

**Annual Comprehensive
Financial Report
of the
County of Wayne
Goldsboro, North Carolina
For the Fiscal Year Ended
June 30, 2022**

**Chip Crumpler
County Manager**

**Allison W. Speight
Finance Director**

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Introductory Section

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Letter of Transmittal

County of Wayne Chip Crumpler

County Manager / Budget Officer



November 28, 2022

Honorable Members of the Wayne County Board of Commissioners
Citizens of Wayne County, North Carolina

The Annual Comprehensive Financial Report for Wayne County, North Carolina, for the fiscal year ended June 30, 2022 is hereby submitted. North Carolina law requires all local governments to publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of Wayne County for the fiscal year ended June 30, 2022.

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

Wayne County adopts an annual budget for its General Fund and all other funds, as required by the General Statutes. The budget is a legally adopted document that incorporates input from citizens, the management team of the County, and the decisions of the County Board of Commissioners to obtain funds from identified sources to finance annual activities. County management in cooperation with the Board of Commissioners conduct the budget planning process from January to June annually with a Board planning session, budget team work sessions, departmental reviews, development of draft budget work books, development and review of the capital improvement plan, the County Manager's Recommended Budget and Capital Improvements Plan, public county commissioner work sessions, the actual statutory budget hearing and ultimately the adoption of the budget by the County Commissioners prior to July 1st.

Nunn, Brashear & Uzzell, PA, a firm of licensed certified public accountants, has audited Wayne County's financial statements. The goal of the independent audit was to provide reasonable assurance the financial statements of Wayne County for the fiscal year ended June 30, 2022 are

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free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial presentation. The independent auditor concluded, based upon the audit, there was a reasonable basis for rendering an unmodified opinion that Wayne County's financial statements for the fiscal year ended June 30, 2022 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

COUNTY PROFILE:

Wayne County, founded in 1779, is located in the east-central part of the state, amid the broad Coastal Plain region, which covers nearly half the state. The County, which measures approximately 29 miles from north to south and 14 to 27 miles from east to west, encompasses approximately 555 square miles. It is bounded on the north by Wilson County, on the east by Greene and Lenoir Counties, on the south by Duplin and Sampson Counties and on the west by Johnston County. The City of Goldsboro, the County seat, is situated geographically in the center of the County and is approximately 50 miles southeast of the City of Raleigh, North Carolina. Other municipalities located in the County include the towns of Eureka, Fremont, Mount Olive, Pikeville and Seven Springs, plus the incorporated Village of Walnut Creek. The County has a diversified economy based upon industry, agriculture, military, and governmental institutions supported by a mix of wholesale and retail businesses as well as numerous service providers.

The County has a land area of approximately 355,200 acres of which approximately 160,000+ acres or 45%+ are classified as cropland. With elevations predominantly 120 to 145 feet above sea level, the land surface is smooth with moderately steep slopes along the flood plain of permanent streams. The largest waterway, the Neuse River, bisects the lower central portion of the County as it flows in an eastward direction to the Atlantic Ocean.

A mild climate with an average temperature of 62 degrees, a well-distributed average annual rainfall of 50 inches, a freeze-free growing season of about 225 days and wide range of soil types all contribute to a highly productive agricultural area. The County is the 4th largest agricultural county in the state and 4th in the state in livestock production. Wayne County is the

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15th largest county in the United States in the production of hogs. The County is home to Mt. Olive Pickle Co., the largest pickle company in the United States. It is also home to Goldsboro Milling, Inc., the parent company of Butterball Turkeys, the largest producer of turkey products in the United States. Farming and agribusiness represent 20% of the county's employment and 22% of the county's total gross income. According to the 2017 Census of Agriculture there are 165,345 acres of farmland. The county has developed a Farmland Preservation Plan to help maintain and position farming and agribusiness as a county economic engine for the future.

The County operates under the commission/manager form of government. It is governed by a seven-member Board of Commissioners (the "Board"). One member is elected from each of six different voting districts in the County and one member is elected countywide. All seven members serve concurrent four-year terms. The partisan elections for the Board are held in November of Presidential election years. The Board elects annually a Chairman and Vice-Chairman from among its members when it takes office the first Monday in December. The Board appoints a County Manager to manage the daily operations, prepare and administer the annual budget and capital improvements program, and to advise the Board on public policy matters.

FACTORS AFFECTING FINANCIAL CONDITION:

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

Local Economy

Wayne County was designated a Metropolitan Statistical Area by the US government in 1992. The County is in the eastern coastal plain region of North Carolina and joined The North Carolina's Southeast Region, an economic development region of 18 counties, in 2018. Two major four-lane highways (East/West by US Highway 70 - future Interstate 42 and North/South by US Highway 117) transverse Goldsboro, the county seat. Highway 117 was designated as I-795, allowing larger freight vehicles to enter Wayne County on a high-speed interstate with access to I-95. Interstates 95 and 40 are both within twenty-five minutes of driving time.

Wayne County has an estimated population of 123,785 and a workforce of over 56,089 per source JobsEQ. The September 2022 county unemployment rate was 3.5%. The strength of the County's economy rests on a diverse mixture of manufacturing, military, government, and service enterprises. However, no one industry dominates the manufacturing base as indicated by the County's major manufacturing and distributing base of over 73 companies, including automotive, electronics, food and beverages, plastics, agriculture, wood products, and aerospace. In addition, Seymour Johnson Air Force Base, located in Goldsboro, is home to the 4th Fighter Wing and 916th Air Refueling Wing and provides an economic impact for Wayne County that in 2021 was \$727 Million. The annual civilian and military payroll is over \$407,138,143. SJAFB is Wayne County's largest employer, with 11,516 military members (combined active duty and reservists) and 510 civilians. For 2021, they funded local expenditures of approximately \$50,282,752 and created 14,193 local jobs and an employment impact of \$807,411,384. The base also supplies a highly trained and technically skilled labor pool, separating airmen, retirees, and spouses.

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Agriculture and Agribusiness is one of the major industries in the County with over a \$1 billion impact. The 2021 North Carolina Agricultural Statistics have Wayne County ranked #2 in turkeys, #4 in hogs, #4 in wheat, #8 in peanuts production. Current agriculture census data has gross farm income totaling \$370 million. NCSU reported in 2020 that forestry within Wayne County had a \$255 million impact.

The County's local industrial base includes manufacturing, wholesaling and distribution, and machine shops. Manufacturing operations range from simple assembly to complex processes resulting in products ranging from bread and poultry to automotive parts, electric transformers, and aviation and aerospace support. The Wayne County Development Alliance, Inc. recognizes over 73 major local industries that account for over 9,000 jobs.

A focus on regional partnerships has created the NC Global TransPark Economic Devolvment Region, which brings Wayne, Lenoir, and Greene Counties along with the NC Global TransPark together to strengthen the marketability of eastern NC.

WCDA is active in creating product as we move forward with our Goldsboro Business Campus to focus on smaller entrepreneurs and marketing our strengths as a community and region. The WCDA continues to market our County's three industrial parks and actively seeks new ventures to grow our area. Several successes include expansions of companies such as Mt. Olive Pickles and AP Emissions Technologies. In addition, new companies are locating to the County, such as SunTree Foods and Hosokawa Micron Corporation.

The WCDA continues to market our County's assets and be engaged with consultants and our allies to achieve economic success for Wayne County.

Major Initiatives

1. Dunn and Dalton Architects and Jackson Builders were engaged to design and build the 50,000 square foot shell industrial building in the ParkEast Industrial Park on Lot #8. The county and Hosokawa Custom Processing Services, LLC agreed to a purchase price of \$2 million and the property was closed on August 17, 2022.
2. ParkEast Industrial Park has experienced expansions within its business occupants justifying the need for an access road to provide an additional point of ingress and egress. The Board of Commissioners voted at its February 1, 2022, meeting to adopt a resolution requesting the NC Department of Transportation (NCDOT) to allocate project funds for this access road to assist with the costs of this project. The County was notified in August of 2022 that NCDOT allocated \$400,000 for this project. Other grant amounts are expected from various agencies, but the County will cover any difference in cost.
3. The County has closed on a five-year option agreement with Bryan Holdings for approximately 118 acres of property located close to one of our smaller industrial parks located on Patetown Road in Goldsboro. The "Goldsboro Business Campus" designed as a business incubator park and according to the National Business Incubation Association,

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business incubators provide a nurturing environment that helps entrepreneurial companies grow and survive, especially during the crucial start-up period when many companies are vulnerable. The option allows the county the ability to develop the Business Campus without tying up all the money on the front end in purchasing the property. A three-party agreement between the County, the City of Goldsboro, and the WCDA as a partnership to develop and designate the different assets and shared costs for the Campus are in place. In September of 2022, the County exercised its options and purchased 108.6 acres of the Bryan Property for \$1,534,560.

