2026		451,819
2027		267,212
Thereafter		108,373

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 not exceed \$50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the number of participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are established for employees not engaged in laws enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

Deferred Outflows and Inflows of Resources

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

<u>Source</u>	<u>Statement of Net Position</u>
Contributions to pension plans in current fiscal year	\$ 1,406,004
LEOSSA	7,816
OPEB contributions	511,679
Pension deferrals	2,529,830
OPEB deferrals	4,595,608
Total	<u>\$ 9,050,937</u>

Deferred inflows of resources at year-end are comprised of following:

<u>Source</u>	<u>Statement of Net Position</u>	<u>Governmental Funds Balance Sheet</u>
Pension deferrals	\$ 3,533,338	
LEOSSA	47,042	
OPEB deferrals	4,051,259	
Taxes receivables, net	-	1,429,532
Prepaid Taxes	102,328	102,328
Ambulance fees receivables, net	-	599,707
Total	<u>\$ 7,733,967</u>	<u>\$ 2,131,567</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in three self-funded risk financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property insurance coverage equal to replacement cost values of owned property subject to a limit of \$250 million per occurrence; general, auto, professional, and employment practices liability coverage of \$2 million per occurrence; auto physical damage coverage for owned autos at actual cash value; crime coverage of \$250,000 per occurrence; and workers' compensation coverage up to statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. The pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 retention up to a \$2 million limit for liability coverage, and \$1,750,000 of each losses in excess of \$250,000 per occurrence retention for property, auto physical damage. For workers compensation there is a per occurrence retention of \$750,000.

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

The County does not carry flood insurance through the NFIP.

In accordance with G.S. 159-29, the County's employees that access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Tax Collector is bonded for \$100,000 individually. The Sheriff and Register of Deeds are each individually bonded for \$25,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

Claims and Judgment

At June 30, 2022, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

Long-Term Obligations

Leases

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosure below.

On 09/30/2021, Northampton County, NC entered into a 60 month lease as Lessee for the use of a postage machine - water and sewer. An initial lease liability was recorded in the amount of \$9,718. As of 06/30/2022, the value of the lease liability is \$8,284. Northampton County, NC is required to make quarterly fixed payments of \$691. The lease has an interest rate of 14.5%. The value of the right to use asset as of 06/30/2022 of \$9,718, with accumulated amortization of \$1,944 is included with Equipment on the Lease Class activities table found below.

On 01/01/2022, Northampton County, NC entered into a 48 month lease as Lessee for the use of Macintosh computers. An initial lease liability was recorded in the amount of \$10,481. As of 06/30/2022, the value of the lease liability is \$7,666. Northampton County, NC is required to make annual fixed payments of \$2,815. The lease has an interest rate of 5.0%. The value of the right to use asset as of 06/30/2022 of \$10,481, with accumulated amortization of \$2,620 is included with Equipment on the Lease Class activities table found below.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

On 07/01/2021, Northampton County, NC entered into a 19 year lease as Lessee for the use of a building. An initial lease liability was recorded in the amount of \$122,741. As of 06/30/2022, the value of the lease liability is \$112,741. Northampton County, NC is required to make annual fixed payments of \$10,000. The lease has an interest rate of 5.0%. The value of the right to use asset as of 06/30/2022 of \$122,741, with accumulated amortization of \$6,819 is included with Buildings on the Lease Class activities table found below.

On 07/01/2021, Northampton County, NC entered into a 20 month lease as Lessee for the use of copy machines. An initial lease liability was recorded in the amount of \$30,359. As of 06/30/2022, the value of the lease liability is \$12,447. Northampton County, NC is required to make monthly fixed payments of \$1,585. The lease has an interest rate of 5.0%. The value of the right to use asset as of 06/30/2022 of \$30,359, with accumulated amortization of \$17,348 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Northampton County, NC entered into a 59 month lease as Lessee for the use of a phone system. An initial lease liability was recorded in the amount of \$113,088. As of 06/30/2022, the value of the lease liability is \$92,278. Northampton County, NC is required to make monthly fixed payments of \$2,166. The lease has an interest rate of 5.0%. The value of the right to use asset as of 06/30/2022 of \$113,088, with accumulated amortization of \$23,001 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Northampton County, NC entered into a 36 month lease as Lessee for the use of a computer system. An initial lease liability was recorded in the amount of \$79,373. As of 06/30/2022, the value of the lease liability is \$53,999. Northampton County, NC is required to make monthly fixed payments of \$2,369. The lease has an interest rate of 5.0%. The value of the right to use asset as of 06/30/2022 of \$79,373, with accumulated amortization of \$26,458 is included with Equipment on the Lease Class activities table found below.

On 09/22/2021, Northampton County, NC entered into a 60 month lease as Lessee for the use of a postage machine - Health Department. An initial lease liability was recorded in the amount of \$13,403. As of 06/30/2022, the value of the lease liability is \$11,027. Northampton County, NC is required to make quarterly fixed payments of \$920. The lease has an interest rate of 14.5%. The value of the right to use asset as of 06/30/2022 of \$13,403, with accumulated amortization of \$2,681 is included with Equipment on the Lease Class activities table found below.

On 08/18/2021, Northampton County, NC entered into a 60 month lease as Lessee for the use of a postage machine - DSS Department. An initial lease liability was recorded in the amount of \$12,735. As of 06/30/2022, the value of the lease liability is \$10,477. Northampton County, NC is required to make quarterly fixed payments of \$874. The lease has an interest rate of 14.5%. The value of the right to use asset as of 06/30/2022 of \$12,735, with accumulated amortization of \$2,547 is included with Equipment on the Lease Class activities table found below.

<u>Asset Class</u>	<u>Lease Asset Value</u>	<u>Accumulated Amortization</u>
Equipment	\$ 269,156	\$ 8,763
Building	122,741	6,819
	<u>\$ 391,897</u>	<u>\$ 15,582</u>

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

<u>Year Ending</u> <u>June 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 71,732	\$ 9,721	\$ 1,653	\$ 1,111
2024	62,745	6,244	1,905	859
2025	37,361	3,430	2,196	568
2026	34,861	6,139	2,530	233
2027	5,303	4,697	-	-
2028-2032	30,769	19,231	-	-
2033-2037	39,270	10,730	-	-
2038-2042	18,594	1,406	-	-
	<u>\$ 300,635</u>	<u>\$ 61,598</u>	<u>\$ 8,284</u>	<u>\$ 2,771</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Installment Notes Payable

Governmental Activities

Governmental Funds:

<p>\$ 1,475,430 USDA Rural Development direct borrowing loan issued March 2002; due in equal annual installments of \$94,573, including interest at 4.75%; final payment due March 2032; secured by equipment. In the event of default the lender may declare all or any part of any such indebtedness immediately due and payable.</p>	\$ 733,404
<p>\$130,570 USDA Rural Development direct borrowing loan issued January 2003; due in equal annual installments of \$8,135, including interest at 4.625%; final payment due January 2033; secured equipment. In the event of default the lender may declare all or any part of any such indebtedness immediately due and payable.</p>	65,702
<p>\$1,800,000 USDA Rural Development direct borrowing loan issued May 2008; due in equal annual installments of \$92,646, including interest at 4.125%; final payment due May 2048, secured by facility. In the event of default the lender may declare all or any part of any such indebtedness immediately due and payable.</p>	1,460,602
<p>\$6,966,000 USDA direct borrowing loan issued April 2014; due in thirty (30) annual installments of \$402,914; including interest of 4.00%; final payment due April 2044; secured by facility. In the event of default the lender may a) declare the entire balance immediately due and payable, b) proceed by appropriate court action to enforce performance by the County on any or all covenants, c) exercise all the rights and remedies of a secured party or creditor with respect to the security interest granted and d) terminate the contract.</p>	5,820,911
<p>\$255,000 direct borrowing note issued February 15, 2021; due in quarterly payments of \$10,000 with no interest. Final payment is due in December 2027; secured by land. If purchaser defaults in the performance of any of its obligations under the agreement, Seller shall be entitled either to (a) terminate this Agreement and the parties shall thereafter be relieved from any further obligation or liability hereunder except as otherwise expressly provided in this Agreement, (b) seek specific performance of this Agreement or (c) any other remedies available at law or in equity.</p>	215,000
<p>\$58,831 direct borrowing note issued August 19, 2019; due in annual payments of \$11,766 with no interest. Final payment is due in September 2023; secured by property. If purchaser defaults in the performance of any of its obligations under the agreement, Seller shall be entitled to (a) declare the entire unpaid balance immediately due and payable, (b) sue you for and receive the total amount due with future payment discounted to the date of default at a rate of 3% per annum, (c) charge you interest on all monies due at the rate of 18% per year or the highest rate permitted by applicable law from the date of default until paid, and/or (d) require you to immediately return the equipment to us or we may peacefully repossess it.</p>	23,532
Total Governmental funds	<u>\$ 8,319,151</u>
Total all funds	<u><u>\$ 8,319,151</u></u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Annual debt service payments to maturity for the County's notes payable are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 318,768	\$ 331,446	\$ -	\$ -
2024	329,967	320,248	-	-
2025	329,871	308,577	-	-
2026	342,034	296,414	-	-
2027	369,710	283,738	-	-
2028-2032	1,775,936	1,209,010	-	-
2033-2037	1,631,662	851,032	-	-
2038-2042	1,981,578	496,222	-	-
2043-2047	1,151,134	114,024	-	-
2048-2052	88,493	3,650	-	-
Total	<u>\$ 8,319,153</u>	<u>\$ 4,214,361</u>	<u>\$ -</u>	<u>\$ -</u>

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. The County has \$1,874,000 of debt outstanding for the acquisition and construction of public school and community college facilities.

Northampton County issues general obligation bonds to provide funds for the acquisition and construction of major water sewer system capital improvements. These bonds, which are recorded in the Water and Sewer Fund, are also collateralized by the full faith credit and taxing power of the County. Principal and interest requirements are appropriated when due.

The County's general obligation bonds payable at June 30, 2022 are comprised of the following individual issues:

General Obligation Bonds:

Serviced by the General Fund:

\$9,363,000 Refunding Series 2013 Bonds issued August 2013; due in annual installments of \$260,000 to \$1,105,000 through June 1, 2028, interest at 2.75%; with \$4,527,000 serviced by the governmental funds and \$4,836,000 serviced by the Water Sewer Fund. This was paid off with the refunding bond.	\$ -
\$11,890,000 Refunding Series 2021 Bonds issued November 2021; due in annual installments of \$356,000 through \$1,228,000, interest at 1.832%; with \$2,491,000 serviced by governmental funds, \$9,399,000 serviced by the Water and Sewer Fund.	1,874,000
Total serviced by the General Fund	<u>\$ 1,874,000</u>

General Obligation Bonds:

Serviced by the Garysburg Water and Sewer

\$492,000 2000 Sanitary Sewer Bond issued March 2000; due in annual installments of \$5,500 to \$22,000 through June 1, 2039; interest at 5.00%. This was paid off with the refunding bond.	\$ -
\$346,000 Refunding Series 2021 Bonds issued October 2021; due in annual installments of \$16,000 through \$21,000, interest at 2.3%.	325,000
Total serviced by Garysburg Water and Sewer Fund	<u>\$ 325,000</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Serviced by the Water and Sewer Fund:

\$2,870,000 2003 Water Bond issued September 2003; due in annual installments of \$32,000 to \$107,000 through June 1, 2043; interest at 4.25%. This was paid off with the refunding bond.	\$ -
\$4,835,000 Refunding Series 2005 Water Bonds issued May 2005; due in annual installments of \$105,000 to \$290,000 through June 1, 2030; interest at 3.50% to 4.00%. This was paid off with the	-
\$9,363,000 Refunding Series 2013 Bonds issued August 2013; due in annual installments of \$260,000 or \$1,105,000 through June 1, 2028, interest at 2.75%; with \$4,527,000 serviced by governmental funds and \$4,836,000 serviced by the Water and Sewer Fund. This was paid off with the refunding	-
\$4,876,000 2014 Water Bonds issued February 2014; due in annual installments of \$55,000 or \$142,000 through June 1, 2053; interest at 4.375%. This was paid off with the refunding bond.	-
\$11,890,000 Refunding Series 2021 Bonds issued November 2021; due in annual installments of \$356,000 through \$1,228,000, interest at 1.832%; with \$2,491,000 serviced by governmental funds, \$9,399,000 serviced by the Water and Sewer Fund.	<u>8,728,000</u>
Total serviced by Water and Sewer Fund	<u>\$ 8,728,000</u>
Total serviced by the Proprietary Funds	<u><u>\$ 9,053,000</u></u>

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

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 582,000	\$ 29,001	\$ 609,000	\$ 161,940
2024	569,000	18,457	619,000	150,617
2025	552,000	8,189	640,000	139,019
2026	171,000	1,566	605,000	127,544
2027	-	-	610,000	116,330
2028-2032	-	-	2,681,000	416,308
2033-2037	-	-	2,021,000	213,064
2038-2042	-	-	1,268,000	35,239
Total	<u>\$ 1,874,000</u>	<u>\$ 57,213</u>	<u>\$ 9,053,000</u>	<u>\$ 1,360,061</u>

Advance Refundings

On November 4, 2021 the County issued \$11,890,000 of general obligation refunding bonds to provide funding to refinance \$11,580,000 of general obligation refunding bonds and revenue bonds. As a result, the refunded amounts are considered to be defeased and the liability has been removed from the governmental activities and business-type activities columns of the statement of net position. The reacquisition price exceeded the carrying amount of the old debt by \$310,000. This excess amount was to cover interest paid to close out the defeased debt and to cover cost of issuance. This advance refunding was undertaken to reduce total debt service payments over the next 10 years by \$3,879,020 and resulted in an economic gain of \$2,431,129.

On November 4, 2021 the County issued \$346,000 of general obligation refunding bonds to provide funding to refinance \$331,500 of revenue bonds. As a result, the refunded amounts are considered to be defeased and the liability has been removed from the business-type activities columns of the statement of net position. The reacquisition price exceeded the carrying amount of the old debt by \$14,500. This excess amount was to cover interest paid to close out the defeased debt and to cover cost of issuance. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$85,755 and resulted in an economic gain of \$69,985

At June 30, 2022, the County had a legal debt margin of approximately \$171,311,710.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Changes in General Long-Term Debt

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

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Current Portion
Governmental Activities:					
General Obligation Bonds	\$ 2,437,000	\$ 2,491,000	\$ 3,054,000	\$ 1,874,000	\$ 582,000
Direct Borrowing Installment Note	8,677,175	-	358,023	8,319,152	318,768
Lease liability	-	382,179	81,544	300,635	71,732
Compensated Absences	956,112	58,440	-	1,014,552	-
Total Pension Liability (LEOSSA)	713,172	214,195	-	927,367	-
Net pension liability (LGERS)	5,479,520	-	3,238,163	2,241,357	-
Total OPEB liability	19,935,302	1,664,095	-	21,599,397	-
Total governmental activities	<u>\$ 38,198,281</u>	<u>\$ 4,427,730</u>	<u>\$ 6,650,186</u>	<u>\$ 36,276,460</u>	<u>\$ 900,768</u>
Business-type Activities:					
Water and Sewer Activity:					
General Obligation Bonds	\$ 9,143,000	\$ 9,399,000	\$ 9,814,000	\$ 8,728,000	\$ 593,000
Lease liability	-	9,718	1,434	8,284	1,653
Net pension liability (LGERS)	136,988	-	80,954	56,034	-
Compensated Absences	27,594	3,122	-	30,716	-
Total OPEB liability	732,019	61,106	-	793,125	-
Total Water and Sewer Activity	<u>10,039,601</u>	<u>64,228</u>	<u>9,894,954</u>	<u>9,616,159</u>	<u>593,000</u>
Garysburg Water and Sewer Activity:					
General Obligation Bonds	331,500	346,000	352,500	325,000	16,000
Net pension liability (LGERS)	34,247	-	20,239	14,008	-
Compensated Absences	4,053	459	-	4,512	-
Total OPEB liability	128,273	10,708	-	138,981	-
Total Garysburg Water and Sewer Activity	<u>498,073</u>	<u>11,167</u>	<u>372,739</u>	<u>482,501</u>	<u>16,000</u>
Solid Waste Activity:					
Net pension liability (LGERS)	57,078	-	33,731	23,347	-
Compensated Absences	5,805	648	-	6,453	-
Total OPEB liability	168,197	14,040	-	182,237	-
Total Solid Waste Activity	<u>231,080</u>	<u>14,688</u>	<u>33,731</u>	<u>212,037</u>	<u>-</u>
Total Business-type activities	<u>\$ 10,768,754</u>	<u>\$ 90,083</u>	<u>\$ 10,301,424</u>	<u>\$ 10,310,697</u>	<u>\$ 609,000</u>

Net Pension obligation typically has been liquidated in the General Fund. Compensated absences and post-employment benefits have been liquidated in the General Fund and enterprise funds. Compensated absences are accounted for on an FIFO basis, assuming that employees are taking leave time as it is earned.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Net Investments in Capital Assets

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

	Governmental Activities	Business-Type Activities
Capital Assets	\$ 19,438,479	\$ 20,079,252
Long-term obligations	36,276,460	10,310,697
Compensated Absences	(1,014,552)	(41,681)
Net pension obligation	(927,367)	-
Net pension liability	(2,241,357)	(93,389)
Total OPEB liability	(21,599,397)	(1,114,343)
Long-term debt for assets not owned by the County	(1,874,000)	-
Long-term debt, net, related to capital assets	8,619,787	9,061,284
Net investments in capital assets	<u>\$ 10,818,692</u>	<u>\$ 11,017,968</u>

Interfund Balance and Activities

Transfers

From the ARPA fund to the General Fund to cover payroll	\$ 588,752
From the ARPA fund to the Emergency Telephone System Fund to	113,567
From the ARPA Fund to the Water and Sewer Fund to cover	154,150
From the ARPA Fund to the Garysburg Water and Sewer Fund to	97,100
From the General Fund to the Debt Service Fund to cover debt service payments.	\$ 1,062,947
Total Transfers	<u>\$ 2,016,516</u>

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

Due from/to other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Emergency Telephone System Fund	\$ -	To cover
General Fund	Fire District Fund	\$ 8,975	To cover temporary bank overdrafts
General Fund	Rescue Squad Fund	11,822	To cover temporary bank overdrafts
General Fund	Severn Peanut Capital Project Fund	23,955	To cover temporary bank overdrafts
Capital Reserve Fund	General Fund	-	To finance future capital outlay
General Fund	Courthouse/Admin/DSS Renovations	1,120	To cover temporary bank overdrafts
General Fund	Debt Service Fund	333,691	To cover temporary bank overdrafts
General Fund	ARPA Fund	588,752	Revenue replacement using ARPA funds
Emergency Telephone System Fund	ARPA Fund	113,567	Revenue replacement using ARPA funds
Water and Sewer Fund	ARPA Fund	154,150	Revenue replacement using
Garysburg Water and Sewer Fund	ARPA Fund	97,100	Revenue replacement using ARPA funds
Total		<u>\$ 1,065,415</u>	

4. Related Organizations

The County's governing board is responsible for appointing the members of the Board of Choanoke Area Development Association, Choanoke Public Transportation Authority, Roanoke River Basin Association, and the Lake Gaston Weed Control Council, but the County's accountability for these organizations does not extend beyond making these appointments.

5. Joint Ventures

The County participates in a joint venture to operate East Carolina Behavioral Health, which serves as an area mental health authority. The County appoints two of the eighteen members to the Board of the Organization. The County has an ongoing financial responsibility for the joint venture because the Organization's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Organization, so no equity interest has been reflected in the financial statements at June 30, 2022. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$84,082 to the Organization to supplement its activities. Complete financial statements for the Organization can be obtained from the Organization's office at 144 Community College Road, Ahoskie, North Carolina 27910.

The County also participates in a joint venture to operate the Albemarle Regional Library (the "Library"), which serves a four-county district. The County appoints three members to the ten-member district Library Board. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2022. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$169,466 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the Library's office on 303 West Tryon Street, Winton, North Carolina 27986.

Northampton County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2022

The County, in conjunction with the Counties of Bertie, Hertford, and Halifax, participates in a joint venture to operate the Choanoke Public Transportation Authority (the "Transportation Authority"). The County appoints three members to the Transportation Authority Board. The Transportation Authority is a joint venture established to aid citizens of the County that do not have other means of transportation. The County has an ongoing financial responsibility for the Transportation Authority because it and the other three governmental entities are legally obligated under the intergovernmental agreement that created the Transportation Authority to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The County made \$30,950 in contributions to the Transportation Authority during the fiscal year ended June 30, 2022. Complete financial statements of the Transportation Authority can be obtained from the Transportation Authority's administrative offices at Choanoke Public Transportation Authority, 106 North Main Street, Rich Square, North Carolina 27869.

The County also participates in the Tri-County Airport Authority (the "Airport Authority") with two other local governments (Hertford County and Bertie County). The County appoints three members to the nine-member Board of the Airport Authority. The Airport Authority is a joint venture established to develop, maintain, operate, regulate, and improve the Airport Authority. The County has an ongoing financial responsibility for the joint venture because the Airport Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Airport Authority, so no equity interest has been reflected in the financial statements at June 30, 2022. The County appropriated \$22,000 to the Airport Authority to supplement its activities. Complete financial statements for the Tri- County Airport Authority can be obtained from the offices at 140 Tri-County Airport Road, Aulander, North Carolina 27805.

The County also participates in the Halifax-Northampton Regional Airport Authority (the "Regional Airport Authority") with two other local governments (Hertford County and Bertie County). Northampton County appoints two members to the nine-member Board of Regional Airport Authority. The Regional Airport Authority is a joint venture established to develop, maintain, operate, regulate, and improve the Regional Airport. The County has an ongoing financial responsibility for the joint venture because the Regional Airport Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Regional Airport Authority, so no equity interest has been reflected in the financial statements at June 30, 2022. The County appropriated \$25,000 to the Regional Airport Authority to supplement its activities.

6. Joint Governed Organization

The County, in conjunction with five other counties, established the Regional L Council of Governments (the "Council"). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$9,393 to the Council during the fiscal year ended June 30, 2022.

7. Summary Disclosure of Significant Commitments and Contingencies

Federal State-Assisted Program

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

The County has a Revolving Loan Fund, which is sourced through the Economic Development Grant funding sources. At June 30, 2022, there was an agreement with a business who had received a loan through this program that was in default.

10. Prior Period Adjustment

A prior period adjustment was recorded in the General Fund to clean up payroll liabilities and correct sales tax receivable netting \$104,785. An adjustment to clear up payroll liabilities in the Water and Sewer fund was made in the amount of \$46,496.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

~ Schedule of County's Proportionate Share of Net Pension Liability (Asset) for (LGERS)

~ Schedule of County Contributions (LGERS)

~ Schedule of County's Proportionate Share of Net Pension Asset (ROD)

~ Schedule of County Contributions (ROD)

~ Schedule of Changes in Total Pension Liability (LEOSSA)

~ Schedule of Changes in Total Pension Liability as a Percentage of Covered Payroll (LEOSSA)

~ Schedule of Changes in the Total OPEB Liability

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Northampton County's proportionate share of the net pension (asset) liability (%)	0.15224%	0.15973%	0.17418%	0.17383%	0.18169%
Northampton County's proportionate share of the net pension (asset) liability (\$)	\$ 2,334,747	\$ 5,707,833	\$ 4,756,720	\$ 4,123,842	\$ 2,775,720
Northampton County's covered payroll	\$ 11,693,166	\$ 11,782,926	\$ 11,971,960	\$ 11,706,739	\$ 11,977,708
Northampton County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	19.97%	48.44%	39.73%	35.23%	23.17%
Plan fiduciary net position as a percentage of the total pension liability	95.51%	88.61%	90.86%	92.00%	94.18%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
Northampton County's proportionate share of the net pension (asset) liability (%)	0.18416%	0.18460%	0.19200%	0.14000%	
Northampton County's proportionate share of the net pension (asset) liability (\$)	\$ 3,908,492	\$ 828,608	\$ (1,132,903)	\$ 2,226,344	
Northampton County's covered payroll	\$ 11,455,286	\$ 11,415,786	\$ 11,288,695	\$ 10,278,792	
Northampton County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	34.12%	7.26%	-10.04%	21.66%	
Plan fiduciary net position as a percentage of the total pension liability	91.47%	98.09%	102.64%	94.35%	

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 1,404,578	\$ 1,193,677	\$ 1,073,893	\$ 946,670	\$ 896,046
Contributions in relation to the contractually required contribution	1,404,578	1,193,677	1,073,893	946,670	896,046
Contribution deficiency (excess)	<u>\$ -</u>				
County's covered payroll	\$ 12,116,040	\$ 11,693,166	\$ 11,782,926	\$ 11,971,960	\$ 11,706,739
Contributions as a percentage of covered payroll	11.59%	10.21%	9.11%	7.91%	7.65%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
Contractually required contribution	\$ 890,761	\$ 780,212	\$ 810,171	\$ 797,232	
Contributions in relation to the contractually required contribution	890,761	780,212	810,171	797,232	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered payroll	\$ 11,977,708	\$ 11,455,286	\$ 11,415,786	\$ 11,288,695	
Contributions as a percentage of covered payroll	7.44%	6.81%	7.10%	7.06%	

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Northampton County's proportionate share of the net pension (asset) liability (%)	0.10902%	0.12795%	0.13519%	0.14217%	0.15913%
Northampton County's proportionate share of the net pension (asset) liability (\$)	\$ (20,946)	\$ (29,324)	\$ (26,689)	\$ (23,548)	\$ (27,162)
Plan fiduciary net position as a percentage of the total pension liability	156.53%	173.62%	164.11%	153.31%	153.77%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
Northampton County's proportionate share of the net pension (asset) liability (%)	0.17821%	0.17045%	0.16571%	0.15807%	
Northampton County's proportionate share of the net pension (asset) liability (\$)	\$ (33,318)	\$ (39,500)	\$ (37,572)	\$ (33,764)	
Plan fiduciary net position as a percentage of the total pension liability	160.17%	197.29%	193.88%	190.50%	

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Northampton County's required contribution	\$ 1,417	\$ 1,453	\$ 1,225	\$ 5,044	\$ 5,046
Contributions in relation to contractually required	<u>1,417</u>	<u>1,453</u>	<u>1,225</u>	<u>5,044</u>	<u>5,046</u>
Contribution deficiency (excess)	<u>\$ -</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	
Northampton County's required contribution	\$ 3,923	\$ 2,787	\$ 1,364	\$ 1,353	
Contributions in relation to contractually required	<u>3,923</u>	<u>2,787</u>	<u>1,364</u>	<u>1,353</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

Northampton County, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 713,172	\$ 460,364	\$ 409,801	\$ 371,520	\$ 399,443	\$ 377,621
Service Cost	73,556	36,572	33,594	34,313	29,751	33,873
Interest on the total pension liability	13,631	14,796	14,710	11,569	15,210	13,254
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	169,383	9,618	(2,392)	22,762	(95,640)	-
Changes of assumptions or other inputs	(28,611)	204,817	16,007	(19,548)	33,571	(12,588)
Benefit payments	(13,764)	(12,995)	(11,356)	(10,815)	(10,815)	(12,717)
Other changes	-	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 927,367</u>	<u>\$ 713,172</u>	<u>\$ 460,364</u>	<u>\$ 409,801</u>	<u>\$ 371,520</u>	<u>\$ 399,443</u>

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

Northampton County, North Carolina
Schedule of Changes in Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 927,367	\$ 713,172	\$ 460,364	\$ 409,801	\$ 371,520	\$ 399,443
Covered payroll	\$ 1,888,992	\$ 1,567,779	\$ 1,542,516	\$ 1,389,796	\$ 1,276,077	\$ 1,142,943
Total pension liability as a percentage of covered payroll	49.09%	45.49%	29.85%	29.49%	29.11%	34.95%

Notes to the schedules:

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

Northampton County, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service cost	\$ 503,694	\$ 434,386	\$ 385,258	\$ 562,847	\$ 647,941
Interest	469,022	699,809	686,390	677,618	608,828
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	100,768	(3,320,027)	33,130	(1,161,216)	56,659
Changes of assumptions	1,168,731	3,859,108	1,289,091	(1,066,142)	(2,145,021)
Benefit payments	<u>(492,267)</u>	<u>(534,670)</u>	<u>(423,308)</u>	<u>(382,050)</u>	<u>(340,860)</u>
Net change in total OPEB liability	1,749,948	1,138,606	1,970,561	(1,368,943)	(1,172,453)
Total OPEB liability - beginning	20,963,792	19,825,186	17,854,625	19,223,568	20,396,021
Total OPEB liability - ending	<u>\$ 22,713,740</u>	<u>\$ 20,963,792</u>	<u>\$ 19,825,186</u>	<u>\$ 17,854,625</u>	<u>\$ 19,223,568</u>
Covered payroll	\$ 11,132,564	\$ 11,132,564	\$ 10,972,849	\$ 10,972,849	\$ 11,358,156
Total OPEB liability as a percentage of covered payroll	204.03%	188.31%	180.67%	162.72%	169.25%