4. The County approved WithersRavenel as the Preferred Engineer Firm for the Goldsboro Business Campus. WithersRavenel, Inc. is conducting developmental studies, design, covenants and associated costs for the property. Additionally, WithersRavenel, Inc. were authorized in August 2018 to apply for a \$1,785,000 Rural Ready Sites Grant with the NC Department of Commerce to assist with this project. The grant was awarded to the County in 2018 and WithersRavenel, Inc. is proceeding with the development of the Campus. Fred Smith Company was awarded the contract for construction of the Goldsboro Business Campus infrastructure in July of 2022.
5. In order to provide redundant county network services to the Winders Jail, new 911 Center, COB, and Courthouse, the County is completing the Fiber Loop Project under our IT Department. They will loop the existing system to the new Jail, then pick up the new 911 Center, then come back to Wayne Memorial Drive toward the downtown area. That is the loop. Then, the project will take a fiber line out to the Maxwell Center which will not be a part of the redundant path-just highspeed data access to county resources. In addition, we need redundancy of internet fiber for the 911 Center, which has to stay operational at all times. Fiber is installed to the Maxwell Center, and another leg to the Jail. The portion between the Jail and the new 911 Center has been completed, and the original project scope is finished. An additional phase of this project will begin once the new Detention facility and the DSS/Health facility are constructed. There is not an estimate at this time of the costs of this phase.
6. As part of the ongoing effort to address the issues and expansion concerns of county and municipality sewer systems, the Board of Commissioners approved a resolution on June 15, 2021, to apply for and participate in the North Carolina Viable Utility Reserve Grant Program. This reserve was established in the Water Infrastructure Fund as part of Session Law 2020-79 to be used for grants to include the study of rates, asset inventory and assessment and/or merger and regionalization options. The County was notified on August 3, 2021, that it was awarded \$150,000 in grant funds to conduct an Asset Inventory and Assessment (AIA). CDM Smith will be assisting the County with this project.
7. The County has selected the CDBG Consultant to administer the Community Development Block Grant-Disaster Recovery \$25,000,000 grant received to offset some of the effects of Hurricane Matthew. The County through its grant administrator/consultant is currently in the implementation of the CDBG-DR grant program. This is an ongoing 3-5 year grant program for disaster recovery related to Hurricane Matthew. Some costs have been incurred by the County; however the State is handling the majority of the administration of this grant.

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8. The County has acquired a Hazard Mitigation Grant Program consultant/administrator and has begun the process of surveying, appraising and legal work for the potential acquisition of 84 homes damaged due to the flooding effects of Hurricane Matthew.
9. The County, during its meeting on October 5, 2021, voted to apply for \$750,000 in CDBG Neighborhood Revitalization funds to be used for the Rollingwood community in Dudley, NC. It was notified on December 7, 2021, of the official award of \$750,000. RSM Harris was approved in the May 17, 2022 Board meeting to handle the grant administration services for this project.
10. The Perimeter Fence project at the Jetport is needed to increase safety for users of the airport. The current fencing at the airport is only 4.5-feet tall with no underground skirt of concrete footer. The current fencing is insufficient to keep wildlife off the airfield, particularly deer that can easily jump the existing fence. The USDA APHIS Wildlife Services performed a Wildlife Hazard Site Visit (WHSV) and issued a report of their findings in January 2019. The WHSV report recommended the installation of a wildlife resistant perimeter fence, consisting of a 10-foot tall fence, with barbed wire at the top and a four-foot section of chain link fence buried at a 45-degree angle along the bottom. The current project is to design a perimeter fence around the airport's property. The fence construction will be split into three separate phases/projects. Upon completion of design, all three phases will be "shovel ready" and better situated to secure future funding for construction. The Perimeter Fence design will be funded 90% by FAA Non-Primary Entitlement (NPE) funds, with a 10% local match supplied by the County.
11. The Apron Pavement Rehabilitation (Construction) project is needed to perform the design and prepare the bid documents for the asphalt pavement reconstruction of the Jetport's main aircraft parking apron. The existing apron pavement has been experiencing problems with deflections in the asphalt from parked aircraft, causing many impacts to airport operations and fuel sales. Construction will begin in early 2022 and is being funded 90% by state funds, with a 10% local match supplied by the County.
12. The Corporate Area Expansion – Phase 2 (Design) project is for an expansion of the existing Corporate Area to provide two (2) additional sites for future corporate hangars. The project will be "shovel ready" upon completion of design and ready to be bid and constructed when funding becomes available. The project has been funded completely by the County, with possible reimbursement from FAA NPE funds in 2022.
13. The Funding Application Preparation project is for the preparation and submittal of a funding application for state ARPA grant funding in the Spring 2022 DWI application round. The funding application is for the rehabilitation/replacement of the airport's existing pump station and upstream gravity sewer system.
14. The Stormwater Improvement Project will analyze existing ditches and aging stormwater culverts and provide improvements to the drainage system leaving the airport. The improvements include the establishment of a durable and efficient stormwater drainage

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system through a combination of repair/replacement of degraded pipes, regrading and/or stabilizing ditches, and establishing grass and herbaceous vegetation to safely maintain ditch stability. The project will also improve safety by removing a wildlife-attracting old pond, trees that are obstructions to the airport's approach surface, and potentially piping/filling in part of a ditch adjacent to the airport's parallel taxiway.

15. During the June 1, 2021, Board of Commissioners' meeting, a motion was made and approved to issue a request for qualifications (RFQ) for architectural and construction manager at risk services (CMAR) to design and oversee construction of a combined Department of Social Services and Health Department facility. This project will be financed in a future debt financing package and supported through tax rate increases over the last two years. After considering a number of potential architects for the project, the Board approved a contract with Moseley Architects at their July 20, 2021, meeting. TA Loving Company was approved as the CMAR for the project during the Board's October 19, 2021, meeting. Moseley continues to work with the Board to establish a final plan design for this project.
16. During the August 2019 Board of Commissioners' meeting, a motion was approved to allow Moseley Architects to conduct a Wayne County Jail Study Update. The study evaluated the current needs, projected future inmate population and space needs and provided recommendations to renovate or construct facilities for long-term solutions. After consideration of the study's findings, the Board approved a motion on October 5, 2021, to authorize Moseley Architects to proceed with full design services for a new Detention Center on the property adjoining the Carey A. Winders Detention Facility. During their October 19, 2021, meeting, the Board approved the Design-Bid-Build with General Contractor Pre-Qualification process for the new Detention Center. Bids are expected back in December 2022.
17. On April 21, 2020, the Board of Commissioners approved an Offer to Purchase and Contract between the Wayne County Board of Education and the Evans family for \$312,000 for a tract of land in Fremont. This approval was conditional upon the Board of Education agreeing to a joint application with the County for the Tier 1 Lottery Grant Funds from the State. The site will be the future home of Fremont Elementary School. The Board of Commissioners subsequently approved filing a joint application with the Wayne County Board of Education for the Tier 1 Lottery Funds Grant in their recessed meeting on April 28, 2020. On October 14, 2020, the Board was notified that the application was approved for grant funding in the amount of \$15,000,000. The County is required to provide a match of a minimum of \$5,000,000 which will most likely be borrowed in an upcoming debt financing arrangement. A funding agreement between the Board of Commissioners and Board of Education was approved by the Board during the September 21, 2021, meeting establishing the total budget for the Fremont Elementary School project at not more than \$23 million. In January of 2022, the Board of Commissioners were made aware of new provisions in the Needs-Based Public School Capital Fund grant which allows a maximum of \$30 million in awards, with a 5% local match of \$1.5 million as long as construction has not begun on the previously approved project. Additionally, the revisions in the grant program provide that the County will not have to continue forfeiting normal distributions

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of lottery funds in the remaining five years. The Board approved at the January 12 meeting to reapply for the additional funds. In June 2022, the Board approved a GMP of \$35,705,418 with Daniels & Daniels for the construction of the school. Additionally, they approved a resolution to finance a portion of this project with an Installment Financing Agreement. This debt financing for a total of \$8,000,000 was closed on August 11, 2022.

18. On March 11, 2021, a \$1.9 trillion stimulus package was signed into law. The federal American Rescue Plan Act (ARP) of 2021 was the third major relief act since the onset of the COVID-19 pandemic. This bill included significant aid to state and local governments. The County has now received its fully allocated amount of \$23,916,753.00. On July 20, 2021, the Board of Commissioners adopted a resolution accepting the funds and established a grant project ordinance to account for the ARP revenues and expenditures. The County has obligated some of the ARP money to various projects but had not spent any of those funds at June 30, 2022. Of the \$23.9 million received, the County has elected to take the standard allowance on the revenue loss of \$10 million to be used for government services. The activity of this fund can be seen within the section of Special Revenue Funds.
19. Since the opening of the Maxwell Center in 2018, the County worked to find an anchor hotel that would complement the vision of the Maxwell Center, provide additional meeting room space, a small restaurant and additional parking. As part of that goal, the Board of Commissioners approved an agreement on April 6, 2021, between the County and the City of Goldsboro regarding the site for a potential hotel. In exchange for up to four acres of City-owned land near the Maxwell Center, the County would forgive one-half of the City's debt on the retainment pond at the Maxwell Center, or approximately \$69,000.00. In October 2021, the County executed an agreement with BPR Goldsboro, LLC conveying 3.97 acres to BPR for construction of a Homewood Suites by Hilton, including 110 rooms and parking spaces, additional meeting space and bistro-type bar. The agreement provides \$500 thousand in economic incentives to BPR in construction milestone payments. BPR and the County also executed a promissory note in the amount of \$2 million representing the value of the conveyed land and economic incentive payments. If BPR Goldsboro, LLC fails to operate the facility, they must repay the \$2 million. The hotel is currently under construction.
20. During the July 20, 2021, Board of Commissioners' meeting, the DSS Director presented a Child Support Services Privatization Study. The DSS Board and county staff previously researched the benefits of privatizing this function and made a recommendation to the Commissioners to begin the RFQ process. At its January 4, 2022, meeting, the Board approved DSS to contract with Veritas HHS for the privatization of its Child Support Enforcement Office. The contract went into effect on March 1, and the transition was completed by the fiscal year-end.
21. At the September 21, 2021, Board of Commissioners' meeting, a resolution was passed approving a memorandum of agreement between the State of North Carolina and local governments on proceeds relating to the settlement of opioid litigation. This litigation was a part of a nationwide lawsuit, which included thousands of local governments across the country, against opioid manufacturers and pharmaceutical distribution companies to hold

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those companies accountable for their misconduct leading to the national opioid epidemic. The County was notified in the spring of 2022 that it was receiving a total of \$6.25 million over the next 18 years as part of the national settlement agreement. Payments began in June and will continue periodically throughout the year.

22. As part of the 2021-2023 fiscal biennium State budget, approved on November 18, 2021, the County was notified that the budget included appropriations to the county of \$20 million for a new school. On December 7, 2021, the Board of Commissioners passed a joint resolution with the Wayne County Board of Education to use this funding for the purpose of renovating or constructing a new Rosewood Middle School. The schools have selected Davis Kane as the architect for this project and currently working with them to finalize the contract for services.
23. On June 7, 2022, the Board of Commissioners voted to transition the County's payroll schedule from once per month to bi-weekly. This change will allow for employees to be paid on a real-time pay period rather than paying in advance of time worked. Additionally, there will be fewer adjustments of vacation, sick and comp time accruals. Consistent timesheets will also be created to adjust for manual changes to timesheets between departments over the years. A bi-weekly payroll aligns perfectly with the 207(k) exemption for law enforcement under the Fair Labor Standards Act. Finally, this change will provide less time between paychecks for employees, giving them income throughout the month. The County will transition to this new pay schedule in April of 2023.

Long Term Financial Plan

The Board of Commissioners of Wayne County continues to support a strong financial position as one of their top priorities even in these challenging times. The Capital Improvement Plan serves as the basis for the County's long-term facilities planning. The Wayne County Board of Commissioners, the County Facilities Committee and staff have developed a strategy for the improvement of service delivery to the residents of the County to create a community that is safe, healthy, prosperous, well informed, and well governed. This plan is reviewed in the County Commissioners annual budget planning retreat for funding consideration in the annual budget process.

AWARDS AND ACKNOWLEDGEMENTS:

In 2021 the Government Finance Officers Association (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Finance Report of Wayne County for the year ended June 30, 2020. The 2020 Report was judged to conform to the high standards of financial reporting put forth by GFOA. The County has been awarded the certificate for the past twenty-two (25) years. We believe the Report for fiscal year 2021 continues to substantially conform to those standards and this Report is being submitted to GFOA for the certificate program.

Letter of Transmittal

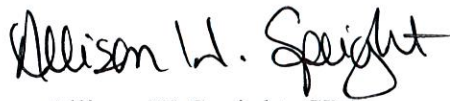
We appreciate the assistance and dedication of the Finance Department staff throughout the year, especially during the preparation of the CAFR. We would like to thank all members of the Department who contributed to its preparation and the County's independent certified public accountants, Nunn, Brashear and Uzzell, PA, for their assistance. The cooperation of each County department is appreciated as we work together in conducting the County's financial operations.

We also express our appreciation to the members of the Wayne County Board of Commissioners for their continued support, guidance, and advice in planning and conducting the financial activities of the County in a responsible and progressive manner.

Sincerely,



Chip Crumpler
Wayne County Manager
& Budget Officer



Allison W. Speight, CPA
Finance Director



WAYNECOUNTY
NORTH CAROLINA

County Commissioners



Joe Daughtery
Chairman
District 6
Phone: (919) 273-6065



George Wayne Aycock
Vice-Chairman
At Large District
Phone: (919) 222-4646



Barbara Aycock
District 1
Phone: (919) 242-5604



Antonio Williams
District 2
Phone: (919) 396-5144



Bevan Foster
District 3
Phone: (919) 288-4401



Freeman Hardison
District 4
Phone: (203) 331-6278



Chris Gurley
District 5
Phone: (919) 738-9705



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
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Presented to

**County of Wayne
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

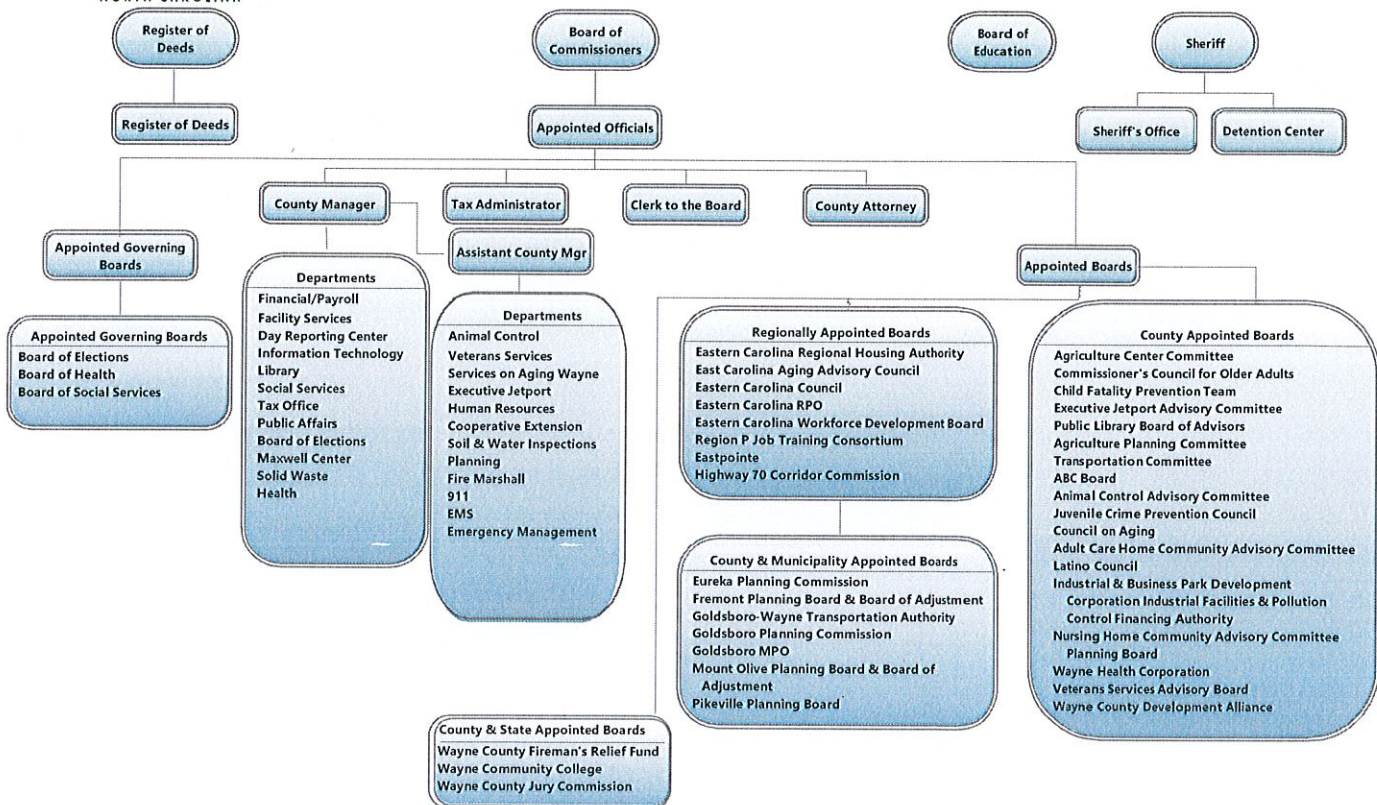
Executive Director/CEO



WAYNECOUNTY
NORTH CAROLINA

**Wayne County Government
Organizational Chart
2021-2022**

Citizens of Wayne County



As of January 23, 2021

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Financial Section

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P.O. BOX 10127
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MARJORIE C. FICKLING, CPA
J.R. SABATELLI, CPA

Independent Auditors' Report

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

In our opinion, based on our audit and the report of the other 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 presented component units, each major fund, and the aggregate remaining fund information of Wayne County, North Carolina as of June 30, 2022, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Wayne County ABC Board, which represent 98.3 percent, 97.6 percent, and 98.2 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Wayne County ABC Board is based solely on the report of the other auditors. We did audit, as a separate engagement, the financial statements of the Wayne County Tourism Development Authority, which represent 1.7 percent, 2.4 percent and 1.8 percent of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Wayne County ABC Board and the Wayne County Tourism Development Authority were not audited in accordance with Governmental Auditing Standards.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wayne County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Wayne County ABC Board 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 Wayne 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 doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and governmental auditing standards, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Wayne 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 Wayne 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Postemployment schedules of Changes in Total OPEB Liability and Related Ratios, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability 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 Changes in Total Pension Liability of the Law Enforcement Officers' Special Separation Allowance and Related Ratios, on pages 18 through 29, 118 through 119, 120 through 123, 124 through 127, and 128 through 129, 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 Wayne County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, the statistical schedules, and component unit 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 purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit or the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted

in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund financial statements, budgetary schedules, other schedules, component unit schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2022 on our consideration of Wayne County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wayne County's internal control over financial reporting and compliance.

Nunn, Brashear, & Uzzell, P.A.