Notes to Schedule

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

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

GENERAL FUND

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

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

	2022			Total
	General Fund	Revaluation Fund	Revolving Loan Fund	
Revenues:				
Ad Valorem Taxes	\$ 21,286,850	\$ -	\$ -	\$ 21,286,850
Other Taxes and licenses	3,864,794	-	-	3,864,794
Unrestricted intergovernmental	47,514	-	-	47,514
Restricted intergovernmental	7,980,851	-	-	7,980,851
Permits and fees	212,968	-	-	212,968
Sales and services	3,968,359	-	-	3,968,359
Investment earnings	27,814	84	11	27,909
Special project revenue	5,000	-	-	5,000
Miscellaneous	472,605	-	18,640	491,245
Total Revenues	<u>37,866,755</u>	<u>84</u>	<u>18,651</u>	<u>37,885,490</u>
Expenditures:				
Current:				
General Government	5,872,058	139,149	-	6,011,207
Public Safety	11,120,442	-	-	11,120,442
Transportation	52,000	-	-	52,000
Environmental protection	123,000	-	-	123,000
Economic and physical development	808,962	-	-	808,962
Human Services	11,101,291	-	-	11,101,291
Cultural and recreational	487,165	-	-	487,165
Education	4,393,668	-	-	4,393,668
Debt Service:				
Principal	182,458	-	-	182,458
Interest	17,740	-	-	17,740
Total Expenditures	<u>34,158,784</u>	<u>139,149</u>	<u>-</u>	<u>34,297,933</u>
Revenues over (under) expenditures	<u>3,707,971</u>	<u>(139,065)</u>	<u>18,651</u>	<u>3,587,557</u>
Other financing Sources (uses)				
Transfers (to) from funds	(474,195)	-	-	(474,195)
Proceeds from Lease Liabilities	382,179	-	-	382,179
Sale of Capital Assets	1,600	-	-	1,600
Total other financing sources (uses)	<u>(90,416)</u>	<u>-</u>	<u>-</u>	<u>(90,416)</u>
Net change in fund balances	3,617,555	(139,065)	18,651	3,497,141
Fund Balance				
Beginning of year- July 1	22,171,409	556,565	333,332	23,061,306
Prior Period Adjustment (see Note 10)	104,785	-	-	104,785
End of year- June 30	<u>\$ 25,893,749</u>	<u>\$ 417,500</u>	<u>\$ 351,983</u>	<u>\$ 26,663,232</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Ad valorem Taxes			
Taxes	\$ 21,112,733	\$ 20,876,996	\$ (235,737)
Penalties and interest	300,500	409,854	109,354
Total	<u>21,413,233</u>	<u>21,286,850</u>	<u>(126,383)</u>
Other Taxes and Licenses			
Privilege License	1,200	1,135	(65)
Local option sales tax	2,655,100	3,691,513	1,036,413
Excise tax	140,000	73,644	(66,356)
Hold harmless	3,800	94,093	90,293
Utility franchise tax	6,000	4,409	(1,591)
Total	<u>2,806,100</u>	<u>3,864,794</u>	<u>1,058,694</u>
Unrestricted Intergovernmental Revenues			
Beer and wine	63,000	47,514	(15,486)
Total	<u>63,000</u>	<u>47,514</u>	<u>(15,486)</u>
Restricted Intergovernmental Revenues			
Federal and state grants	8,871,396	7,877,913	(993,483)
Court facilities fees	16,500	18,568	2,068
Fines and forfeitures	45,000	31,906	(13,094)
ABC bottles taxes	4,900	52,464	47,564
Total	<u>8,937,796</u>	<u>7,980,851</u>	<u>(956,945)</u>
Permits and Fees			
Building permits	135,800	105,572	(30,228)
Register of Deeds	81,200	94,601	13,401
Other fees	40,290	12,795	(27,495)
Total	<u>257,290</u>	<u>212,968</u>	<u>(44,322)</u>
Sales and Services			
Court costs and fees	16,000	8,556	(7,444)
Jail fees	2,500	3,480	980
Ambulance and rescue squad fees	1,110,000	1,860,569	750,569
Sheriff fees	49,841	118,411	68,570
Health department fees	756,800	1,195,424	438,624
Inmate housing fees	134,300	364,131	229,831
Wellness Center fees	6,000	6,702	702
Other	326,400	411,086	84,686
Total	<u>2,401,841</u>	<u>3,968,359</u>	<u>1,566,518</u>
Interest on investments	14,000	27,814	13,814
Special Project Revenue			
Fees and Reimbursements	30,000	5,000	(25,000)
Total	<u>30,000</u>	<u>5,000</u>	<u>(25,000)</u>
Miscellaneous			
Reimbursements	74,126	58,170	(15,956)
Miscellaneous DSS	170,739	156,992	(13,747)
Other	107,079	257,443	150,364
Total	<u>351,944</u>	<u>472,605</u>	<u>120,661</u>
Total Revenues	<u>36,275,204</u>	<u>37,866,755</u>	<u>1,591,551</u>

(continued)

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Expenditures			
General Government:			
Governing Body			
Salaries and employee benefits	55,464	40,177	15,287
Other operating expenditures	55,500	52,884	2,616
Capital Outlay	-	100	(100)
Total	<u>110,964</u>	<u>93,161</u>	<u>17,803</u>
Administration			
Salaries and employee benefits	199,471	252,893	(53,422)
Other operating expenditures	17,230	248,893	(231,663)
Capital Outlay	816,257	811,707	4,550
Total	<u>1,032,958</u>	<u>1,313,493</u>	<u>(280,535)</u>
Human Resources			
Salaries and employee benefits	208,942	147,535	61,407
Other operating expenditures	35,095	9,084	26,011
Total	<u>244,037</u>	<u>156,619</u>	<u>87,418</u>
Finance			
Salaries and employee benefits	422,671	383,446	39,225
Other operating expenditures	485,078	499,922	(14,844)
Capital Outlay	-	1,760	(1,760)
Total	<u>907,749</u>	<u>885,128</u>	<u>22,621</u>
Hospitalization- Retirees			
Other operating expenditures	438,631	511,679	(73,048)
Total	<u>438,631</u>	<u>511,679</u>	<u>(73,048)</u>
Taxes			
Salaries and employee benefits	421,097	471,786	(50,689)
Other operating expenditures	169,586	332,813	(163,227)
Capital Outlay	-	3,307	(3,307)
Total	<u>590,683</u>	<u>807,906</u>	<u>(217,223)</u>
Land Records			
Salaries and employee benefits	203,895	199,736	4,159
Other operating expenditures	17,090	21,391	(4,301)
Total	<u>220,985</u>	<u>221,127</u>	<u>(142)</u>
Legal			
Other operating expenditures	145,354	153,425	(8,071)
Total	<u>145,354</u>	<u>153,425</u>	<u>(8,071)</u>
Court Facilities			
Other operating expenditures	2,700	2,600	100
Total	<u>2,700</u>	<u>2,600</u>	<u>100</u>
Elections			
Salaries and employee benefits	208,819	146,370	62,449
Other operating expenditures	97,400	68,856	900
Capital Outlay	0	900	900
Total	<u>306,219</u>	<u>216,126</u>	<u>64,249</u>
Register of Deeds			
Salaries	187,184	179,560	7,624
Other operating expenditures	52,625	94,525	(41,900)
Total	<u>239,809</u>	<u>274,085</u>	<u>(34,276)</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Public Buildings			
Salaries and employee benefits	402,986	391,991	10,995
Other operating expenditures	757,870	344,951	412,919
Capital Outlay	130,000	79,853	50,147
Total	1,290,856	816,795	474,061
Management Information Systems			
Salaries and employee benefits	62,092	58,013	4,079
Other operating expenditures	290,297	163,049	127,248
Capital Outlay	-	113,088	(113,088)
Total	352,389	334,150	18,239
Central Garage			
Salaries and employee benefits	60,115	55,703	4,412
Other Operating expenditures	38,978	23,266	15,712
Total	99,093	78,969	15,712
Central Stores			
Other operating expenditures	10,000	6,795	3,205
Total	10,000	6,795	3,205
Total General Government	5,992,427	5,872,058	90,113
Public safety:			
Sheriff			
Salaries	2,780,174	2,455,094	325,080
Other operating expenditures	535,025	405,218	129,807
Capital Outlay	199,180	148,812	50,368
Total	3,514,379	3,009,124	505,255
Sheriff- School Rescue Officer			
Salaries	264,836	247,662	17,174
Other operating expenditures	15,300	12,337	2,963
Total	280,136	259,999	20,137
Sheriff-Execution Account			
Other operating expenditures	10,000	2,219	7,781
Total	10,000	2,219	7,781
Criminal Justice Partnership Program			
Other operating expenditures	-	(143)	143
Total	-	(143)	143
Jail			
Salaries and employee benefits	1,154,441	976,162	178,279
Other operating expenditures	721,875	546,029	175,846
Total	1,876,316	1,522,191	354,125
Emergency Communications			
Salaries and employee benefits	1,001,950	967,289	34,661
Other operating expenditures	201,365	193,085	8,280
Total	1,203,315	1,160,374	42,941
Emergency Management			
Salaries	213,297	143,492	69,805
Other operating expenditures	32,315	5,315	27,000
Capital Outlay	20,625	9,134	11,491
Total	266,237	157,941	108,296

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Fire			
Assistance to local departments	14,500	14,500	-
Contribution to N.C. Forestry	114,659	100,733	13,926
Total	<u>129,159</u>	<u>115,233</u>	<u>13,926</u>
Building Inspections			
Salaries and employee benefit	128,336	131,301	(2,965)
Other operating expenditures	55,256	28,586	26,670
Total	<u>183,592</u>	<u>159,887</u>	<u>23,705</u>
Medical examiner			
Contracted services	25,000	8,400	16,600
Total	<u>25,000</u>	<u>8,400</u>	<u>16,600</u>
Ambulance Service			
Salaries and employee benefits	3,261,382	3,671,031	(409,649)
Other operating expenditures	389,835	446,123	(56,288)
Assistance to local rescue units	25,000	25,000	-
Capital Outlay	395,944	521,684	(125,740)
Total	<u>4,072,161</u>	<u>4,663,838</u>	<u>(591,677)</u>
Animal Control			
Salaries and employee benefits	61,328	56,686	4,642
Other operating expenditures	9,098	4,693	4,405
Total	<u>70,426</u>	<u>61,379</u>	<u>9,047</u>
Total Public Safety	<u>11,630,721</u>	<u>11,120,442</u>	<u>510,279</u>
Transportation			
Contribution to Tri-County Airport	52,000	52,000	-
Total Transportation	<u>52,000</u>	<u>52,000</u>	<u>-</u>
Environmental Protection			
Contribution to Lake Gaston weed control	117,000	117,000	-
Drainage and watershed protection	6,000	6,000	-
Total Environmental Protection	<u>123,000</u>	<u>123,000</u>	<u>-</u>
Economic and Physical Development:			
Planning and zoning			
Salaries and employee benefits	165,739	154,246	11,493
Other operating expenditures	5,485	1,322	4,163
Total	<u>171,224</u>	<u>155,568</u>	<u>15,656</u>
Economic Development			
Salaries and employee benefits	176,050	163,208	12,842
Other operating expenditures	24,500	4,910	19,590
COG membership dues	9,394	9,393	1
Contribution to Chamber of Commerce	17,969	17,969	-
Contribution to CADA	30,950	30,950	-
Miscellaneous contributions	9,000	8,000	1,000
Total	<u>267,863</u>	<u>234,430</u>	<u>33,433</u>
Economic Development Pass-Through Grants			
Other operating expenditures	20,000	20,000	-
Total	<u>20,000</u>	<u>20,000</u>	<u>-</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Cooperative Extension			
Salaries and employee benefits	290,179	257,982	32,197
Other operating expenditures	28,163	25,115	3,048
Capital Outlay	-	1,269	(1,269)
Total	<u>318,342</u>	<u>284,366</u>	<u>33,976</u>
YESS Mini-Society Grant			
Other operating expenditures	221	-	221
Total	<u>221</u>	<u>-</u>	<u>221</u>
Soil and Water Conservation			
Salaries and employee benefits	114,752	109,824	4,928
Other operating expenditures	10,695	4,774	5,921
Total	<u>125,447</u>	<u>114,598</u>	<u>10,849</u>
AgCarolina FC Grant			
Other operating expenditures	2,434	-	2,434
Total	<u>2,434</u>	<u>-</u>	<u>2,434</u>
Total Economic and Physical Development	<u>905,531</u>	<u>808,962</u>	<u>96,569</u>
Human services:			
Health			
Salaries and employee benefits	695,752	594,666	101,086
Other operating expenditures	168,060	136,748	31,312
Total	<u>863,812</u>	<u>731,414</u>	<u>132,398</u>
Communicable Disease			
Salaries and employee benefits	17,954	16,658	1,296
Other operating expenditures	1,075	850	225
Total	<u>19,029</u>	<u>17,508</u>	<u>1,521</u>
Kate B. Reynolds Grant			
Salaries and employee benefits	97,627	81,281	16,346
Other operating expenditures	23,430	19,495	3,935
Capital Outlay	2,090	1,587	503
Total	<u>123,147</u>	<u>102,363</u>	<u>20,784</u>
Immunization Program			
Salaries and employee benefits	14,171	15,575	(1,404)
Other operating expenditures	16,740	12,896	3,844
Total	<u>30,911</u>	<u>28,471</u>	<u>2,440</u>
Restaurant Heart Health			
Operating expenditures	1,123	322	801
Total	<u>1,123</u>	<u>322</u>	<u>801</u>
Tuberculosis Program			
Salaries and employee benefits	27,811	11,929	15,882
Other operating expenditures	8,825	5,046	3,779
Total	<u>36,636</u>	<u>16,975</u>	<u>19,661</u>
Health-Jail Site Testing			
Salaries and employee benefits	61,843	47,871	13,972
Other operating expenditures	2,800	535	2,265
Total	<u>64,643</u>	<u>48,406</u>	<u>16,237</u>
Pregnancy Care Management			
Salaries and employee benefits	61,698	59,243	2,455
Other operating expenditures	2,179	14	2,165
Total	<u>63,877</u>	<u>59,257</u>	<u>4,620</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
School Nurse Program			
Salaries and employees benefits	150,000	148,755	1,245
Total	<u>150,000</u>	<u>148,755</u>	<u>1,245</u>
Healthy Communities			
Salaries and employees benefits	31,147	31,509	(362)
Other operating expenditures	4,500	3,192	1,308
Total	<u>35,647</u>	<u>34,701</u>	<u>946</u>
Health- STD Prevention			
Other operating expenditures	100	-	100
Total	<u>100</u>	<u>-</u>	<u>100</u>
Breast and Cervical Cancer			
Other operating expenditures	-	141	(141)
Total	<u>-</u>	<u>141</u>	<u>(141)</u>
Home Health			
Salaries and employee benefit	761,380	531,569	229,811
Other operating expenditures	399,838	289,899	109,939
Total	<u>1,161,218</u>	<u>821,468</u>	<u>339,750</u>
School Health-Kate B.Reynolds			
Salaries and employee benefit	-	717	(717)
Total	<u>-</u>	<u>717</u>	<u>(717)</u>
Child Health			
Salaries and employee benefit	87,078	62,631	24,447
Other operating expenditures	34,929	25,653	9,276
Capital outlay	-	1,952	(1,952)
Total	<u>122,007</u>	<u>90,236</u>	<u>33,723</u>
Child Service Coordination			
Salaries and employee benefit	45,737	45,347	390
Other operating expenditures	2,467	545	1,922
Total	<u>48,204</u>	<u>45,892</u>	<u>2,312</u>
Maternal Care Coordination			
Salaries and employee benefit	-	785	(785)
Total	<u>-</u>	<u>785</u>	<u>(785)</u>
Maternal Child Health			
Salaries and employee benefit	55,478	44,746	10,732
Other operating expenditures	16,675	17,315	(640)
Total	<u>72,153</u>	<u>62,061</u>	<u>10,092</u>
Family Planning			
Salaries and employee benefit	238,591	193,008	45,583
Other operating expenditures	49,935	30,021	19,914
Capital outlay	-	1,952	(1,952)
Total	<u>288,526</u>	<u>224,981</u>	<u>63,545</u>
Health Promotions- Clinical (adult)			
Salaries and employee benefit	83,290	59,390	23,900
Other operating expenditures	59,285	40,041	19,244
Total	<u>142,575</u>	<u>99,431</u>	<u>43,144</u>
Health-Head Start			
Salaries and employee benefit	35,249	19,191	16,058
Other operating expenditures	2,350	16	2,334
Total	<u>37,599</u>	<u>19,207</u>	<u>18,392</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Woman, Infants, and Children			
Salaries and employee benefit	92,965	95,654	(2,689)
Other operating expenditures	10,843	6,078	4,765
Total	<u>103,808</u>	<u>101,732</u>	<u>2,076</u>
Peer Counseling			
Salaries and employee benefit	17,900	10,692	7,208
Other operating expenditures	1,600	618	982
Total	<u>19,500</u>	<u>11,310</u>	<u>8,190</u>
Bio-Terrorism Grant			
Salaries and employee benefit	24,636	28,931	(4,295)
Other operating expenditures	8,600	3,298	5,302
Total	<u>33,236</u>	<u>32,229</u>	<u>1,007</u>
Environmental Health			
Salaries and employee benefit	256,608	131,891	124,717
Other operating expenditures	50,386	38,927	11,459
Total	<u>306,994</u>	<u>170,818</u>	<u>136,176</u>
Elderly and Handicapped			
Salaries and employee benefit	-	5,735	(5,735)
Other operating expenditures	-	8,340	(8,340)
Total	<u>-</u>	<u>14,075</u>	<u>(14,075)</u>
Home Delivered Meals			
Salaries and employee benefit	19,796	1,793	18,003
Other operating expenditures	55,705	19,384	36,321
Total	<u>75,501</u>	<u>21,177</u>	<u>54,324</u>
Home and Community Care Block Grant			
Other operating expenditures	-	39	(39)
Total	<u>-</u>	<u>39</u>	<u>(39)</u>
AIDS Control			
Salaries and employee benefit	11,149	23,380	(12,231)
Other operating expenditures	4,943	5,767	(824)
Capital outlay	1,045	-	1,045
Total	<u>17,137</u>	<u>29,147</u>	<u>(12,010)</u>
COVID-19 Crisis Response			
Other operating expenditures	28,364	16,428	11,936
Total	<u>28,364</u>	<u>16,428</u>	<u>11,936</u>
COVID-19			
Salaries and employee benefits	11,272	579	10,693
Other operating expenditures	-	4,112	(4,112)
Total	<u>11,272</u>	<u>4,691</u>	<u>6,581</u>
COVID-19 Enhancing Detection			
Salaries and employee benefits	63,324	1,864	61,460
Capital outlay	139,206	120,421	18,785
Total	<u>202,530</u>	<u>122,285</u>	<u>80,245</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
COVID-19 Vaccination			
Salaries and employee benefits	143,957	42,358	101,599
Other operating expenditures	86,759	14,493	72,266
Total	<u>230,716</u>	<u>56,851</u>	<u>173,865</u>
Universal Childhood Vaccines			
Salaries and employee benefits	-	1,141	(1,141)
Total	<u>-</u>	<u>1,141</u>	<u>(1,141)</u>
Total Health	<u>4,290,265</u>	<u>3,135,014</u>	<u>1,157,203</u>
Mental Health			
Contribution to mental health	81,614	84,082	(2,468)
Total	<u>81,614</u>	<u>84,082</u>	<u>(2,468)</u>
Aging			
Salaries and employee benefits	112,030	90,747	21,283
Other operating expenditures	79,060	26,741	52,319
Total	<u>191,090</u>	<u>117,488</u>	<u>73,602</u>
Veterans Assistance			
Salaries and employee benefits	34,271	28,808	5,463
Other operating expenditures	11,910	5,557	6,353
Total	<u>46,181</u>	<u>34,365</u>	<u>11,816</u>
Community Based Alternatives			
Other operating expenditures	116,713	139,179	(22,466)
Total	<u>116,713</u>	<u>139,179</u>	<u>(22,466)</u>
Social Services:			
Administration			
Salaries and employee benefits	4,237,960	3,688,627	549,333
Other operating expenditures	3,365,215	2,736,619	628,596
Total	<u>7,603,175</u>	<u>6,425,246</u>	<u>1,177,929</u>
Program Expenditures			
Federal and State Expenditures			
AFDC-FC	24,552	7,764	16,788
Crisis fuel	188,755	113,304	75,451
Board home	10,878	-	10,878
CAP/DA federal and State expenditures	3,500	4,185	(685)
Special adoption assistance	63,127	-	63,127
Total federal and state expenditures	<u>290,812</u>	<u>125,253</u>	<u>165,559</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
County Expenditures			
Aid to blind	2,105	2,294	(189)
OAA/AD	358,863	214,999	143,864
AFDC-FC	5,195	1,603	3,592
General assistance	7,500	2,720	4,780
Board income	10,878	-	10,878
Food stamp issuance	5,926	7,218	(1,292)
IV-E adoption assistance	25,945	18,314	7,631
Low income energy assistance	630,930	621,590	9,340
Other	214,967	171,926	43,041
Total County Expenditures	<u>1,262,309</u>	<u>1,040,664</u>	<u>221,645</u>
Total Social Services	<u>9,156,296</u>	<u>7,591,163</u>	<u>1,565,133</u>
Total Human Services	<u>13,882,159</u>	<u>11,101,291</u>	<u>2,782,820</u>
Cultural and Recreational			
Recreation			
Salaries and employee benefits	284,038	268,899	15,139
Other operating expenditures	48,215	35,045	13,170
Capital Outlay	31,000	6,359	24,641
Total	<u>363,253</u>	<u>310,303</u>	<u>52,950</u>
Libraries			
Contribution to regional library	156,430	169,466	(13,036)
Total	<u>156,430</u>	<u>169,466</u>	<u>(13,036)</u>
Northampton Cultural Arts			
Cultural	10,000	(104)	10,104
Total	<u>10,000</u>	<u>(104)</u>	<u>10,104</u>
Museums			
Contribution to museums	75,000	7,500	67,500
Total	<u>75,000</u>	<u>7,500</u>	<u>67,500</u>
Total Cultural and Recreational	<u>604,683</u>	<u>487,165</u>	<u>117,518</u>
Education:			
Public School- current expenses	3,780,000	3,780,000	-
Public School- capital outlay	453,000	453,000	-
Public Schools- Fines and Forfeitures	50,000	37,719	12,281
Community College-current	122,949	122,949	-
Total Education	<u>4,405,949</u>	<u>4,393,668</u>	<u>12,281</u>
Debt service:			
Principal	221,762	182,458	39,304
Interest payments	(156,262)	17,740	(174,002)
Total debt service	<u>65,500</u>	<u>200,198</u>	<u>(134,698)</u>
Total expenditures	<u>37,661,970</u>	<u>34,158,784</u>	<u>3,474,882</u>
Revenue over (under) expenditures	<u>(1,386,766)</u>	<u>3,707,971</u>	<u>5,094,737</u>
Other Financing Sources (Uses):			
Transfers to other funds			
Debt Service Fund	(1,062,947)	(1,062,947)	-
Transfers in			
ARPA Fund	-	588,752	588,752
Intrafund transfers:			
Revaluation fund	(50,000)	-	50,000
Proceeds from lease liabilities	-	382,179	382,179