Goldsboro, North Carolina

November 28, 2022

Management's Discussion and Analysis

As management of Wayne County, we offer readers of Wayne County's financial statements this narrative overview and analysis of the financial activities of Wayne 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

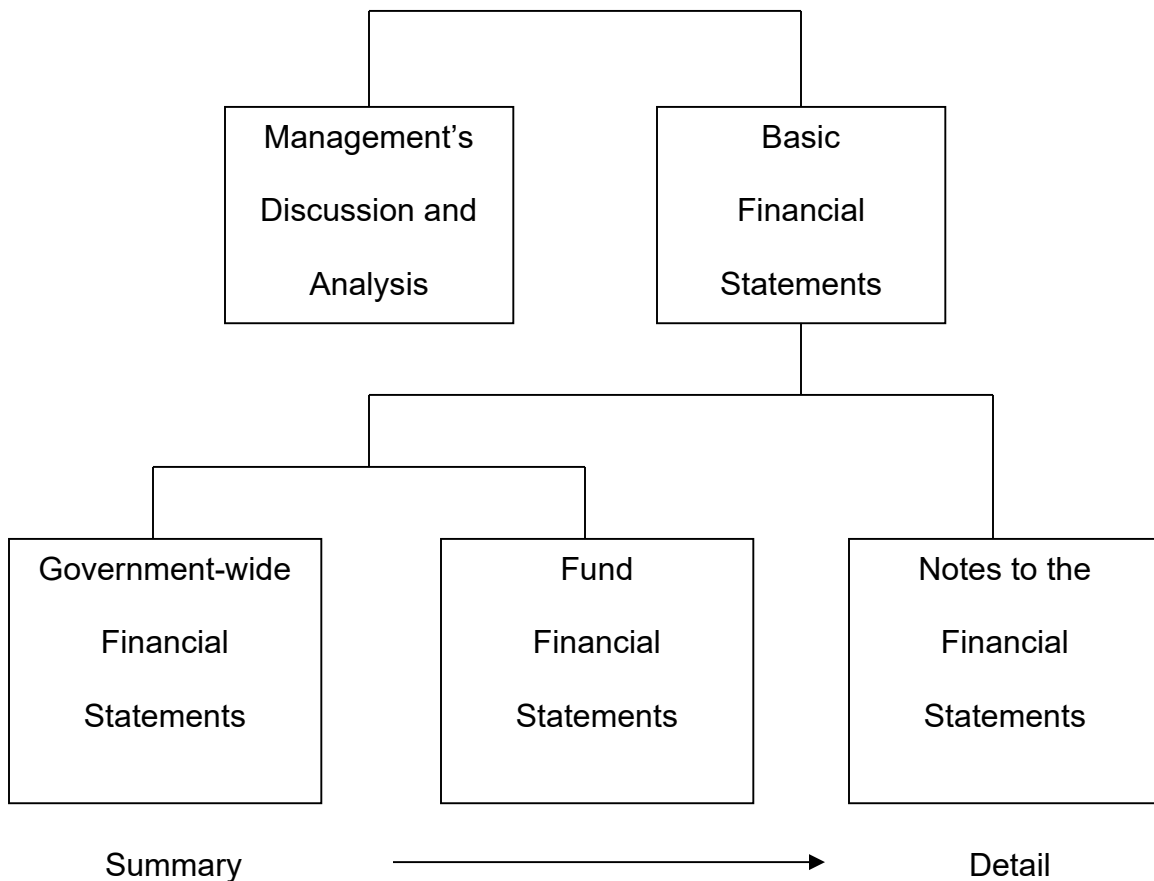
- The assets of Wayne County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$189,134,386 (*net position*).
- Deferred outflows of resources ended at \$20,838,178 an increase of \$2,747,902 over last year. Deferred inflows of resources ended at \$16,886,115, an increase of \$9,987,187 over last year.
- The government's total net position increased by \$21,843,270. This increase is primarily due to increased property and sales tax revenues and grant revenues.
- As of the close of the current fiscal year, Wayne County's governmental funds reported combined ending fund balances of \$94,058,662, an increase of \$24,354,183, in comparison with the prior year. Approximately 44.26 percent of this total amount, or \$41,627,297, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$30,309,843 or 25.96 percent of total general fund expenditures for the fiscal year.
- Wayne County's total debt increased by \$4,979,877 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Wayne 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 Wayne 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 can also 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 they have changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, human services, education and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the sewer, agricultural and convention center, airport, and landfill services offered by Wayne County. The final category is the component units. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable, appoints its Board members, and because the Board is required to distribute its profits to the County. Established in September, 2015 and beginning operations in January, 2016, the Wayne County Tourism Development Authority will serve to promote travel, tourism, and conventions within Wayne County. The County appoints all 12 members of the Authority's board.

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. Wayne County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Wayne 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.

Wayne 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 – Wayne County has two kinds of proprietary funds, enterprise funds and internal service funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Wayne County uses enterprise funds to account for its sewer activity, airport, agricultural center and its landfill operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of Wayne County. The County uses an internal service fund to account for three activities – health insurance benefits, workman’s compensation and fleet management. Because this operation benefits predominantly governmental rather than business-type activities, the internal service fund has been included within the governmental activities in the government-wide financial statements

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Wayne County has three custodial funds, which are Municipal Tax Fund, Inmate Account Fund, and a Miscellaneous Agency Fund.

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 start on page 48 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Wayne County’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 118 of this report.

Government Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The County’s assets and deferred outflows of resources exceeded liabilities by \$189,134,386 as of June 30, 2022. The County’s net position increased by \$21,693,225 for the fiscal year ended June 30, 2022. One of the largest portions \$145,034,307, 76.68%, reflects the County’s net investment in capital assets (e.g. land, buildings, machinery, and equipment). Wayne County uses these capital assets to

provide services to citizens; consequently, these assets are not available for future spending. Although Wayne County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Wayne County's net position \$41,429,433, 21.91%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$2,670,646, 1.41%, is unrestricted.

Wayne County's Net Position Figure 2

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current assets	\$ 135,710,614	\$ 86,143,212	\$ 16,828,184	\$ 14,825,842	\$ 152,538,798	\$ 100,969,054
Noncurrent assets	11,067,788	9,854,803	-	-	11,067,788	9,854,803
Capital assets	158,654,991	160,764,527	58,783,435	58,932,914	217,438,426	219,697,441
Total assets	<u>305,433,393</u>	<u>256,762,542</u>	<u>75,611,619</u>	<u>73,758,756</u>	<u>381,045,012</u>	<u>330,521,298</u>
Total deferred outflow s of resources	19,934,938	17,384,178	903,240	706,098	20,838,178	18,090,276
Long-term liabilities	119,097,293	133,104,249	20,614,146	21,539,377	139,711,439	154,643,626
Other liabilities	53,819,610	19,555,019	2,331,637	1,658,081	56,151,247	21,213,100
Total liabilities	<u>172,916,903</u>	<u>152,659,268</u>	<u>22,945,783</u>	<u>23,197,458</u>	<u>195,862,686</u>	<u>175,856,726</u>
Total deferred inflow s of resources	15,674,595	6,604,795	1,211,520	294,133	16,886,115	6,898,928
Net position:						
Net investment in capital assets	97,579,730	101,332,091	47,454,577	46,851,856	145,034,307	148,183,947
Restricted	41,429,433	28,945,583	-	-	41,429,433	28,945,583
Unrestricted	(2,232,330)	(15,395,017)	4,902,976	4,121,405	2,670,646	(11,273,612)
Total net position	<u>\$ 136,776,833</u>	<u>\$ 114,882,657</u>	<u>\$ 52,357,553</u>	<u>\$ 50,973,261</u>	<u>\$ 189,134,386</u>	<u>\$ 165,855,918</u>

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

- A negative unrestricted net position is shown this year for two reasons:
 - First, the County's OPEB (Other Post-Employment Benefits) liability creates a restriction on funds under a worst-case scenario. It accrues the entire liability, although it is not anticipated this liability would be realized at one time.
 - Second, the County funds school capital projects in a number of ways. Some of these projects are debt-funded, so the liability is placed on the County's balance sheet. However, the asset remains with the schools, so the County is not able to balance the liability with a corresponding asset.
- The following factors help contribute to a healthy overall net position for the County:
 - Increase in fee collections, specifically in the EMS, Health, Solid Waste, Jetport and Maxwell Center Departments.

- An increase in the property tax rate by 4.4 cents per \$100.
- Continued diligence in the collection of property taxes by maintaining a high collection percentage of 98.45%.
- Planning and management of revenues and expenditures through the use of financial models for the capital, debt service, and various operating budgets.
- A full year of Medicaid Hold Harmless sales tax funds. This is the first full year the County has received this funding.
- Continued growth in sales tax as businesses rebound from COVID-19 economic impacts.

Wayne County's Changes in Net Position Figure 3

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 21,566,878	\$ 15,826,316	\$ 7,999,215	\$ 7,418,990	\$ 29,566,093	\$ 23,245,306
Grants/contributions	19,195,634	27,517,405	1,232,581	891,650	20,428,215	28,409,055
General revenues:						
Property taxes	69,848,719	64,641,923	-	-	69,848,719	64,641,923
Local option sales tax	32,096,039	29,196,677	-	-	32,096,039	29,196,677
Other taxes	240,400	261,155	-	-	240,400	261,155
Other	626,159	694,520	22,370	24,781	648,529	719,301
Total revenue	<u>143,573,829</u>	<u>138,137,996</u>	<u>9,254,166</u>	<u>8,335,421</u>	<u>152,827,995</u>	<u>146,473,417</u>
Expenses:						
General government	16,004,509	15,003,046	-	-	16,004,509	15,003,046
Public safety	42,768,130	46,326,721	-	-	42,768,130	46,326,721
Transportation	487,403	216,595	-	-	487,403	216,595
Environmental protection	10,659	166,547	-	-	10,659	166,547
Economic & physical dev.	2,913,894	3,031,739	-	-	2,913,894	3,031,739
Human services	25,552,599	29,020,919	-	-	25,552,599	29,020,919
Cultural and recreation	2,574,396	2,728,431	-	-	2,574,396	2,728,431
Education	28,377,205	30,777,796	-	-	28,377,205	30,777,796
Interest on long-term debt	2,367,500	2,302,473	-	-	2,367,500	2,302,473
Solid Waste Disposal	-	-	5,130,774	5,638,128	5,130,774	5,638,128
Sewer	-	-	807,738	935,340	807,738	935,340
Airport	-	-	1,360,647	1,284,183	1,360,647	1,284,183
Maxwell Center	-	-	2,629,271	2,061,675	2,629,271	2,061,675
Total expenses	<u>121,056,295</u>	<u>129,574,267</u>	<u>9,928,430</u>	<u>9,919,326</u>	<u>130,984,725</u>	<u>139,493,593</u>
Increase (decrease) in net position before transfers	22,517,534	8,563,729	(674,264)	(1,583,905)	21,843,270	6,979,824
Transfers	<u>(2,058,556)</u>	<u>(1,431,259)</u>	<u>2,058,556</u>	<u>1,439,372</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	20,458,978	7,132,470	1,384,292	(144,533)	21,843,270	6,987,937
Net position, July 1	114,882,657	104,415,957	20,973,261	54,340,292	135,855,918	158,756,249
Restatement	1,435,198	3,334,230	-	(3,222,498)	1,435,198	111,732
Net position, restated	<u>116,317,855</u>	<u>107,750,187</u>	<u>20,973,261</u>	<u>51,117,794</u>	<u>137,291,116</u>	<u>158,867,981</u>
Net position, June 30	<u>\$ 136,776,833</u>	<u>\$ 114,882,657</u>	<u>\$ 22,357,553</u>	<u>\$ 50,973,261</u>	<u>\$ 159,134,386</u>	<u>\$ 165,855,918</u>

Governmental activities: Governmental activities increased the County's net position by \$20,458,978, before restatement, thereby accounting for a portion of the total loss in the net position of Wayne County. The note disclosures provide more information on this restatement. Key elements of this increase are as follows:

- Property tax collections increased due to an excellent collection rate and increasing the property tax rate by \$4.4 cents this year.
- Sales tax collections significantly exceeded the county's anticipated collections during the COVID-19 pandemic as well as post-COVID pandemic. Additionally, the County received a full year's allocation of Medicaid Hold Harmless sales tax dollars. This revenue stream only began in the prior fiscal year.
- A high number of position vacancies created a budget surplus through lapsed salaries.
- EMS fees collected were significantly higher this year than the prior fiscal year.

Business-type activities: Proprietary activities increased the County's net position by \$1,384,292. Key elements of this increase are as follows:

- The Jetport had more transfers from the General Fund this year to meet matching requirements on grants. Additionally, fuel sales and grant revenues were higher than the previous year.
- The Solid Waste Department experienced an increase in fee collections; however, they did not spend the funds that were appropriated for operations.
- The Maxwell Center performed better than expected this year with more events taking place post-COVID. This resulted in more facility revenues. Occupancy tax revenues from the City of Goldsboro also increased since the tourism industry is rebounding. Finally, the General Fund increased its budgeted transfers to the Maxwell Center since events had been postpone or cancelled due to COVID.

Financial Analysis of the County's Funds

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

Governmental Funds: The focus of Wayne County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Wayne 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 Wayne County. At the end of the current fiscal year, Wayne County's fund balance available in the General Fund was \$30,309,845, while total fund balance was \$94,058,662. Fund balance available in the General Fund decreased from the prior year by \$9,326,338. The majority of this decrease is due to advancing funds to future debt-financed projects: DSS/Health Facility, Detention Center, Fremont Elementary School, and Wayne Community College's C.I.T.E. building and renovations. Additionally, funds were advanced for the purchase of property that will be reimbursed by the future sale of a county-owned building. Finally, funds were moved to the Capital Reserve Fund to accumulate for overages on capital projects. The Governing Body of Wayne County has determined that the county should maintain an available fund balance of 14% of budgeted general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County

currently has an available fund balance of 25.96% of general fund expenditures, while General Fund balance represents 60.00% of that same amount.

At June 30, 2022, the governmental funds of Wayne County reported a combined fund balance of \$94,058,662, a 22.47% increase over last year. The largest increases were due to reasons explained in the above paragraphs. However, there were also one-time State directed grants received for various projects including a new middle school.

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 \$30.6 million or approximately 18%. The County amended its anticipated revenues from the NC Department of Revenue for additional sales tax of \$1.04 million to increase transfers to the school system for their allotted share of the sales tax growth. Transfers of \$3.3 million were moved to the General Fund from Capital Reserve Funds as pay-go for certain capital expenditures. \$15.7 million accounts for anticipated increases in revenues from grants. Of that amount, \$1.5 million is FEMA-COVID funds, \$2.2 million is economic development grants, \$8.5 million is related to the HMGP and SARF grants, and \$1 million is from stream debris removal grants. A budget amendment for \$1.5 million was done in the DSS fund to anticipate additional Administrative Revenue from the State. The Health Department did budget amendments for \$1.5 million related to COVID grants. The remainder of the budget amendments were to anticipate various grants awarded during the year and transfer funds between individual subsidiary funds within the General Fund.

Changes in the amount of fund balance appropriated of \$17.9 million also occurred. A large portion of this appropriation (\$6.8 million) was for advancing funds to capital project funds for future debt-financed projects: DSS/Health Facility, Detention Center, Wayne Community College's C.I.T.E. building and renovations, and a new Fremont Elementary School. These projects are described in the Transmittal Letter under Major Initiatives. Additionally, \$10 million in available fund balance was transferred to the Capital Reserve Fund to pay-go future capital projects or overages. An appropriation of \$1.3 million was used to purchase land for future county buildings. These funds will be reimbursed from the sale of the Dixie Trail building. Other appropriations to fund balance included carrying forward unspent balances for grants, the college and public schools as well as economic development projects.

In response to the challenges presented by other postemployment benefits (OPEB), the County Healthcare Benefits Plan has been amended to exclude post-employment benefits for all employees hired after June 30, 2009. The cost for personnel is generally the largest single expenditure category in the budget.

General Fund revenues were under budget by \$4.8 million, a 3.4% variance from final budget, reflecting grant revenue budgeted but not received which included restricted intergovernmental revenues of state administrative funds for Social Services, economic development grant incentives, CDBG funding, FEMA reimbursement for COVID, Hazard Mitigation and SARF funding. These grant spending restrictions had either not yet been met at the fiscal year end or had not been received from the government at the close of the year. This budget shortfall was offset by an unanticipated over collection of property and sales taxes.

General Fund expenditures were under budget \$31.8 million, a variance of 21.40% from the final budget, (\$6.9 million) in economic development of which represented CDBG, HMGP and other grant funds that were not spent in their entirety at year-end, (\$6 million) of which was in capital outlay line items that had not been expended in the current fiscal year, (\$5.8 million) of which in general government, DSS, Health, and public safety where vacancies and employee turnover created lapsed salaries. Additionally, the public school system had \$957 thousand remaining to spend in capital outlay, and the County had \$1.1 million payment for QSCB that is held until maturity. In DSS, approximately \$1.5 million was not spent within public assistance programs and other direct allocation services. Other variances relate to departments consciously controlling spending and working toward more efficient operations which resulted in the remaining under budget portion.

Proprietary Funds: Wayne County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the proprietary funds at the end of the fiscal year amounted to \$5,024,879. The total increase in net position for the Solid Waste Disposal Fund was \$603,204. The Maxwell Center increased net position by \$170,398. Increase in net position of the Jetport Fund was \$608,362. The Sewer Fund, non-major fund, decreased net position by (\$22,583). Other factors concerning the finances of these funds have already been addressed in the discussion of Wayne County's business-type activities.

Capital Asset and Debt Administration

Capital assets: Wayne County's capital assets for its governmental and business – type activities as of June 30, 2021, totals \$219,697,440 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, and vehicles.