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Sale of Capital Assets	23,000	1,600	(21,400)
Appropriated fund balance	2,597,961	-	(2,597,961)
Contingency	(85,504)	-	85,504
Total other financing sources (uses)	<u>1,422,510</u>	<u>(90,416)</u>	<u>(1,512,926)</u>
Net change in fund balance	<u>\$ 35,744</u>	3,617,555	<u>\$ 3,581,811</u>
Fund balance- July 1		<u>22,171,409</u>	
Prior Period Adjustment (see Note 10)		<u>104,785</u>	
Fund balance- June 30		<u>\$ 25,893,749</u>	

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Interest on investments	\$ -	\$ 84	\$ 84
Expenditures:			
General government:			
Other operating expenditures	50,000	139,149	(89,149)
Revenues over (under) expenditures	(50,000)	(139,065)	89,233
Other financing sources (uses):			
Transfer in (out)	50,000	-	(50,000)
Net change in fund balance	<u>\$ -</u>	<u>(139,065)</u>	<u>\$ (139,065)</u>
Fund balance, beginning		<u>556,565</u>	
Fund balance, ending		<u>\$ 417,500</u>	

Northampton County, North Carolina
Revolving Loan Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Interest on Investments	\$ 7,000	\$ 11	\$ (6,989)
Payment - Interest	-	18,640	18,640
Payment - Principal	-	9,120	9,120
Miscellaneous	99,000	-	(99,000)
Total revenues	<u>106,000</u>	<u>27,771</u>	<u>(78,229)</u>
Expenditures:			
Economic and Physical Development			
Industrial Assistance	300,000	-	300,000
Revenues Over (Under) Expenditures	<u>(194,000)</u>	<u>27,771</u>	<u>221,771</u>
Other Financing Sources (Uses):			
Transfer from other funds	900,000	-	(900,000)
Transfers to other funds	(1,114,497)	-	1,114,497
Appropriated fund balance	408,497	-	(408,497)
Total other financing sources (uses)	<u>194,000</u>	<u>-</u>	<u>(194,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>27,771</u>	<u>\$ 27,771</u>
Reconciling Items:			
Debt payments are reclassified against accounts receivable balance		<u>(9,120)</u>	
Total Reconciling Items		(9,120)	
Current year change in fund balance		18,651	
Beginning of year- July 1		<u>333,332</u>	
End of year- June 30		<u>\$ 351,983</u>	

Northampton County, North Carolina
Non-Major Capital Project Fund
New Courthouse Project Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Actual Prior Years	Actual Current Year	Actual Total to Date	
Revenues:					
Restricted intergovernmental					
NC OSBM	\$ 14,000,000	\$ -	619,807	\$ 619,807	\$ (13,380,193)
Total revenue	<u>14,000,000</u>	<u>-</u>	<u>619,807</u>	<u>619,807</u>	<u>(13,380,193)</u>
Expenditures:					
Land acquisition	665,000	-	619,807	619,807	45,193
Construction	10,775,500	-	-	-	10,775,500
Architecture & engineering	941,150	-	-	-	941,150
Furniture, Fixtures and Equipment	500,000	-	-	-	500,000
Reserve	793,350	-	-	-	793,350
Contingency	325,000	-	-	-	325,000
Total expenditures	<u>14,000,000</u>	<u>-</u>	<u>619,807</u>	<u>619,807</u>	<u>13,380,193</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE					
Beginning of year-July 1			<u>-</u>		
End of year- June 30			<u>\$ -</u>		

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specific purpose.

- **Mid-Atlantic Distribution Park Fund**
- **Emergency Telephone (911) Fund**
- **Fire District Fund**
- **Solar Farm Trust Fund**
- **Representative Payee Fund**
- **Rescue Squad Fund**

Capital Project Fund

Capital Project Fund are used to account for the acquisition and construction of major capital facilities and equipment.

- **Enviva Infrastructure Project Fund**
- **Capital Reserve Fund**
- **Ambulance Capital Reserve Fund**
- **EDC Capital Reserve Fund**
- **Public Schools Building Fund**
- **EDC REEP Project Fund**
- **Severn Peanut Natural Gas Project Fund**
- **Courthouse/Admin/DSS Renovations**

Debt Service Fund

- **Debt Service Fund**

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

	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total Non-Major Governmental Funds
Assets:				
Cash and cash equivalents	\$ 878,544	\$ 235,574	\$ -	\$ 1,114,118
Taxes receivable (net)	72,350	-	-	72,350
Accounts receivable (net)	272	-	-	272
Restricted cash	1,892,776	161,138	-	2,053,914
Total assets	<u>\$ 2,957,509</u>	<u>\$ 396,712</u>	<u>\$ -</u>	<u>\$ 3,354,221</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable and accrued	\$ 203,487	\$ -	\$ -	\$ 203,487
Due to other funds	974,366	25,075	333,691	1,333,132
Unspent grant proceeds	951,467	-	-	951,467
Total liabilities	<u>2,129,320</u>	<u>25,075</u>	<u>333,691</u>	<u>2,488,086</u>
Deferred Inflows of Resources:				
Tax receivable	<u>72,350</u>	<u>-</u>	<u>-</u>	<u>72,350</u>
Fund balances:				
Restricted:				
Stabilization by State statute	-	-	-	-
Restricted, other	416,778	-	-	416,778
Committed:				
Committed, other	-	396,712	-	396,712
Debt service	-	-	-	-
Assigned:				
Assigned, other	413,058	-	-	413,058
Unassigned	<u>(73,997)</u>	<u>(25,075)</u>	<u>(333,691)</u>	<u>(432,763)</u>
Total fund balances	<u>755,839</u>	<u>371,637</u>	<u>(333,691)</u>	<u>793,785</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,957,509</u>	<u>\$ 396,712</u>	<u>\$ -</u>	<u>\$ 3,354,221</u>

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

	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total Non-Major Governmental Funds
Revenues:				
Ad valorem taxes	\$ 904,972	\$ -	\$ -	\$ 904,972
Restricted intergovernmental	953,569	-	-	953,569
Sales and services	684,877	-	-	684,877
Investment earnings	643	34	794	1,471
Miscellaneous	24,232	-	-	24,232
Total revenues	<u>2,568,293</u>	<u>34</u>	<u>794</u>	<u>2,569,121</u>
Expenditures:				
Current:				
Public safety	1,657,223	-	-	1,657,223
Economic and physical development	50,000	-	-	50,000
Human services	-	-	-	-
Education	-	113,263	-	113,263
Debt Service:				
Principal	-	-	873,257	873,257
Interest	-	-	362,779	362,779
Bond issuance expense	-	-	49,450	49,450
Total expenditures	<u>1,707,223</u>	<u>113,263</u>	<u>1,285,486</u>	<u>3,105,972</u>
Revenues over (under) expenditures	<u>861,070</u>	<u>(113,229)</u>	<u>(1,284,692)</u>	<u>(536,851)</u>
Other financing sources (uses):				
Transfers in (out)	(840,002)	-	1,062,947	222,945
Payments to refunded bond escrow agent	-	-	(2,437,000)	(2,437,000)
Debt Proceeds	-	-	2,491,000	2,491,000
Total other financing sources (uses)	<u>(840,002)</u>	<u>-</u>	<u>1,116,947</u>	<u>276,945</u>
Net change in fund balance	21,068	(113,229)	(167,745)	(259,906)
Fund balances, beginning	734,771	484,866	(165,946)	1,053,691
Prior period restatement	-	-	-	-
Fund balances, beginning - restated	<u>734,771</u>	<u>484,866</u>	<u>(165,946)</u>	<u>1,053,691</u>
Fund balances, ending	<u>\$ 755,839</u>	<u>\$ 371,637</u>	<u>\$ (333,691)</u>	<u>\$ 793,785</u>

Northampton County, North Carolina
Combining Balance Sheet
Non-Major Special Revenue Fund
June 30, 2022

	Special Revenue Funds								
	Mid-Atlantic Distribution Park Fund	Emergency Telephone System Fund	Fire District Fund	Solar Farm Trust Fund	COVID Relief Fund	Representative Payee Fund	Rescue Squad Fund	American Rescue Plan Fund	Total
Assets:									
Current Assets:									
Cash and cash equivalents	\$ 211,157	\$ 418,857	\$ -	\$ 201,901	\$ 12,829	\$ 33,800	\$ -	\$ -	\$ 878,544
Restricted cash and cash equivalents	-	-	-	-	-	-	-	1,892,776	1,892,776
Accounts receivable	-	-	-	-	-	-	272	-	272
Taxes Receivable	-	-	72,350	-	-	-	-	-	72,350
Due from other funds	-	113,567	-	-	-	-	-	-	113,567
Total assets	<u>\$ 211,157</u>	<u>\$ 532,424</u>	<u>\$ 72,350</u>	<u>\$ 201,901</u>	<u>\$ 12,829</u>	<u>\$ 33,800</u>	<u>\$ 272</u>	<u>\$ 1,892,776</u>	<u>\$ 2,957,509</u>
Liabilities and Fund Balances:									
Liabilities:									
Accounts payable	\$ -	\$ 150,015	\$ 21,301	\$ -	\$ -	\$ -	\$ 32,171	\$ -	\$ 203,487
Due to other funds	-	-	8,975	-	-	-	11,822	953,569	974,366
Unspent CARES funds	-	-	-	-	12,829	-	-	938,638	951,467
Total liabilities	<u>-</u>	<u>150,015</u>	<u>30,276</u>	<u>-</u>	<u>12,829</u>	<u>-</u>	<u>43,993</u>	<u>1,892,207</u>	<u>2,129,320</u>
Deferred Inflows of Resources:									
Taxes Receivable	-	-	72,350	-	-	-	-	-	72,350
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>72,350</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,350</u>
Fund Balances:									
Restricted:									
Stabilization by State Statute	-	-	-	-	-	-	-	-	-
Restricted, other	-	382,409	-	-	-	33,800	-	569	416,778
Assigned:									
Assigned, other	211,157	-	-	201,901	-	-	-	-	413,058
Unassigned	-	-	(30,276)	-	-	-	(43,721)	-	(73,997)
Total fund balances	<u>211,157</u>	<u>382,409</u>	<u>(30,276)</u>	<u>201,901</u>	<u>-</u>	<u>33,800</u>	<u>(43,721)</u>	<u>569</u>	<u>755,839</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 211,157</u>	<u>\$ 532,424</u>	<u>\$ 72,350</u>	<u>\$ 201,901</u>	<u>\$ 12,829</u>	<u>\$ 33,800</u>	<u>\$ 272</u>	<u>\$ 1,892,776</u>	<u>\$ 2,957,509</u>