Figure 4

Wayne County's Capital Assets (net of depreciation and amortization)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 21,252,207	\$ 21,568,151	\$ 14,329,506	\$ 14,329,506	\$ 35,581,713	\$ 35,897,657
Buildings and improvements	122,514,392	123,302,413	35,790,030	36,123,764	158,304,422	159,426,177
Infrastructure	2,542,437	2,819,190	3,419,806	3,442,368	5,962,243	6,261,558
Contractor equipment	-	-	2,933,957	3,250,763	2,933,957	3,250,763
Furniture & equipment	8,930,997	9,544,985	2,223,142	1,664,033	11,154,139	11,209,018
Intangibles	792,486	858,415	64,399	92,648	856,885	951,063
Vehicles	2,622,472	2,671,373	22,595	29,831	2,645,067	2,701,204
Total	\$ 158,654,991	\$ 160,764,527	\$ 58,783,435	\$ 58,932,913	\$ 217,438,426	\$ 219,697,440

Major capital asset transactions during the fiscal year include:

- Purchase of additional vehicles for the Sheriff's Office and Emergency Medical Services
- Began implementation of EnerGov inspections and permitting software
- Purchase of major contractor equipment for Solid Waste
- Progress on the Jetport Apron Pavement Rehabilitation Project
- Completed purchases of several HMGP properties
- Began design and engineering services on new DSS/Health facility
- Began implementation of new CAD system
- Began design and engineering services on new Detention Center
- Began pre-construction services on a new Fremont Elementary School
- Purchase of additional land and building for future county buildings and services

Additional information on the County's capital assets can be found in note 6 of the Basic Financial Statements.

Long-term Debt: As of June 30, 2022, Wayne County had limited obligation bonds, promissory notes, and installment purchase contracts of \$77,384,027 secured by the property and equipment.

Figure 5

**Wayne County's Outstanding Debt
General Obligation and Revenue Bonds**
(In Millions)

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Limited obligation bonds	\$ 16.965	\$ 18.340	\$ 10.160	\$ 10.680	\$ 27.125	\$ 29.020
Installment purchase contr.	<u>49.061</u>	<u>51.914</u>	<u>1.198</u>	<u>1.430</u>	<u>50.259</u>	<u>53.344</u>
Totals	\$ <u>66.026</u>	\$ <u>70.254</u>	\$ <u>11.358</u>	\$ <u>12.110</u>	\$ <u>77.384</u>	\$ <u>82.364</u>

Wayne County's total debt decreased by \$4,979,877, 6.05% during the past fiscal year.

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 the Wayne County is \$742,146,629. The County has no bonds unissued at June 30, 2022.

Additional information regarding Wayne County's long-term debt and lease liability can be found in note 7 beginning on page 104 of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the County.

- The June 2022, not seasonally adjusted, unemployment rate for Wayne County was 4.4%, which was lower than the June 2021 rate of 5.7%. The State's not seasonally adjusted unemployment rate as of June 2022 was 4.1% which is a decrease from the June 2021 rate of 5.5%.
- As of 2020, the per capita income for Wayne County was \$26,362, which is lower than the State average of \$31,993. Wayne County's median household income is \$47,221, which is lower than the State's median household income of \$56,642.
- The property tax base was projected to grow by 2%. Management continued to maintain a conservative estimate in growth projections while the County continues to rebound from the global pandemic.
- Sales taxes continued to maintain a healthy increase as businesses go back to operating at pre-COVID capacity. These revenues were increased by just short of 15% or \$500,000.

All of these factors were considered in preparing Wayne County's budget for Fiscal Year 2022-2023.

Budget Highlights for the Fiscal Year Ending June 30, 2023

Governmental Activities:

- The property tax rate increased by \$.035 from \$.7075 to \$.7425 per \$100 of assessed valuation. This increased revenue will be used to support market adjustments for county employees and cost overruns on capital projects.
- The County approved an original budget of \$213,330,125 for fiscal year 2022, including a property tax increase and approximately 15% growth of sales tax as explained above.
- Pay studies were conducted on all departments that had not been adjusted to market in 21-22. The market adjustments from the pay studies were implemented and included all departments except certain ones in public safety which had been addressed earlier in the year.
- The budget included a 6% increase in the County's portions of medical insurance premiums for the PPO and the HSA Plan. The employees also saw a 6% increase in the premiums of the dependent care options.
- As mandated by the North Carolina Local Government Retirement System, all county employers were required to increase their Local Government Retirement Employer contribution by 1.2% and the Law Enforcement contribution by 1.2%, an increase to payroll of \$414,000.
- Anticipated use of General Fund Balance was budgeted for approximately \$3.9 million. This amount is around \$300,000 more than the previous year. The

majority of Fund Balance is planned to fund one-time capital projects for various departments on a pay-go basis.

Business – type Activities: Wayne County has four business type activity funds. Solid Waste has an increase in fees estimates based on historical collections from the previous year. The Jetport had a significant decrease from the prior year due to timing of grants budgeted; however, fuel sales projections are increased for the upcoming year. The Board of Commissioners approved a 20% increase in the Sewer Fund fee rates. The rising costs of the expenditures of this fund, coupled with improvements needed to the sewer system justified increasing the rates for this fund. The Maxwell Center was heavily impacted by COVID-19. However, as events have begun to take place once again, it has experienced an increase in revenues. Transfers to the fund decreased and are used to cover the annual debt service payment and indirect costs.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Wayne County, PO Box 227, Goldsboro, NC 27533-0227. You can also call 919-731-1437 or visit our website www.waynegov.com.

Financial Statements

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

	Primary Government			Component Unit	
	Governmental Activities	Business-type Activities	Total	WC Tourism Development Authority	Wayne County ABC Board
Assets					
Current assets:					
Cash and cash equivalents	\$ 61,468,637	\$ 14,708,969	\$ 76,177,606	\$ 125,141	\$ 4,923,791
Restricted cash and cash equivalents	52,922,638	28,870	52,951,508	-	-
Receivables, net	5,193,490	1,869,650	7,063,140	20,711	-
Due from other governments	16,182,750	104,884	16,287,634	-	-
Inventories	22,161	115,811	137,972	-	894,463
Total current assets	135,789,676	16,828,184	152,617,860	145,852	5,818,254
Noncurrent Assets:					
Investments, long-term restricted cash	10,720,497	-	10,720,497	-	-
Net pension asset - ROD	157,230	-	157,230	-	-
Land, improvements	21,252,207	14,329,506	35,581,713	-	708,108
Other Capital Assets, net depreciation	137,402,784	44,453,929	181,856,713	-	1,474,368
Total noncurrent assets	169,532,718	58,783,435	228,316,153	-	2,182,476
Right to use asset, net amortization	110,999	-	110,999	-	28,381
Total Assets	305,433,393	75,611,619	381,045,012	145,852	8,029,111
Deferred Outflows of Resources	19,934,938	903,240	20,838,178	-	426,469
Liabilities					
Current liabilities:					
Accounts payable	1,590,065	1,410,082	3,000,147	-	1,447,983
Due to other governments	13,558,808	-	13,558,808	-	-
Accrued wages and benefits	284,234	50,728	334,962	-	-
Unearned revenues	31,332,821	-	31,332,821	-	-
Accrued interest payable	495,936	24,051	519,987	-	-
Due within one year	6,557,746	846,776	7,404,522	-	-
Total current liabilities	53,819,610	2,331,637	56,151,247	-	1,447,983
Long Term liabilities:					
Due in more than one year	61,846,089	18,798,453	80,644,542	-	-
Net other post employment liability	45,308,290	1,372,181	46,680,471	-	598,582
Net pension liability - LGERS	7,352,063	443,512	7,795,575	-	175,137
Net pension liability - LEOSSA	4,590,851	-	4,590,851	-	-
Total noncurrent liabilities	119,097,293	20,614,146	139,711,439	-	773,719
Total liabilities	172,916,903	22,945,783	195,862,686	-	2,221,702
Deferred Inflows of Resources	15,674,595	1,211,520	16,886,115	-	338,847
Net Position					
Net investment in capital assets	97,579,730	47,454,577	145,034,307	-	2,182,476
Restricted for (expendable):					
General government	6,256,466	-	6,256,466	-	-
Future debt obligations	10,720,497	-	10,720,497	-	-
Public safety	884,916	-	884,916	-	-
Education	4,688,835	-	4,688,835	-	-
Stabilization by State Statute	18,712,599	-	18,712,599	20,711	-
Register of Deeds pension plan	157,230	-	157,230	-	-
Senior Center-earnings	290	-	290	-	-
Working capital	-	-	-	-	449,703
Restricted for (nonexpendable):					
Senior Center-principal	8,600	-	8,600	-	-
Unrestricted	(2,232,330)	4,902,976	2,670,646	125,141	3,262,852
Total net position	\$ 136,776,833	\$ 52,357,553	\$ 189,134,386	\$ 145,852	\$ 5,895,031

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

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>	
		<u>Charges for</u> <u>Services</u>	<u>Operating Grants</u> <u>and Contributions</u>
Primary government			
Governmental Activities			
General government	\$ 16,004,509	\$ 2,835,583	\$ 70,092
Public safety	42,768,130	13,941,959	2,399,113
Transportation	487,403	116,880	229,908
Human services	25,552,599	4,385,179	15,003,774
Culture and recreation	2,574,396	202,360	432,502
Education	28,377,205	-	-
Interest on long-term debt	2,367,500	-	-
Environmental protection	10,659	-	76,587
Economic and physical development	2,913,894	84,917	983,658
Total governmental activities	<u>121,056,295</u>	<u>21,566,878</u>	<u>19,195,634</u>
Business-type activities			
Solid Waste Disposal Fund	5,130,774	5,374,209	347,694
Sewer Fund	807,738	632,874	-
Airport Fund	1,360,647	822,597	879,887
Maxwell Fund	2,629,271	1,169,535	5,000
Total business-type activities	<u>9,928,430</u>	<u>7,999,215</u>	<u>1,232,581</u>
Total primary government	<u>130,984,725</u>	<u>29,566,093</u>	<u>20,428,215</u>
Component Unit			
WC Tourism Development Authority	176,671	215,382	-
ABC Board	10,637,044	11,692,273	-
Total component units	<u>\$ 10,813,715</u>	<u>\$ 11,907,655</u>	<u>\$ -</u>

General revenues:

Taxes:

Property taxes, levied for general purposes

Local option sales tax

Leased vehicle tax, ABC tax

Investment earnings, unrestricted

Miscellaneous, unrestricted

Transfers

Total general revenues, special items, and transfers

Change in net position

Net position, beginning, previously reported

Restatement, Note VIII

Net position, beginning, restated

Net position - ending

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

<u>Net (Expense) Revenue and Changes in Net Position</u>			<u>Component Unit</u>	
<u>Primary Government</u>			<u>WC Tourism</u>	
<u>Governmental</u>	<u>Business-type</u>		<u>Development</u>	
<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>Authority</u>	<u>ABC Board</u>
\$ (13,098,834)	\$ -	\$ (13,098,834)		
(26,427,058)	-	(26,427,058)		
(140,615)	-	(140,615)		
(6,163,646)	-	(6,163,646)		
(1,939,534)	-	(1,939,534)		
(28,377,205)	-	(28,377,205)		
(2,367,500)	-	(2,367,500)		
65,928	-	65,928		
(1,845,319)	-	(1,845,319)		
<u>(80,293,783)</u>	<u>-</u>	<u>(80,293,783)</u>		
-	591,129	591,129		
-	(174,864)	(174,864)		
-	341,837	341,837		
-	(1,454,736)	(1,454,736)		
-	(696,634)	(696,634)		
<u>(80,293,783)</u>	<u>(696,634)</u>	<u>(80,990,417)</u>		
			\$ 38,711	\$ -
			-	1,055,229
			<u>38,711</u>	<u>1,055,229</u>
69,848,719	-	69,848,719	-	-
32,096,039	-	32,096,039	-	-
240,400	-	240,400	-	-
152,134	22,370	174,504	-	649
474,025	-	474,025	-	-
(2,058,556)	2,058,556	-	-	-
100,752,761	2,080,926	102,833,687	-	649
20,458,978	1,384,292	21,843,270	38,711	1,055,878
114,882,657	50,973,261	165,855,918	107,141	4,839,153
1,435,198	-	1,435,198	-	-
116,317,855	50,973,261	167,291,116	107,141	4,839,153
<u>\$ 136,776,833</u>	<u>\$ 52,357,553</u>	<u>\$ 189,134,386</u>	<u>\$ 145,852</u>	<u>\$ 5,895,031</u>

**Wayne County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2022**

	Major		
	General Fund	American Rescue Plan Fund	Rosewood State Grant
Assets			
Cash and cash equivalents	\$ 41,411,201	\$ -	\$ -
Restricted cash	12,536,165	23,925,320	20,003,122
Taxes receivable, net	1,577,609	-	-
Lease receivable	201,574	-	-
Due from other funds	467,298	-	-
Receivable from other governments	17,295,951	281	-
Total assets	73,489,798	23,925,601	20,003,122
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	1,120,822	-	-
Due to other funds	45,020	13,513,788	-
Unearned revenue	-	10,402,965	20,000,000
Other payables	284,311	-	-
Total liabilities	1,450,153	23,916,753	20,000,000
Deferred Inflows of Resources	1,980,813	-	-
Fund balances:			
Non-spendable:			
Senior Center-principal	-	-	-
Restricted for:			
Stabilization by State Statute	17,624,490	-	-
Future debt payments, QSCB	10,720,497	-	-
Fire protection	-	-	-
Public Schools	3,224,972	-	-
Law enforcement	355,076	-	-
Tax revaluation	524,715	-	-
Public safety	-	-	-
Economic development	4,929,568	-	-
Transportation	-	-	-
Grants	192,145	8,848	3,122
Social services/senior center	-	-	-
Committed for:			
Future capital projects	-	-	-
Community college	40,494	-	-
Assigned for:			
Subsequent year's expenditures	2,122,032	-	-
Donations	15,000	-	-
Unassigned	30,309,843	-	-
Total fund balances	70,058,832	8,848	3,122
Total liabilities, deferred inflows of resources, and fund balances	\$ 73,489,798	\$ 34,328,566	\$ 20,003,122

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

Non-Major	
Other Governmental Funds	Total Governmental Funds
\$ 16,644,473	\$ 58,055,674
7,178,529	63,643,136
872,524	2,450,133
-	201,574
-	467,298
383,982	17,680,214
25,079,508	142,498,029
3,697	1,124,519
-	13,558,808
929,857	31,332,822
-	284,311
933,554	46,300,460
158,096	2,138,909
8,600	8,600
1,088,109	18,712,599
-	10,720,497
39,771	39,771
1,463,863	4,688,835
-	355,076
-	524,715
884,959	884,959
-	4,929,568
479,079	479,079
130	204,245
79,353	79,353
19,943,994	19,943,994
-	40,494
-	2,122,032
-	15,000
-	30,309,843
23,987,858	94,058,660
\$ 25,079,508	

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

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

Total fund balances	\$ 94,058,660
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	158,654,991
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Right to use lease assets are not current financial resources and therefore are not reported in this fund financial statements, but are reported in the governmental activities of the Statement of Net Position.	68,216
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The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	3,175,299
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Net deferred inflows of resources for taxes and special assessments receivables	2,028,441
---------------------------------------------------------------------------------	-----------

Some liabilities, (such as notes payable, capital lease contract payable, other postemployment benefits, long-term compensated absences, and bonds payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	(68,856,682)
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Net pension liability - LGERS	(7,352,063)
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LGERS - Contributions and other activity to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	11,003,203
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LGERS - Contributions and other activity to the pension plan in the current fiscal year are deferred inflows of resources on the Statement of Net Position	(11,460,742)
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Net pension liability - LEOSSA	(4,590,851)
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LEOSSA - Contributions and other activity to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	1,199,025
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LEOSSA - Contributions and other activity to the pension plan in the current fiscal year are deferred inflows of resources on the Statement of Net Position	(140,728)
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Net pension asset - ROD	157,230
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ROD - Contributions and other activity to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	37,771
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ROD - Contributions and other activity to the pension plan in the current fiscal year are deferred inflows of resources on the Statement of Net Position	(7,125)
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Net OPEB liability	(45,308,290)
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OPEB - Contributions and other activity to the OPEB plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	7,694,939
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OPEB - Contributions and other activity to the OPEB plan in the current fiscal year are deferred inflows of resources on the Statement of Net Position	(3,584,463)
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Net position of governmental activities	\$ 136,776,831
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The notes to the financial statements are an integral part of this statement.

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

	Major		
	General Fund	American Rescue Plan Fund	Rosewood State Grant
Revenues			
Property taxes	\$ 65,944,731	\$ -	\$ -
Sales and miscellaneous taxes	28,772,914	-	-
Other taxes and licenses	1,857,110	-	-
Licenses and permits	1,546,894	-	-
Intergovernmental	2,226,188	-	-
Restricted intergovernmental	17,994,139	-	-
Charges for services	17,203,610	-	-
Investment earnings	82,311	8,090	3,122
Miscellaneous	2,600,526	-	-
Payments from various municipalities	20,635	-	-
Client account income	-	-	-
Total revenues	138,249,058	8,090	3,122
Expenditures			
Current:			
General government	13,362,309	-	-
Public safety	36,492,234	-	-
Transportation	464,938	-	-
Human services	26,245,691	-	-
Culture and recreation	2,701,527	-	-
Education	27,963,903	-	-
Economic and physical development	2,782,884	-	-
Debt Service:			
Principal	4,410,497	-	-
Interest and other charges	2,342,081	-	-
Capital Outlay	-	-	-
Total Expenditures	116,766,063	-	-
Excess (deficiency)			
Revenues over expenditures	21,482,995	8,090	3,122
Other Financing Sources (Uses)			
Proceeds from lease financing	293,646	-	-
Permanent fund donation	-	-	-
Transfers in	8,230,252	-	-
Transfers out	(26,769,864)	-	-
Proceeds from sale of assets	214,031	-	-
Total other financing sources and uses	(18,031,935)	-	-
Net change in fund balances	3,451,060	8,090	3,122
Fund balances - beginning	66,607,772	758	-
Fund balances - ending	\$ 70,058,832	\$ 8,848	\$ 3,122

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

Non-Major			
Other	Total		
Governmental	Governmental		
Funds	Funds		
\$ 3,931,154	\$ 69,875,885		
1,957,091	30,730,005		
-	1,857,110		
448,376	1,995,270		
-	2,226,188		
67,092	18,061,231		
-	17,203,610		
14,148	107,671		
22,750	2,623,276		
-	20,635		
284,602	284,602		
<u>6,725,213</u>	<u>144,985,483</u>		
67,092	13,429,401		
6,384,360	42,876,594		
13,429	478,367		
279,121	26,524,812		
-	2,701,527		
-	27,963,903		
-	2,782,884		
-	4,410,497		
1,250	2,343,331		
2,433,337	2,433,337		
<u>9,178,589</u>	<u>125,944,652</u>		
<u>(2,453,376)</u>	<u>19,040,831</u>		
-	293,646		
1,000	1,000		
20,215,389	28,445,641		
(3,659,804)	(30,429,668)		
-	214,031		
<u>16,556,585</u>	<u>(1,475,350)</u>		
14,103,208	17,565,480		
10,193,047	76,801,577		
<u>\$ 24,296,255</u>	<u>\$ 94,367,057</u>		

Wayne County, North Carolina
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022

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

Net change in fund balances - total governmental funds:	\$	17,565,480
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses. This is the amount by which capital outlays exceeded depreciation in the current period.		(2,039,023)
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Cost of capital asset disposed of during the year, not recognized on modified accrual basis.		(1,580,458)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transactions have any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		4,228,000
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The costs, net, to report right-to-use assets, amortization, lease liability, net		68,103
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(73,028)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		67,853
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Internal service funds are used by management to charge the costs of health insurance and fleet management to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.		(152,936)
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Contributions and costs, net, to the LGERS pension plan in the current fiscal year are not included on the Statement of Activities.		3,952,365
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Contributions and costs, net, to the LEOSSA pension plan in the current fiscal year are not included on the Statement of Activities.		(493,653)
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Contributions and costs, net, to the ROD pension plan in the current fiscal year are not included on the Statement of Activities.		(7,461)
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Contributions and costs, net, to the OPEB plan in the current fiscal year are not included on the Statement of Activities.		(1,076,264)
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Total changes in net position of governmental activities	\$	20,458,978
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The notes to the financial statements are an integral part of this statement.