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

	Special Revenue Funds								Total
	Mid-Atlantic Distribution Park Fund	Emergency Telephone System Fund	Fire District Fund	Solar Farm Trust Fund	COVID Relief Fund	Representative Payee Fund	Rescue Squad Fund	American Rescue Plan Fund	
Revenues:									
Ad valorem taxes	\$ -	\$ -	\$ 904,972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 904,972
Restricted intergovernmental	-	-	-	-	-	-	-	953,569	953,569
Sales and service	-	190,820	-	50,000	-	-	444,057	-	684,877
Investment earnings	-	49	-	60	-	-	-	534	643
Miscellaneous	24,232	-	-	-	-	-	-	-	24,232
Total revenues	<u>24,232</u>	<u>190,869</u>	<u>904,972</u>	<u>50,060</u>	<u>-</u>	<u>-</u>	<u>444,057</u>	<u>954,103</u>	<u>2,568,293</u>
Expenditures:									
Public safety	-	284,028	914,104	-	-	-	459,091	-	1,657,223
Human services	-	-	-	-	-	-	-	-	-
Economic and physical development	-	-	-	50,000	-	-	-	-	50,000
Total expenditures	<u>-</u>	<u>284,028</u>	<u>914,104</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>459,091</u>	<u>-</u>	<u>1,707,223</u>
Other Financing Sources (Uses)									
Transfers in (out)	-	113,567	-	-	-	-	-	(953,569)	(840,002)
Total other financing sources (uses)	<u>-</u>	<u>113,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(953,569)</u>	<u>(840,002)</u>
Net change in fund balances	<u>24,232</u>	<u>20,408</u>	<u>(9,132)</u>	<u>60</u>	<u>-</u>	<u>-</u>	<u>(15,034)</u>	<u>534</u>	<u>21,068</u>
Fund balances, beginning	186,925	362,001	(21,144)	201,841	-	33,800	(28,687)	35	734,771
Prior Period Restatement - change in accounting principle	-	-	-	-	-	-	-	-	-
Fund balances, beginning, as restated	<u>186,925</u>	<u>362,001</u>	<u>(21,144)</u>	<u>201,841</u>	<u>-</u>	<u>33,800</u>	<u>(28,687)</u>	<u>35</u>	<u>734,771</u>
Fund balances, ending	<u>\$ 211,157</u>	<u>\$ 382,409</u>	<u>\$ (30,276)</u>	<u>\$ 201,901</u>	<u>\$ -</u>	<u>\$ 33,800</u>	<u>\$ (43,721)</u>	<u>\$ 569</u>	<u>755,839</u>

Northampton County, North Carolina
Mid- Atlantic Distribution Park
Schedule of Revenues, Expenditures, and Changes
In Fund Balance- Budget and Actual
For Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Investment earnings	\$ -	\$ -	\$ -
Miscellaneous	285,664	24,232	(261,432)
Total revenues	<u>285,664</u>	<u>24,232</u>	<u>(261,432)</u>
Expenditures			
Economic and physical development	1,457,664	-	1,457,664
Total expenditures	<u>1,457,664</u>	<u>-</u>	<u>1,457,664</u>
Revenues over (under) Expenditures	<u>(1,172,000)</u>	<u>24,232</u>	<u>1,196,232</u>
Other Financing Sources (Uses)			
Long-term debt issued	1,200,000	-	(1,200,000)
Transfers in (out)	(55,000)	-	55,000
Transfers-intrafund	27,000	-	(27,000)
Total other financing sources (uses)	<u>1,172,000</u>	<u>-</u>	<u>(1,172,000)</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>24,232</u>	<u>\$ 24,232</u>
FUND BALANCE			
Fund Balance- July 1		<u>186,925</u>	
Fund Balance- June 30		<u>\$ 211,157</u>	

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Telephone surcharge	\$ 208,168	\$ 190,820	\$ (17,348)
Investment earnings	-	49	49
Total revenues	<u>208,168</u>	<u>190,869</u>	<u>(17,299)</u>
Expenditures			
Current:			
Public Safety			
Construction/ capital outlay	24,050	151,192	(127,142)
Other expenditures	184,118	132,836	51,282
Total expenditures	<u>208,168</u>	<u>284,028</u>	<u>(75,860)</u>
Revenues over (under) Expenditures	<u>-</u>	<u>(93,159)</u>	<u>(93,159)</u>
Other Financing Sources (Uses)			
Transfers in (out)	-	113,567	113,567
Total other financing sources (uses)	<u>-</u>	<u>113,567</u>	<u>113,567</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>20,408</u>	<u>\$ 20,408</u>
FUND BALANCE			
Beginning of year-July 1		<u>362,001</u>	
End of year- June 30		<u>\$ 382,409</u>	

PSAP RECONCILIATION

FOR YEAR ENDED JUNE 30, 2021

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

Ending fund balance, reported on Budget -to- Actual	\$ 382,409
Cumulative prior period revenues and expenditures not reported in the fund schedule (difference in beginning fund balance-budget to actual vs.PSAP Report)	74,114
A portion of 911 revenues on budget to actual, not recorded on PSAP report	(96,268)
A portion of 911 expenditures on budget to actual, not reported on PSAP report	<u>3,296</u>
Ending balance, PSAP Revenue- Expenditure Report	<u>\$ 363,551</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Roanoke Wildwood Fire District Tax	\$ 180,000	\$ 191,242	\$ 11,242
Garysburg Fire District tax	90,000	167,200	77,200
Gaston Fire District tax	200,000	276,012	76,012
Jackson Fire District tax	35,000	40,296	5,296
Lasker Fire District tax	22,000	26,860	4,860
Seaboard Fire District Tax	72,000	82,752	10,752
Rich Square Fire District tax	47,000	61,049	14,049
Woodland Fire District tax	45,000	59,561	14,561
Total revenues	<u>691,000</u>	<u>904,972</u>	<u>213,972</u>
Expenditures			
Current:			
Public Safety:			
Roanoke Wildwood levy	180,000	193,768	(13,768)
Garysburg levy	90,000	167,589	(77,589)
Gaston levy	200,000	279,655	(79,655)
Jackson levy	35,000	43,416	(8,416)
Lasker levy	22,000	27,325	(5,325)
Seaboard Fire District levy	72,000	82,398	(10,398)
Rich Square levy	47,000	58,385	(11,385)
Woodland levy	45,000	61,568	(16,568)
Total expenditures	<u>691,000</u>	<u>914,104</u>	<u>(223,104)</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>(9,132)</u>	<u>\$ (9,132)</u>
FUND BALANCE			
Beginning of year-July 1		<u>(21,144)</u>	
End of year- June 30		<u>\$ (30,276)</u>	

Northampton County, North Carolina
Solar Farm Trust Fund
Schedule of Revenues, Expenditures, and Changes
In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Zoning - Solar Farm	\$ -	\$ 50,000	\$ 50,000
Investment earnings	-	60	60
Total revenues	<u>-</u>	<u>50,060</u>	<u>50,060</u>
Expenditures			
Current:			
Economic and Physical Development			
Other expenditures	-	50,000	(50,000)
Total expenditures	<u>-</u>	<u>50,000</u>	<u>(50,000)</u>
Revenues over (under) Expenditures	<u>-</u>	<u>60</u>	<u>60</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>60</u>	<u>\$ (113,507)</u>
FUND BALANCE			
Beginning of year-July 1		<u>201,841</u>	
End of year- June 30		<u>\$ 201,901</u>	

Northampton County, North Carolina
COVID Relief Fund
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget and Actual
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Federal Grants	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Human Services:			
Construction/ capital outlay	-	-	-
Other expenditures	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):			
Transfers in (out)	-	-	-
Appropriated fund balance	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE			
Beginning of year-July 1		<u>-</u>	
End of year- June 30		<u>\$ -</u>	

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Restricted intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Human services			
Payments made for the benefit of beneficiaries	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u><u>\$ -</u></u>	<u>-</u>	<u><u>\$ -</u></u>
FUND BALANCE			
Beginning of year - July 1		<u>33,800</u>	
End of year - June 30		<u><u>\$ 33,800</u></u>	

Northampton County, North Carolina
Rescue Squad Fund
Schedule of Revenues, Expenditures, and Changes
In Fund Balance- Budget and Actual
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Sales and Services	\$ 300,000	\$ 444,057	\$ 144,057
Total revenues	<u>300,000</u>	<u>444,057</u>	<u>144,057</u>
Expenditures			
Emergency Medical Services	300,000	459,091	(159,091)
Total expenditures	<u>300,000</u>	<u>459,091</u>	<u>(159,091)</u>
Revenues over (under) Expenditures	<u>-</u>	<u>(15,034)</u>	<u>(15,034)</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>(15,034)</u>	<u>\$ (15,034)</u>
FUND BALANCE			
Beginning of year - July 1		<u>(28,687)</u>	
End of year - June 30		<u>\$ (43,721)</u>	

Northampton County, North Carolina
Special Revenue Fund
American Rescue Plan Fund
Schedule of Revenues and Expenditures- Budget and Actual
From Inception and For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental revenues:					
ARP Coronavirus Grant	\$ -	\$ -	\$ 953,569	\$ 953,569	\$ 953,569
Investment Income	-	35	534	569	569
USDA	-	-	-	-	-
Highway Planning and Construction	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>-</u>	<u>35</u>	<u>954,103</u>	<u>954,138</u>	<u>954,138</u>
Expenditures:					
Economic and physical development:					
ARP Coronavirus Expenditures	-	-	-	-	-
CDBG expenditures	-	-	-	-	-
NC Rural center expenditures	-	-	-	-	-
Access road expenditures	-	-	-	-	-
General expenditures	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfers to:					
General Fund	-	-	(588,752)	(588,752)	(588,752)
Emergency Telephone System Fund	-	-	(113,567)	(113,567)	(113,567)
Water and Sewer Fund	-	-	(154,150)	(154,150)	(154,150)
Garysburg Water and Sewer Fund	-	-	(97,100)	(97,100)	(97,100)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(953,569)</u>	<u>(953,569)</u>	<u>(953,569)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 35</u>	<u>\$ 534</u>	<u>\$ 569</u>	<u>\$ 569</u>
FUND BALANCE					
Beginning of year-July 1			<u>35</u>		
End of year- June 30			<u>\$ 569</u>		

CAPITAL PROJECT FUNDS

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

Northampton County, North Carolina
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2022

Assets:	Enviva Infrastructure Project	Capital Reserve Fund	Ambulance Capital Reserve Fund	EDC Capital Reserve Fund	Public Schools Building Fund	EDC REEP Project Fund	Severn Peanut Natural Gas Project	Courthouse/ Admin/ DSS Renovations	Total
Current Assets:									
Cash and cash equivalents	\$ 10,474	\$ 169,841	\$ 969	\$ 50,468	\$ -	\$ 3,822	\$ -	\$ -	\$ 235,574
Restricted Cash	-	-	-	-	161,138	-	-	-	161,138
Total assets	<u>\$ 10,474</u>	<u>\$ 169,841</u>	<u>\$ 969</u>	<u>\$ 50,468</u>	<u>\$ 161,138</u>	<u>\$ 3,822</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 396,712</u>
Liabilities and Fund Balances:									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	23,955	1,120	25,075
Unspent grant proceeds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,955</u>	<u>1,120</u>	<u>25,075</u>
Fund balances:									
Restricted:									
Stabilization by State Statute	-	-	-	-	-	-	-	-	-
Committed, other	10,474	169,841	969	50,468	161,138	3,822	-	-	396,712
Unassigned	-	-	-	-	-	-	(23,955)	(1,120)	(25,075)
Total fund balances	<u>10,474</u>	<u>169,841</u>	<u>969</u>	<u>50,468</u>	<u>161,138</u>	<u>3,822</u>	<u>(23,955)</u>	<u>(1,120)</u>	<u>371,637</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,474</u>	<u>\$ 169,841</u>	<u>\$ 969</u>	<u>\$ 50,468</u>	<u>\$ 161,138</u>	<u>\$ 3,822</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 396,712</u>

Northampton County, North Carolina
Non-Major Capital Project Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021

	Enviva Infrastructure Project	Capital Reserve Fund	Ambulance Capital Reserve Fund	EDC Capital Reserve Fund	Public Schools Building Fund	EDC REEP Project Fund	Severn Peanut Natural Gas Project	Courthouse/ Admin/ DSS Renovations	Total
Revenues:									
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	26	-	8	-	-	-	-	34
Total revenues	<u>-</u>	<u>26</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34</u>
Expenditures:									
Current:									
Economic and physical development	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	113,263	-	-	-	113,263
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,263</u>
Other Financing Sources (Uses)									
Transfers in (out)	-	-	-	-	-	-	-	-	-
Long term debt issued	-	-	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	26	-	8	(113,263)	-	-	-	(113,229)
Fund balances, beginning	10,474	169,815	969	50,460	274,401	3,822	(23,955)	(1,120)	484,866
Fund balances, ending	<u>\$ 10,474</u>	<u>\$ 169,841</u>	<u>\$ 969</u>	<u>\$ 50,468</u>	<u>\$ 161,138</u>	<u>\$ 3,822</u>	<u>\$ (23,955)</u>	<u>\$ (1,120)</u>	<u>\$ 371,637</u>

Northampton County, North Carolina
Major Capital Project Fund
Enviva Infrastructure Project
Schedule of Revenues and Expenditures- Budget and Actual
From Inception and For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental revenues:					
CDBG	\$ 726,000	\$ 1,273,087	\$ -	\$ 1,273,087	\$ 547,087
NC Rural Center	620,000	495,316	-	495,316	(124,684)
USDA	2,002,088	1,027,926	-	1,027,926	(974,162)
Highway Planning and Construction	-	220,690	-	220,690	220,690
Miscellaneous	31,000	18,910	-	18,910	(12,090)
Total revenues	<u>3,379,088</u>	<u>3,035,929</u>	<u>-</u>	<u>3,035,929</u>	<u>(343,159)</u>
Expenditures:					
Economic and physical development:					
EDA expenditures	2,002,088	1,997,503	-	1,997,503	4,585
CDBG expenditures	531,000	87,848	-	87,848	443,152
NC Rural center expenditures	220,000	20,500	-	20,500	199,500
Access road expenditures	400,000	695,859	-	695,859	(295,859)
General expenditures	226,000	223,745	-	223,745	2,255
Total expenditures	<u>3,379,088</u>	<u>3,025,455</u>	<u>-</u>	<u>3,025,455</u>	<u>353,633</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 10,474</u>		<u>\$ 10,474</u>	<u>\$ 10,474</u>
FUND BALANCE					
Beginning of year-July 1			<u>10,474</u>		
End of year- June 30			<u>\$ 10,474</u>		

Northampton County, North Carolina
Non-Major Capital Project Fund
Capital Reserve Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For The Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment Earnings	\$ -	\$ 26	\$ 26
Total revenues	<u>-</u>	<u>26</u>	<u>26</u>
Net change in fund balance	<u>\$ -</u>	<u>26</u>	<u>\$ 26</u>
FUND BALANCE			
Beginning of year-July 1		<u>169,815</u>	
End of year- June 30		<u>\$ 169,841</u>	

Northampton County, North Carolina
Non-Major Capital Project Fund
Ambulance Capital Reserve Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For The Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment Earnings	\$ -	\$ -	\$ -
Total revenues	-	-	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>
FUND BALANCE			
Beginning of year-July 1		969	
End of year- June 30		<u>\$ 969</u>	

Northampton County, North Carolina
Non-Major Capital Project Fund
EDC Capital Reserve Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment Earnings	\$ 5,448	\$ 8	\$ (5,440)
Miscellaneous	210,000	-	(210,000)
Total revenues	<u>215,448</u>	<u>8</u>	<u>(215,440)</u>
Expenditures:			
Building Purchase	75,000	-	75,000
Architectural & Engineering	12,500	-	12,500
EDC Loan	200,200	-	200,200
Total expenditures	<u>287,700</u>	<u>-</u>	<u>287,700</u>
Other financing resources (uses)			
Transfers in (out)	(213,018)	-	213,018
Appropriated fund balance	285,270	-	(285,270)
Total other financing sources (uses)	<u>72,252</u>	<u>-</u>	<u>(72,252)</u>
Net change in fund balance	<u>\$ -</u>	<u>8</u>	<u>\$ 8</u>
FUND BALANCE			
Beginning of year-July 1		<u>50,460</u>	
End of year- June 30		<u>\$ 50,468</u>	

Northampton County, North Carolina
Non-Major Capital Project Fund
Public School Building Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Actual Prior Years	Actual Current Year	Actual Total to Date	
Revenues:					
Restricted intergovernmental					
State ADM funds	\$ -	\$ -	\$ -	\$ -	\$ -
State lottery funds	-	567,289	-	567,289	567,289
Total revenue	-	567,289	-	567,289	567,289
Expenditures:					
Current					
Education:					
Chiller Project	-	142,000	-	142,000	(142,000)
Building Repairs	-	193,782	113,263	307,045	(307,045)
Total expenditures	-	335,782	113,263	449,045	(449,045)
Revenues over (under) expenditures	-	231,507	(113,263)	118,244	118,244
Net change in fund balance	\$ -	\$ 231,507	(113,263)	\$ 118,244	\$ 118,244
FUND BALANCE					
Beginning of year- July 1			274,401		
End of year- June 30			\$ 161,138		

Northampton County, North Carolina
Non-Major Capital Project Fund
EDC Reep Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Actual Prior Years	Actual Current Year	Actual Total to Date	
Revenues:					
Restricted intergovernmental					
Investment earnings	\$ -	\$ 42	\$ -	\$ 42	\$ 42
Miscellaneous	-	65,080	-	65,080	65,080
Total revenue	-	65,122	-	65,122	65,122
Expenditures:					
Current:					
Economic and physical development:					
Infrastructure	-	61,300	-	61,300	(61,300)
Total expenditures	-	61,300	-	61,300	(61,300)
Net change in fund balance	\$ -	\$ 3,822	-	\$ 3,822	\$ 3,822
FUND BALANCE					
Beginning of year-July 1			3,822		
End of year- June 30			\$ 3,822		

Northampton County, North Carolina
Non-Major Capital Project Fund
Severn Peanut Natural Gas Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Actual Prior Years	Actual Current Year	Actual Total to Date	
Revenues:					
Restricted intergovernmental					
CDBG	\$ -	\$ 629,381	\$ -	\$ 629,381	\$ 629,381
Industrial Development Grant	-	500,000	-	500,000	500,000
NC Rural Center Grant	-	420,000	-	420,000	420,000
Piedmont Natural Gas Grant	-	191,036	-	191,036	191,036
Total revenue	-	<u>1,740,417</u>	-	<u>1,740,417</u>	<u>1,740,417</u>
Expenditures:					
Economic and physical development:					
Piedmont natural gas expenditures	-	767,560	-	767,560	(767,560)
CDBG expenditures	-	354,283	-	354,283	(354,283)
Industrial development expenditures	-	642,529	-	642,529	(642,529)
Total expenditures	-	<u>1,764,372</u>	-	<u>1,764,372</u>	<u>(1,764,372)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (23,955)</u>	-	<u>\$ (23,955)</u>	<u>\$ (23,955)</u>
FUND BALANCE					
Beginning of year-July 1			<u>(23,955)</u>		
End of year- June 30			<u>\$ (23,955)</u>		

Northampton County, North Carolina
Non-Major Capital Project Fund
Courthouse/ Admin/ DSS Renovations
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Actual Prior Years	Actual Current Year	Actual Total to Date	
Expenditures:					
Architectural & Engineering	\$ -	\$ 1,120	\$ -	\$ 1,120	\$ (1,120)
Total expenditures	<u>-</u>	<u>1,120</u>	<u>-</u>	<u>1,120</u>	<u>(1,120)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,120)</u>	<u>-</u>	<u>\$ (1,120)</u>	<u>\$ (1,120)</u>
FUND BALANCE					
Beginning of year-July 1			<u>(1,120)</u>		
End of year- June 30			<u>\$ (1,120)</u>		

Northampton County, North Carolina
Non-Major Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment Earnings	\$ -	\$ 794	\$ 794
Total revenues	<u>-</u>	<u>794</u>	<u>794</u>
Expenditures			
Debt Service:			
Principal retirement	873,257	873,257	-
Interest	66,143	362,779	(296,636)
Bond issuance expense	123,547	49,450	74,097
Total expenditures	<u>1,062,947</u>	<u>1,285,486</u>	<u>(222,539)</u>
Revenues over (under) expenditures	<u>(1,062,947)</u>	<u>(1,284,692)</u>	<u>(221,745)</u>
Other financing resources (uses)			
Proceeds from refunding bonds issued	-	2,491,000	2,491,000
Payment to refunded bond escrow agent	-	(2,437,000)	(2,437,000)
Transfers in (out)			
Special Revenue Fund	200,000	200,000	-
General Fund	862,947	862,947	-
Total other financing sources (uses)	<u>1,062,947</u>	<u>1,116,947</u>	<u>54,000</u>
Net change in fund balance	<u>\$ -</u>	<u>(167,745)</u>	<u>\$ (167,745)</u>
FUND BALANCE			
Beginning of year-July 1		<u>(165,946)</u>	
End of year- June 30		<u>\$ (333,691)</u>	

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the 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.

- **Water & Sewer Fund**
- **West Fraser Wastewater Grant**
- **Water Asset Inventory and Assessment Grant**
- **Phase VI Water Project**
- **Garysburg Water and Sewer District**
- **Solid Waste Fund**

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues:			
Water and sewer sales	\$ 2,757,000	\$ 2,837,805	\$ 80,805
Water and sewer taps	22,000	33,600	11,600
Other operating revenues	7,350	8,081	731
Total operating revenues	<u>2,786,350</u>	<u>2,879,486</u>	<u>93,136</u>
Non- Operating Revenues			
Interest earned on investments	-	179	179
Total revenue	<u>2,786,350</u>	<u>2,879,665</u>	<u>93,315</u>
Expenditures:			
Salaries and employee benefits	477,278	421,358	55,920
Purchased Water	345,000	475,719	(130,719)
Sewage treatment	322,192	275,683	46,509
Other operating expenses	633,088	499,477	133,611
Capital Outlay	141,488	136,366	5,122
Debt Service:			
Principal	672,500	672,434	66
Interest and fees	348,954	217,121	131,833
Bond issuance expenses	-	78,068	(78,068)
Total expenditures	<u>2,940,500</u>	<u>2,776,226</u>	<u>164,274</u>
Revenues over (under) expenditures	<u>(154,150)</u>	<u>103,439</u>	<u>257,589</u>
Other financing resources (uses):			
Fund balance appropriated	154,150	-	(154,150)
Transfer in (out)	-	154,150	154,150
Refunding bond issued	-	9,399,000	9,399,000
Lease liabilities issued	-	9,718	9,718
Payment to refunded bond escrow agent	-	(9,143,000)	(9,143,000)
Total other financing sources (uses)	<u>154,150</u>	<u>419,868</u>	<u>265,718</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 523,307</u>	<u>\$ 523,307</u>

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

	2022		Variance Positive (Negative)
	Budget	Actual	
Reconciliation from Budetary Basis (Modified Accrual) to Full Accrual:			
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 523,307	
Debt principal		672,434	
Payment to refunded bond escrow agent		9,143,000	
Refunding bond issued		(9,399,000)	
Right to use lease asset		9,718	
Lease liabilities issued		(9,718)	
Capital Outlay		33,625	
Depreciation and amortization		(658,791)	
Contributions to the pension plan in the current year		-	
Pension expense		-	
Decrease in deferred outflows of resources		(21,002)	
Increase in deferred inflows of resources		42,787	
Decrease in accrued interest payable		(17,405)	
Decrease in compensated absences		3,122	
Decrease in net pension liability		(80,954)	
Decrease in total OPEB liability		61,106	
Restricted Intergovernmental (Ex E-1a, E-1b)		-	
Non-capitalized project expenses (Ex E-1b)		-	
Total expenditures		<u>\$ 302,229</u>	

Northampton County, North Carolina
Water And Sewer Capital Project
West Fraser Wastewater Grant
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception And For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental					
Grant	\$ 419,241	\$ 445,434	\$ -	\$ 445,434	\$ 26,193
Total revenues	<u>419,241</u>	<u>445,434</u>	<u>-</u>	<u>445,434</u>	<u>26,193</u>
Expenditures:					
Administration	21,225	75,293	-	75,293	(54,068)
Contracted Services	-	32,742	3,910	36,652	(36,652)
Construction	398,016	398,016	50,009	448,025	(50,009)
Total expenditures	<u>419,241</u>	<u>506,051</u>	<u>53,919</u>	<u>559,970</u>	<u>(140,729)</u>
Revenues over (under) expenditures	<u>-</u>	<u>(60,617)</u>	<u>(53,919)</u>	<u>(114,536)</u>	<u>(114,536)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (60,617)</u>	<u>\$ (53,919)</u>	<u>\$ (114,536)</u>	<u>\$ (114,536)</u>

Northampton County, North Carolina
Water And Sewer Capital Project
Water Asset Inventory and Assessment Grant
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception And For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental Grant	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ 150,000
Total revenues	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Expenditures:					
Contracted Services	-	157,500	-	157,500	(157,500)
Total expenditures	<u>-</u>	<u>157,500</u>	<u>-</u>	<u>157,500</u>	<u>(157,500)</u>
Revenues over (under) expenditures	<u>-</u>	<u>(7,500)</u>	<u>-</u>	<u>(7,500)</u>	<u>(7,500)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (7,500)</u>	<u>\$ -</u>	<u>\$ (7,500)</u>	<u>\$ (7,500)</u>

Northampton County, North Carolina
Water And Sewer Capital Project
Phase VI Water Project
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception And For The Year Ended June 30, 2022

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Expenditures:					
Engineering	\$ -	\$ 49,000	\$ -	\$ 49,000	\$ (49,000)
Total expenditures	<u>-</u>	<u>49,000</u>	<u>-</u>	<u>49,000</u>	<u>(49,000)</u>
Revenues over (under) expenditures	<u>-</u>	<u>(49,000)</u>	<u>-</u>	<u>(49,000)</u>	<u>(49,000)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (49,000)</u>	<u>\$ -</u>	<u>\$ (49,000)</u>	<u>\$ (49,000)</u>

Northampton County, North Carolina
Enterprise Fund
Garysburg Water and Sewer District
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues:			
Water and sewer sales	\$ 353,000	\$ 703,816	\$ 350,816
Water and sewer taps	2,500	-	(2,500)
Other operating revenues	1,350	-	(1,350)
Total operating revenues	<u>356,850</u>	<u>703,816</u>	<u>346,966</u>
Non-Operating Revenues:			
Interest earned on investments	-	45	45
Total revenue	<u>356,850</u>	<u>703,861</u>	<u>347,011</u>
Expenditures:			
Salaries and employee benefits	50,092	55,361	(5,269)
Purchased Water	93,050	78,403	14,647
Sewage treatment	227,808	293,418	(65,610)
Other operating expenses	54,350	57,274	(2,924)
Capital Outlay	-	1,592	(1,592)
Debt Service:			
Principal	26,320	21,000	5,320
Interest and fees	9,700	9,623	77
Bond issuance cost	-	5,213	(5,213)
Total expenditures	<u>461,320</u>	<u>521,884</u>	<u>(60,564)</u>
Revenues over (under) expenditures	<u>(104,470)</u>	<u>181,977</u>	<u>286,447</u>
Other financing resources (uses)			
Refunding bond issued	7,370	346,000	338,630
Payment to refunded bond escrow agent	-	(331,500)	(331,500)
Transfers in (out)	-	97,100	97,100
Fund balance appropriated	97,100	-	(97,100)
Total other financing sources (uses)	<u>104,470</u>	<u>111,600</u>	<u>7,130</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 293,577</u>	<u>\$ 293,577</u>

Northampton County, North Carolina
Enterprise Fund
Garysburg Water and Sewer District
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Reconciliation from Budetary Basis (Modified Accrual) to Full Accrual:			
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 293,577	
Debt principal		21,000	
Payment to refunded bond escrow agent		331,500	
Refunding bonds issued		(346,000)	
Depreciation		(15,986)	
Decrease in deferred outflows of resources		(1,742)	
Increase in deferred inflows of resources		13,514	
Increase in accrued interest payable		(770)	
Increase in compensated absences		459	
Increase in net pension liability		(20,239)	
Increase in OPEB liability		10,708	
Total expenditures		<u>\$ 286,021</u>	

Northampton County, North Carolina
Enterprise Fund
Solid Waste Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating Revenues:			
Solid waste fees	\$ 2,163,780	\$ 2,346,626	\$ (182,846)
White goods and tire disposal tax	28,000	33,691	(5,691)
Solid waste disposal tax	14,000	12,011	1,989
Other operating revenues	60,000	142,253	(82,253)
Total operating revenues	<u>2,265,780</u>	<u>2,534,581</u>	<u>(268,801)</u>
Non- Operating Revenues			
Interest earned on investments	1,000	37	963
Total non-operating revenues	<u>1,000</u>	<u>37</u>	<u>963</u>
Total revenue	<u>2,266,780</u>	<u>2,534,618</u>	<u>(267,838)</u>
Expenditures:			
Salaries and employee benefits	98,717	79,796	18,921
Solid waste pickup	2,082,090	1,980,821	101,269
Other operating expenses	88,973	83,336	5,637
Total expenditures	<u>2,269,780</u>	<u>2,143,953</u>	<u>125,827</u>
Revenues over (under) expenditures	<u>(3,000)</u>	<u>390,665</u>	<u>(393,665)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,000)</u>	<u>\$ 390,665</u>	<u>\$ (393,665)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 390,665	
Decrease in deferred outflows of resources		(3,272)	
Decrease in deferred inflows of resources		24,869	
Increase in compensated absences		647	
Increase in net pension liability		(33,731)	
Increase in OPEB liability		14,040	
Change in net position		<u>\$ 393,218</u>	

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the county on behalf of individuals, private organizations, other governments, and/or other funds.

- **Inmate Trust Fund:** This fund accounts for moneys of inmates that are held by the County for their personal expenses.
- **Motor Vehicle Tax Fund:** This fund is used to account for registered motor vehicle property taxes that are billed and collected by the County for various municipalities within the County.

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

	Inmate Trust Fund	Motor Vehicle Tax Fund	Total Custodial Funds
Assets:			
Cash and cash equivalents	\$ 167,093	\$ 74,406	\$ 241,499
Tax receivable, net of allowance	-	295,309	295,309
Total assets	<u>167,093</u>	<u>369,715</u>	<u>536,808</u>
Liabilities:			
Accounts payable and accrued liabilities	-	58,739	58,739
Total liabilities	<u>-</u>	<u>58,739</u>	<u>58,739</u>
Net Position:			
Restricted for:			
Individuals, organizations, and other	<u>167,093</u>	<u>310,976</u>	<u>478,069</u>
Net Position, ending	<u>\$ 167,093</u>	<u>\$ 310,976</u>	<u>\$ 478,069</u>

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

	Inmate Trust Fund	Municipal Tax Fund	Total Custodial Funds
Additions:			
Ad Valorem taxes for other governments	\$ -	\$ 1,011,605	\$ 1,011,605
Collections for Inmates	88,314	-	88,314
Total additions	<u>88,314</u>	<u>1,011,605</u>	<u>1,099,919</u>
Deductions:			
Tax distributions to other governments	-	1,043,222	1,043,222
Payment on behalf of inmates	59,938	-	59,938
Total deductions	<u>59,938</u>	<u>1,043,222</u>	<u>1,103,160</u>
Net Increase (decrease) in fiduciary net position	28,376	(31,617)	(3,241)
Net Position, beginning as previously reported	138,717	342,593	481,310
Prior period restatement - change in accounting principle	-	-	-
Net position, beginning, as restated	<u>138,717</u>	<u>342,593</u>	<u>481,310</u>
Net Position, ending	<u>\$ 167,093</u>	<u>\$ 310,976</u>	<u>\$ 478,069</u>

OTHER SCHEDULES

These schedules contain additional information required on property taxes

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

Northampton County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2022

Fiscal Year	Uncollected Balance June 30, 2021	Additions	Collections And Credits	Uncollected Balance June 30, 2022
2021-2022	\$ -	\$ 20,567,684	\$ 19,903,720	\$ 663,964
2020-2021	768,587	-	301,258	467,329
2019-2020	468,633	-	164,915	303,718
2018-2019	379,847	-	111,717	268,130
2017-2018	332,716	-	84,095	248,621
2016-2017	300,584	-	75,070	225,514
2015-2016	217,333	-	53,063	164,270
2014-2015	207,223	-	53,235	153,988
2013-2014	179,717	-	37,288	142,429
2012-2013	149,585	-	20,542	129,043
2011-2012	115,441	-	115,441	-
Totals	<u>\$ 3,119,666</u>	<u>\$ 20,567,684</u>	<u>\$ 20,920,344</u>	<u>2,767,006</u>
				<u>(1,409,824)</u>
				<u>\$ 1,357,182</u>
<u>Reconcilement with revenues:</u>				
				\$ 21,286,850
				Reconciling items
				Interest Collected (409,853)
				Taxes written off 115,441
				Tax refunds 85,215
				Miscellaneous Adjustments (157,309)
				<u>\$ 20,920,344</u>

Northampton County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Year Ended June 30, 2022

	County - Wide		Total Levy				
			Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:							
Property taxed at current year's rate	\$ 2,269,718,122	0.905	\$ 20,540,949	\$ 18,815,844	\$ 1,725,105		
Penalties	-	0.905	-	-	-		
Total	<u>2,269,718,122</u>		<u>20,540,949</u>	<u>18,815,844</u>	<u>1,725,105</u>		
Discoveries	<u>9,741,215</u>	0.905	<u>88,158</u>	<u>88,158</u>	<u>-</u>		
Releases/Abatements	<u>(6,787,072)</u>	0.905	<u>(61,423)</u>	<u>(53,768)</u>	<u>(7,655)</u>		
Total Property Valuation	<u>\$ 2,272,672,265</u>						
Net levy			20,567,684	18,850,234	1,717,450		
Uncollected taxes at June 30, 2022			<u>663,964</u>	<u>663,964</u>	<u>-</u>		
Current year's taxes collected			<u>\$ 19,903,720</u>	<u>\$ 18,186,270</u>	<u>\$ 1,717,450</u>		
Current levy collection percentage			<u>96.77%</u>	<u>96.48%</u>	<u>100.00%</u>		

Northampton County, North Carolina
Analysis of Current Tax Levy - Secondary Market Disclosures
County - wide Levy
For the Year Ended June 30, 2022

Secondary Market Disclosures:**Assessed Valuation:**

Assessment ratio	<u>96.47%</u>
Real property	\$ 1,804,136,202
Personal property	221,910,687
Public service companies	<u>246,625,376</u>
Total assessed valuation	<u><u>\$ 2,272,672,265</u></u>
Tax rate per \$100	<u>\$ 0.905</u>
Levy (includes discoveries, releases and abatements)	<u>\$ 20,567,684</u>

Northampton County, North Carolina
Ten Largest Taxpayers
For the Year Ended June 30, 2022

Taxpayer	Type of Business	2021 Assessed Valuation	Percentage of Total Assessed Valuation
Dominion NC Power	Utility	\$ 179,056,369	7.88%
Enviva Pellets Northampton LLC	Pellet Manufacturing	88,886,858	3.91%
Lowes Home Center	Warehousing/distribution	52,910,249	2.33%
West Fraser Inc	Pulp, paper and wood products	36,555,306	1.61%
Severn Peanut	Agriculture/Nuts	36,356,656	1.60%
Atlantic Pipeline	Utility	35,299,118	1.55%
Smithfield Carroll	Hog Processing	24,040,490	1.06%
Georgia Pacific	Chemical Manufacturing	19,260,860	0.85%
CSX	Railroad	18,895,997	0.83%
Glover Construction Co Inc	Construction	13,257,784	0.58%
Total		<u>\$ 504,519,687</u>	<u>21.62%</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
Northampton County
Jackson, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Northampton County, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Northampton County basic financial statements, and have issued our report thereon dated December 12, 2023. Our report includes a reference to other auditors who audited the financial statements of the Northampton County ABC Board as described in our report on Northampton County's financial statements. This report does not include the results of the auditors' testing of internal controls over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Northampton County ABC Board were not audited in accordance with Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northampton 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 Northampton County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We consider the deficiencies described in the accompanying schedule of findings and questioned costs [2022-001, 2022-002 2022-003, 2022-004, 2022-005] to be material weaknesses.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Northampton County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 [2022-002, 2022-003, 2022-005].

Northampton County's Response to Findings

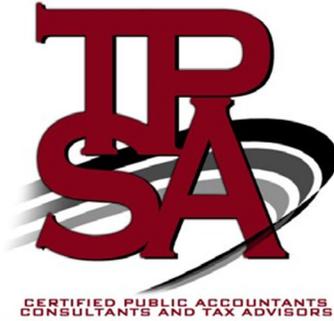
Northampton County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion 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 results 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
December 12, 2023



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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
Northampton County, North Carolina
Jackson, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northampton County, North Carolina's, 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 Northampton County's major federal programs for the year ended June 30, 2022. Northampton County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Northampton County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Northampton County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Northampton County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with 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 Northampton County federal programs.

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Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Northampton 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 Northampton 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 Northampton 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 Northampton 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 Northampton 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

Management of Northampton County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Northampton County internal control over compliance with the types of requirements that could have direct and material effect on major federal program to determine the auditing procedures that are appropriate in the circumstance for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the OMB Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may

exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items [2022-006, 2022-007, 2022-008, 2022-009, 2022-010, 2022-011, 2022-012] that we consider to be significant deficiencies.

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

Northampton County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Northampton 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
December 12, 2023



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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
Northampton County, North Carolina
Jackson, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Northampton County, North Carolina's, 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 Northampton County's major state programs for the year ended June 30, 2022. Northampton County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Northampton County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

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

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Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Northampton 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 Northampton 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 Northampton 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 Northampton 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 Northampton 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

In planning and performing our audit of compliance, we considered Northampton County's internal control over compliance with the types of requirements that could have and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over

compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items [2022-006, 2022-007, 2022-008, 2022-009, 2022-010] that we consider to be significant deficiencies.

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

Northampton County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Northampton 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 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
December 12, 2023

NORTHAMPTON COUNTY, NORTH CAROLINA
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2022

Section I. Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material Weakness(es) identified? X yes no
- Significant Deficiency(s) identified that are not considered to be material weaknesses X yes 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 that are not considered to be material weaknesses X yes none reported

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

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

Identification of major federal programs:

<u>CFDA Number</u>	<u>Program Name</u>
21.027	Coronavirus State and Local Fiscal Recovery Fund
93.568	Low Income Energy Assistance
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

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section II. Financial Statement Findings

Finding 2022-001

Reconciliation of Records and Reporting

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.

Condition: In reviewing records and testing certain account balances, we noted that some accounts were not adequately adjusted. County ORBIT retirement reports were not timely filed resulting in penalties incurred.

Effect: The County's management and other users of the financial statements do not have timely information for decisions-making and monitoring of the county's financial position and adherence to laws, regulations, and other requirements. Errors in financial reporting could occur and not be detected.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-001.

Cause: Availability of adequate number of personnel in the finance and administration departments caused delays in reconciling account information and preparing for the annual audit and preparation of the financial statements.

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, determined appropriated accounting for complex transactions, or prepare the financial statements.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

Finding 2022-002

Budget Violation

MATERIAL WEAKNESS / NONCOMPLIANCE

Criteria: Budgets could not be provided by the County for the following funds: Solar Farm Trust Fund, ARPA Fund, Public School Building Fund.

Condition: County did not establish budgets for the public school building fund because they did not think it was necessary as they were just passing money through. Budgets could not be provided for the Solar Farm Trust Fund or ARPA Fund.

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section II. Financial Statement Findings (continued)

Effect: Moneys were spent that had not been obligated and appropriated.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-002.

Cause: Turnover in County finance staff and misunderstanding of requirements of funds.

Recommendation: The finance office should ensure all funds are budgeted.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

Finding 2022-003 **Budget Violation/Unbalance Budget**
MATERIAL WEAKNESS/ NONCOMPLIANCE

Criteria: The County should have adequate monitoring controls to ensure that budgets are adopted for all required funds, amendments are timely approved, and deficit fund balances are cleared up.

Condition: The budget was overspent in several departments in General Fund (Administration, Hospitalization - Retirees, Taxes, Land Records, Legal, Register of Deeds, Ambulance Service, Breast and Cervical Cancer, School Health - Kate B. Reynolds, Maternal Care Coordination, Elderly and Handicapped, Home and Community Care Block Grant, AIDS control, Universal Childhood Vaccines, Mental Health, Community Based Alternatives, Libraries, and Debt Service), expenditures exceeded appropriation. Additionally, expenditures exceeded appropriation for the Fire District Fund, Solar Farm Trust Fund, Rescue Squad Fund, ARPA Fund, Public School Building Funds, Debt Service Fund, West Fraiser Wastewater Grant, Water Asset Inventory and Assessment Grant Fund, and Garysburg Water and Sewer District Fund. Additionally, no budget was adopted to account for the principal paid off by the refunding bond in the Debt Service Fund, Water and Sewer Fund and Garysburg Water and Sewer Fund. Balanced budgets could not be provided from the software for the following funds: General Fund and the Solid Waste Fund.

Effect: Moneys were spent that had not been obligated and appropriated.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-003.

Cause: The County did not properly adopt and record budget amendments for the revenues and expenditures for those functions and funds.

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, to include making all necessary budget amendments and postings to clean up deficit balances and make necessary budget amendments.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

Finding 2022-004 **Deficit Fund Balance**
MATERIAL WEAKNESS

Criteria: The County should maintain a positive fund balance in each of its funds.

Condition: The County has five funds with a negative fund balance: Fire District Fund, Rescue Squad Fund, Severn Peanut Natural Gas Fund, Courthouse/Admin/DSS Renovations Fund, and Debt Service Fund.

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section II. Financial Statement Findings (continued)

Effect: When the County has a fund with a negative fund balance the General Fund has to advance the money to the fund to pay expenditures.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-004.

Cause: The County did not properly review the general ledger to ensure that methods considered necessary to ensure that the funds do not report deficit fund balances. It is understandable that a fund may show a deficit for a year as a result of timing differences, but after a year those deficits should be cleared up.

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, to include making all necessary budget amendments and postings to clean up deficit balances and make necessary budget amendments.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

Finding 2022-005

Late Submission of Audit

MATERIAL WEAKNESS/NONCOMPLIANCE

Criteria: The County is required to submit an audited set of financial statements to the LGC within 4 months after the end of the fiscal year.

Condition: The County failed to submit the audit report by the due date.

Effect: The Federal and State authorities did not get the information they needed concerning the prior year's audit reports timely.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-005.

Cause: The County has had significant turnover and issues reconciling records, and the audit has been submitted late over the past several years.

Recommendation: The County should ensure that all efforts are made to complete the audit timely.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section III. Federal Award Findings

US Department of Health and Human Services

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

Finding 2022-006

IV-D Cooperation with Child Support

SIGNIFICANT DEFICIENCY

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 determine Medicaid eligibility.

Condition: There were 8 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 255,485 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and a participant could have been approved for benefits for which they were not eligible.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-006.

Cause: Human error in reading the ACTS report and/or ineffective case review process.

Recommendation: Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determine eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

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

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section III. Federal Award Findings (continued)

US Department of Health and Human Services

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

Finding 2022-007

Inaccurate Information Entry

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. 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 6 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 255,485 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and a participant could have been approved for benefits for which they were not eligible.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2021-007.

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

Recommendation: Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determine eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

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

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section III. Federal Award Findings (continued)

US Department of Health and Human Services

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

Finding 2022-008 **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 17 errors discovered during our procedures that inadequate information was requested at applications and/or redeterminations.

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 255,485 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.

Recommendation: Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determine eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

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

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section III. Federal Award Findings (continued)

US Department of Health and Human Services

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

Finding 2022-009

Inaccurate Resources Entry

SIGNIFICANT DEFICIENCY

Eligibility

Criteria: Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application and these items will agree to reports in the NC FAST system. In this process, the countable resources should be calculated correctly and agree back to the amounts in the NC FAST system. Any items discovered in the verification process should be considered countable or non-countable resources and explained within the documentation.

Condition: There were 2 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 255,485 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.

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.

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section III. Federal Award Findings (continued)

US Department of Health and Human Services

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

Finding 2022-010 **Untimely Review of SSI Termination**
SIGNIFICANT DEFICIENCY

Eligibility

Criteria: The State sends notification to the County when a participant is no longer eligible under SSI determination. The County has a certain time period to initiate an ex parte review to determine whether the recipient qualifies for Medicaid under any other coverage group, such as Family and Children's Medicaid, North Carolina Health Choice for Children, Work First Family Assistance, or Medicaid for the Aged, Blind and Disabled.

Condition: There was 1 applicant not reviewed timely and determined to be eligible for Medicaid when their SSI benefits were terminated.

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 255,485 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: The County did not initiate ex parte review timely, therefore, no eligibility review was completed in the required time period. The lack of follow up and certification lead to applicants receiving Medicaid benefits for which they were not eligible.

Cause: Ineffective communication between departments within the Department of Social Services. One area within DSS received State communications that applicants would no longer be eligible for SSI benefits and the County needed to conduct an application process. This information was not shared with other departments in DSS from which the recipient was also receiving benefits.

Recommendation: Any State communications related to applicants' benefits received by any DSS department should be shared with all areas from which the participant receives benefits. State files should be reviewed internally to ensure all actions have been properly closed and the corrective action has been taken. Workers should be retrained on what process needs to be followed when State communications are received.

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

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section III. Federal Award Findings (continued)

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services

Program Name: Low Income Energy Assistance

CFDA#: 93.568

Finding 2022-011

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. In accordance with the Division of Social Services Energy Programs Manual, all case information used to determine eligibility, ineligibility and the benefit level must be clearly documented, and maintained for three years or until the fiscal audit and/or program audit is complete.

Condition: There were 10 errors discovered during our procedures that inadequate information was requested at applications and/or determinations.

Questioned Costs: There was no known affect to eligibility and there were no known questioned costs.

Context: We examined 25 cases from of a total of 586 approved energy assistance applications from the Processed Apps Detail report provided by NC Department of Health and Human Services to re-determine eligibility.

Effect: For those approved applications, there was a chance that information was not properly documented and reconciled to NC FAST, and an applicant 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.

Recommendation: Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determine eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

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

NORTHAMPTON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section IV. State Award Findings

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

SIGNIFICANT DEFICIENCY: Finding 2022-006, 2022-007, 2022-008, 2022-009 and 2022-010 also apply to State requirements and State Awards.



NORTHAMPTON COUNTY

Finance Department
9467 Hwy 305
Jackson, North Carolina 27845

Kenya Walker
Finance Director

Corrective Action Plan
For the Year Ended June 30, 2022

Section II - Financial Statement Findings

Finding: 2022-001 Reconciliation of Records and Reporting

Name of contact: Kenya Walker, Finance Officer; Barabara Williams, Payroll; Melundy Vandiford, Assistant Finance Officer, Bank Reconciliation

Corrective Action: In 2022 the Finance department attended training on Introduction to Local Government Finance. A new payroll specialist was hired in November 2022 and has been trained on Orbit reporting and how to process and reconcile to the general ledger each month. The Finance Officer will review the balance sheet accounts monthly to ensure proper reconciliation of accounts. The county is currently contracted with a CPA for assistance with financial statement and audit preparation.

Proposed
Completion Date: Immediately

Finding: 2022-002 Budget Violation

Name of contact: Kenya Walker, Finance Officer

Corrective Action: The Finance Officer will ensure all budget amendments are properly documented and posted when approved by the Board of Commissioners.

Proposed
Completion Date: Immediately

Finding: 2022-003 Budget Violation

Name of contact: Kenya Walker, Finance Officer

Corrective Action: The Finance Officer will ensure all budget amendments are presented to the Board of Commissioners and posted within the proper timeframe. The Finance Officer will be responsible for the upkeep of the filing system so that budget amendments are easily accessible.

Proposed
Completion Date: Immediately.



NORTHAMPTON COUNTY

Finance Department
9467 Hwy 305
Jackson, North Carolina 27845

Kenya Walker
Finance Director

Corrective Action Plan
For the Year Ended June 30, 2022

Section II - Financial Statement Findings

Finding: 2022-004 Deficit Fund Balance

Name of contact: Kenya Walker, Finance Officer

Corrective Action: The Finance department has implemented and mandated a monthly budget cleanup process with all department heads in the county. The Assistance Finance Officer will provide a budget report to department heads by the 9th of each month, and they are required to work with the Finance department to clear up any deficit balances. The Finance Officer is responsible for monitoring the monthly budget line clean up and ensuring that no deficit balances exist monthly and at year end.

Proposed
Completion Date: Immediately

Finding: 2022-005 Late Submission of Audit and Data Collection Form

Name of contact: Kenya Walker, Finance Officer

Corrective Action: The Finance Officer has implemented monthly financial statement review and balance sheet reconciliation which will assist with the year-end closing and timely audit preparation. The county is currently contracted with a CPA to assist with financial statement and audit preparation.

Proposed
Completion Date: Immediately

Section III - Federal Award Findings and Question Costs

Finding 2022-006 IV-D Cooperation with Child Support

Name of contact: Felicia Bullock, Family and Children’s Medicaid Supervisor

Corrective Action: Meetings were held with staff on informaton received for IV-D referrals and their timely completion of tasks.

Proposed
Completion Date: The week of March 20, 2023 with implementation effective immediately.



NORTHAMPTON COUNTY

Finance Department
9467 Hwy 305
Jackson, North Carolina 27845

Kenya Walker
Finance Director

Corrective Action Plan
For the Year Ended June 30, 2022

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

Finding 2022-007

Inaccurate Information Entry

Name of contact: Lisa Broady, Adult Medicaid Supervisor and Felicia Bullock, Family and Children's Medicaid Supervisor

Corrective Action: Meetings were held with staff to ensure that they are counting and imputing all information that are verified through AVS on all applications/recerts. Supervisor will continue to review 10 cases each month to assure correct information has been keyed.

Proposed Completion Date: The week of March 20, 2023 with implementation effective immediately.

Finding 2022-008

Inadequate Request for Information

Name of contact: Lisa Broady, Adult Medicaid Supervisor and Felicia Bullock, Family and Children's Medicaid Supervisor

Corrective Action: Meetings were held with staff on documenting the information received, requesting required information to determine eligibility, properly requesting online data and WorkNumber in NCFASST and entering the correct supporting information.

Proposed Completion Date: The week of March 20, 2023 with implementation effective immediately.

Finding 2022-009

Inaccurate Resources Entry

Name of contact: Lisa Broady, Adult Medicaid Supervisor

Corrective Action: Meetings were held with staff to ensure that OVS, AVS, WorkNumber and property checks are being run in NCFASST and that all supporting information has been entered correctly into NCFASST. Also, training included proper use of the 1/3 reduction budgeting procedures.

Proposed Completion Date: The week of March 20, 2023 with implementation effective immediately.



NORTHAMPTON COUNTY

Finance Department
9467 Hwy 305
Jackson, North Carolina 27845

Kenya Walker
Finance Director

Corrective Action Plan
For the Year Ended June 30, 2022

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

Finding 2022-010

Untimely Review of SSI Termination

Name of contact: Felicia Bullock, Family and Children's Medicaid Supervisor
Corrective Action: Meeting with Adult Medicaid supervisor to ensure Family and Children's Medicaid staff receives terminated SSI cases in a timely manner to ensure a timely review of those cases.

Proposed Completion Date: The week of March 20, 2023 with implementation effective immediately.

Finding 2022-011

Inadequate Requests for Information

Name of contact: Felicia Bullock, Family and Children's Medicaid Supervisor, Lisa Broady, Adult Medicaid Supervisor, Angela Cooke, FNS Supervisor, Brittany Lopez, Work First Supervisor

Corrective Action: Meeting to be held with staff on requesting required information needed to determine eligibility, properly requesting online data and entering correct supporting information. Meeting to be held with staff on correct documentation. A Template will be provided for workers to follow to ensure Correct documentation. Meeting to be held with staff on expectations of them as workers of the Energy Program. Expectation sheets will be signed by all Energy workers. Supervisors will selectively second party Energy applications.

Proposed Completion Date: 10/31/2023, with implementation effective immediately.

Section IV - State Award Findings and Question Costs

Corrective Actions for finding 2022-006, 2022-007, 2022-008, 2022-009 and 2022-010 also apply to State Award findings.

NORTHAMPTON COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2022

Finding: 2021-001
Status: Repeated as finding 2022-001

Finding: 2021-002
Status: Repeated as finding 2022-002.

Finding: 2021-003
Status: Repeated as finding 2022-003.

Finding: 2021-004
Status: Repeated as finding 2022-004

Finding: 2021-005
Status: Repeated as finding 2022-005.

Finding: 2021-006
Status: Repeated as finding 2022-006.

Finding: 2021-007
Status: Repeated as finding 2022-007.

Finding: 2021-008
Status: Repeated as finding 2022-008.

Northampton County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2022

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL# CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct & Pass-through Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Sub-recipients</u>	<u>Local Expenditures</u>
Federal Awards:						
<u>U. S. Department of Agriculture</u>						
Passed-through N.C. Dept. of Health and Human Services:						
Division of Social Services:						
Administration:						
Supplemental Nutrition Assistance Program Cluster State Administrative Matching Grants	10.561		\$ 448,623	\$ -	\$ -	\$ 448,623
FNS ARPA	10.561		29,257	-	-	-
FNS CAA	10.561		10,745	-	-	-
Total Supplemental Nutrition Assistance Program			488,625	-	-	448,623
Passed-through N.C. Dept. of Health and Human Services						
Division of Public Health:						
Administration:						
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		115,851	-	-	-
Total U. S. Department of Agriculture			604,476	-	-	448,623
<u>U.S. Department of Justice</u>						
Passed-through N.C. Department of Public Safety						
Governor's Crime Commission	16.738		21,190	-	-	-
Total U.S. Department of Justice			21,190	-	-	-
<u>U.S. Dept. of Treasury</u>						
Direct Program						
Coronavirus State and Local Fiscal Recovery Fund	21.027		953,569	-	-	-
Total U.S. Dept. of Treasury			953,569	-	-	-
<u>U.S. Dept. of Health and Human Services</u>						
Passed-through N.C. Dept. of Health and Human Services						
Division of Public Health:						
Public Health Emergency Preparedness	93.069		31,664	-	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control	93.116		50	-	-	-
Family Planning Services	93.217		32,910	-	-	-
Immunization Grants	93.268		9,014	-	-	-
COVID-19 - Immunization Grants	93.268		39,657	-	-	-
Total Immunization Grants			48,671	-	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		38,965	-	-	-
HIV Prevention Activities_Health Department Based	93.940		48,621	-	-	-
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977		57	-	-	-
Preventive Health and Health Services Block Grant	93.991		30,607	-	-	-
Maternal and Child Health Services Block Grant	93.994		55,851	7,570	-	-
Division of Social Services						
TANF - Work First	93.558		384,126	-	-	57,381
Division of Public Health						
TANF - Work First	93.558		5,071	-	-	-
Total TANF Cluster			389,197	-	-	57,381
Low Income Energy Assistance						
Administration	93.568		23,178	-	-	-
Crisis Intervention Payments	93.568		111,737	-	-	-
Energy Assistance	93.568		344,989	-	-	-
COVID-19 - LIEAP Admin	93.568		5,838	-	-	-
LIEAP ARPA	93.568		225,116	-	-	-
LIEAP ARPA ADMIN	93.568		24,016	-	-	-
LIHWAP ADM	93.568		14,174	-	-	-
LIHWAP CAA	93.568		47,390	-	-	-
Total Low-Income Energy Assistance			796,438	-	-	-

**Northampton County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2022**

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Sub-recipients	Local Expenditures
Stephanie Tubbs Jones Child Welfare Services Program Permanency Planning - Families for Kids	93.645		79	-	-	26
Total Stephanie Tubbs Jones Child Welfare Services Program			79	-	-	26
Family Perservation	93.556		797	-	-	-
AFDC Payments and Penalties	93.560		(364)	(95)	-	(101)
Foster Care and Adoption Cluster						
Foster Care - Title IV-E 4	93.658		62,462	11,141	-	47,344
Adoption Assistance	93.659		-	-	-	-
Foster Care	N/A		872	-	-	-
Total Foster Care and Adoption			63,334	11,141	-	47,344
Child Support Enforcement	93.563		548,126	-	-	282,367
Chafee Foster Care Independence Program	93.674		238	59	-	-
SSBG - Other Training & Services	93.667		132,162	-	-	44,054
Division of Aging and Adult Services						
SSBG	93.667		15,328	438	-	-
Division of Social Services						
SSBG - State Adult Day Care	93.667		31,927	11,928	-	6,265
SSBG - State In Home Service Fund	93.667		19,914	-	-	2,845
Total Social Service Block Grant			199,331	12,366	-	53,164
Child Care Development Mandatory and Match Fund-Administration	93.596		50,471	-	-	-
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Social Services						
Medical Assistance Program - Administration	93.778		1,282,242	5,910	-	533,864
Division of Social Services						
Administration						
State Children's Insurance Program-N. C. Health Choice	93.767		19,766	399	-	4,037
Passed-through Upper Coastal Plain Council of Government - Aging Cluster						
Division of Aging and Adult Services						
<u>Aging Cluster</u>						
Special Programs for the Aging - Title III B						
Grants for Supportive Services and Senior Centers	93.044		69,525	4,089	-	-
Special Programs for the Aging - Title III C						
Nutrition Services	93.045		8,721	513	-	-
NSIP - Nutrition	93.053		2,842	-	-	-
Total Aging Cluster			81,088	4,602	-	-
Total U. S. Department of Health and Human Services			3,718,139	41,952	-	978,082
<u>U.S. Department of Homeland Security</u>						
Passed through N.C. Dept. of Public Safety						
Division of Emergency Management						
Emergency Mgt. Performance Grant	97.042		39,286	-	-	-
Total U.S. Department of Homeland Security			39,286	-	-	-
Total federal awards			\$ 5,336,660	\$ 41,952	\$ -	\$ 1,426,705
State Awards:						
<u>N.C. Dept. of Health and Human Services</u>						
Division of Public Health:						
Food & Lodging Fees			\$ -	\$ 1,472	\$ -	\$ -
PH Capacity Building			-	104,276	-	-
General Communicable Diseases Control			-	2,440	-	-
Healthy Community Activities			-	3,747	-	-
Child Health			-	1,818	-	-
HIV/STD State			-	764	-	-
School Nurse Funding Initiative			-	150,000	-	-
Family Planning - State			-	56,649	-	-
Maternal Health			-	17,152	-	-
Women Health Service Fund			-	6,040	-	-
TB Control			-	31,757	-	-
Total Division of Public Health			-	376,115	-	-

Northampton County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2022

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL# CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct & Pass-through Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Sub-recipients</u>	<u>Local Expenditures</u>
Division of Social Services:						
ST Child Welfare/CPS/CS LD		N/A	-	10,563	-	-
County Funded Programs		N/A	-	-	-	510,435
DCD Smart Start		N/A	-	3,010	-	-
Non-Allocating County Cost		N/A	-	-	-	173,540
AFDC INCENT / Program Integrity		N/A	-	50	-	-
Total Division of Social Services			-	13,623	-	683,975
Division of Aging and Adult Services						
State Appropriation - Access			-	5,351	-	-
State Appropriation - Home Delevered Meals			-	22,124	-	-
State Appropriation - In Home Services			-	107,168	-	-
Total Division of Aging and Adult Services			-	134,643	-	-
Total N.C. Dept. of Health and Human Services			-	524,381	-	683,975
<u>N.C. Dept. of Veterans Affairs</u>						
Veteran Grant		N/A	-	2,109	-	-
Total N.C. Dept. of Veterans Affairs			-	2,109	-	-
<u>N.C. Dept. of Transportation</u>						
Rural Operating Assistance Program (ROAP) Cluster						
ROAP EDTAP		DOT-16CL 36220.10.10.1	-	52,396	-	-
Total ROAP Cluster			-	52,396	-	-
<u>N.C. Department of Pubic Safety</u>						
Juvenile Crime Prevention Programs						
JCPC Admin			-	11,815	-	-
Second Chance Counts			-	22,680	22,680	-
NC Vocational Jobs Program			-	30,000	30,000	-
Children Matters			-	28,201	28,201	-
Teen Court			-	10,300	10,300	-
Parenting for Success			-	17,163	17,163	-
Total Juvenile Crime Prevention Programs			-	120,159	108,344	-
Sheriff Assistance Grant			-	84,270	-	-
Total N.C. Department of Pubic Safety			-	204,429	108,344	-
<u>N.C. Department of Environmental Quality</u>						
SW Reduction & Recycling Grant			-	3,884	-	-
Total N.C. Dept. of Environmental Quality			-	3,884	-	-
<u>N.C. Department of Commerce</u>						
Industrial Development Fund Utility Account			-	53,919	-	-
Total N.C. Department of Commerce			-	53,919	-	-
<u>N.C. Office of State Budget Management</u>						
State Capital & Infrastructure Funds			-	619,807	-	-
Total N.C. Office of State Budget Management			-	619,807	-	-
Total State Awards			\$ -	\$ 1,460,925	\$ 108,344	\$ 683,975
Total Federal and State Awards			\$ 5,336,660	\$ 1,502,877	\$ 108,344	\$ 2,110,680

Notes to the Schedule of Federal and State Financial Awards:

Note 1: Basis of Presentation

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

Northampton County, North Carolina
 Schedule of Expenditures of Federal and State Awards
 For The Year Ended June 30, 2022

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL# CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct & Pass-through Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Sub-recipients</u>	<u>Local Expenditures</u>
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Note 3: Indirect Cost Rate

Northampton 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.

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>CFDA No.</u>	<u>Federal</u>	<u>State</u>
Food and Nutrition Services	10.551	\$ 14,831,638	\$ -
Special Supplemental Nutrition Program for Women Infant and Children	10.557	86,500	-
Medical Assistance Program	93.778	38,720,100	14,954,410
Children's Health Insurance Program	93.767	219,016	49,095
IV-E Adopt & Vendor	93.659	58,847	11,001
TANF Payments & Penalties	93.558	82,100	-
CWS Adopt, Vendor, Guard	N/A	-	28,984
SC/SA Domiciliary Care	N/A	-	210,923