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

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues				
Ad valorem taxes	\$ 64,278,242	\$ 64,298,594	\$ 65,944,730	\$ 1,646,136
Local option sales taxes	24,059,931	25,103,803	28,772,914	3,669,111
Other taxes and licenses	1,473,200	1,725,530	1,857,110	131,580
Licenses and permits	1,257,415	1,265,915	1,546,893	280,978
Intergovernmental	1,432,617	1,432,617	2,226,188	793,571
Restricted intergovernmental	15,061,025	32,320,884	17,994,139	(14,326,745)
Charges for services	10,784,206	13,072,568	17,203,609	4,131,041
Investment earnings	60,000	60,000	82,311	22,311
Miscellaneous	2,577,880	3,572,124	2,600,529	(971,595)
Payments from various municipalities	245,759	245,754	20,635	(225,119)
Total revenues	<u>121,230,275</u>	<u>143,097,789</u>	<u>138,249,058</u>	<u>(4,848,731)</u>
Expenditures				
Current:				
General government	13,351,883	17,710,285	13,362,308	4,347,977
Public safety	34,532,529	38,628,532	36,492,234	2,136,298
Transportation	223,033	530,618	464,938	65,680
Economic and physical development	1,918,248	17,562,880	2,782,884	14,779,996
Human services	29,760,701	34,680,521	26,245,691	8,434,830
Culture and recreation	2,537,575	2,913,158	2,701,527	211,631
Education	28,330,882	28,923,545	27,963,903	959,642
Debt Service:				
Principal	10,103,746	5,299,428	4,410,497	888,931
Interest and other charges	2,341,883	2,342,383	2,342,081	302
Total expenditures	<u>123,100,480</u>	<u>148,591,350</u>	<u>116,766,063</u>	<u>31,825,287</u>
Excess (deficiency) of revenues over expenditures	(1,870,205)	(5,493,561)	21,482,995	26,976,556
Other Financing Sources (Uses)				
Proceeds from lease financing	-	-	293,646	293,646
Transfers in	195,250	8,229,015	8,230,252	1,237
Transfers out	(5,039,873)	(26,769,864)	(26,769,864)	-
Proceeds from sale of assets	-	16,183	214,031	(197,848)
Total other financing sources and (uses)	<u>(4,844,623)</u>	<u>(18,524,666)</u>	<u>(18,031,935)</u>	<u>97,035</u>
Revenues and other financing sources under expenditures	(6,714,828)	(24,018,227)	3,451,060	27,469,287
Appropriated fund balance	<u>6,714,828</u>	<u>24,018,227</u>	<u>-</u>	<u>(24,018,227)</u>
Revenues, other sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>3,451,060</u>	<u>\$ 3,451,060</u>
Fund balances - beginning			66,607,772	
Fund balances - ending			<u>\$ 70,058,832</u>	

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

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

Exhibit 6

	Business-type Activities		
	Major		
	Solid Waste Disposal	Maxwell Center Fund	Jetport Fund
Assets			
Current assets:			
Cash and cash equivalents	\$ 12,607,318	\$ 1,180,017	\$ 248,240
Accounts receivable, net	493,537	189,001	905,819
Receivables from other governments	92,458	6,077	2,528
Lease receivable	18,679	-	318,479
Accrued interest receivable - leases	49	-	418
Inventories	31,113	-	84,692
Total current assets	<u>13,243,154</u>	<u>1,375,095</u>	<u>1,560,176</u>
Capital assets:			
Land	11,022,663	2,210,000	1,073,214
Other capital assets, net of depreciation	8,441,461	21,363,252	10,912,503
Total non-current assets	<u>19,464,124</u>	<u>23,573,252</u>	<u>11,985,717</u>
Total assets	<u>32,707,278</u>	<u>24,948,347</u>	<u>13,545,893</u>
Deferred Outflows of Resources	779,512	76,588	44,346
Liabilities			
Current liabilities:			
Accounts payable	263,890	3,996	569,969
Other liabilities	46,434	1,642	2,653
Accrued interest payable	-	19,784	-
Payable to other governments	-	573	4,704
Customer deposits	-	71,696	-
Compensated absences	82,495	7,668	4,736
Current portion of long term debt	-	661,877	-
Total current liabilities	<u>392,819</u>	<u>767,236</u>	<u>582,062</u>
Non-current liabilities:			
Other postemployment benefits	1,276,322	-	83,985
Accrued landfill closure/postclosure costs	8,192,303	-	-
Net pension liability	375,279	51,174	17,058
Bonds, notes and loans payable	-	9,386,150	-
Total non-current liabilities	<u>9,843,904</u>	<u>9,437,324</u>	<u>101,043</u>
Total liabilities	<u>10,236,723</u>	<u>10,204,560</u>	<u>683,105</u>
Deferred Inflows of Resources	775,854	79,773	350,546
Net Position			
Net investment in capital assets	19,464,124	13,546,445	11,985,717
Unrestricted	3,010,089	1,194,157	570,871
Total net position	<u>\$ 22,474,213</u>	<u>\$ 14,740,602</u>	<u>\$ 12,556,588</u>

The assets and liabilities of certain type internal service funds are not included in the fund financial statement, but are included in the business activities of the Statement of Net Position (Exhibit 1).

Total net position - business-type activities

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

<u>Business-type Activities</u>		<u>Governmental</u>
<u>Nonmajor</u>		<u>Activities</u>
<u>Other</u>		
<u>Enterprise</u>		<u>Internal</u>
<u>Funds</u>	<u>Totals</u>	<u>Service Funds</u>
\$ 702,263	\$ 14,737,838	\$ 3,412,965
65,517	1,653,874	279,616
3,823	104,886	17,997
-	337,158	-
-	467	-
-	115,805	22,161
<u>771,603</u>	<u>16,950,028</u>	<u>3,732,739</u>
23,628	14,329,505	-
3,736,713	44,453,929	29,971
<u>3,760,341</u>	<u>58,783,434</u>	<u>29,971</u>
<u>4,531,944</u>	<u>75,733,462</u>	<u>3,762,710</u>
2,793	903,239	-
495,196	1,333,051	587,411
-	50,729	-
4,267	24,051	-
-	5,277	-
-	71,696	-
-	94,899	-
90,000	751,877	-
<u>589,463</u>	<u>2,331,580</u>	<u>587,411</u>
11,874	1,372,180	-
-	8,192,303	-
-	443,511	-
1,220,000	10,606,150	-
<u>1,231,874</u>	<u>20,614,144</u>	<u>-</u>
<u>1,821,337</u>	<u>22,945,724</u>	<u>587,411</u>
5,348	1,211,521	-
2,458,291	47,454,577	29,971
249,761	5,024,879	3,145,328
<u>\$ 2,708,052</u>	<u>52,479,456</u>	<u>\$ 3,175,299</u>
	(121,903)	
	<u>\$ 52,357,553</u>	

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

	Business-type Activities		
	Major		
	Solid Waste Disposal	Maxwell Center Fund	Jetport Fund
Operating Revenues			
User fees	\$ 5,320,199	\$ 1,163,581	\$ 745,597
Insurance premiums	-	-	-
Lease revenue	10,470	-	74,169
Fleet services	-	-	-
Total operating revenues	<u>5,330,669</u>	<u>1,163,581</u>	<u>819,766</u>
Operating expenses			
Salaries and employee benefits	1,828,347	394,644	62,154
Contractual services	61,793	11,181	48,960
Utilities	-	84,429	-
Repairs and maintenance	283,068	46,621	43,162
Other departmental expenses	740,172	51,166	118,467
Other supplies and expenses	402,816	85,246	485,458
Indirect costs	393,167	926,899	129,539
Closure and postclosure costs	486,942	-	-
Insurance claims and expenses	-	-	-
Depreciation	955,272	652,419	476,641
Total operating expenses	<u>5,151,577</u>	<u>2,252,605</u>	<u>1,364,381</u>
Operating income (loss)	<u>179,092</u>	<u>(1,089,024)</u>	<u>(544,615)</u>
Non-operating Revenues (Expenses)			
Restricted intergovernmental revenues	333,049	-	-
Interest and investment revenue	20,960	843	5,070
Donations	-	5,000	-
Miscellaneous revenue	47,132	5,954	2,830
Gain (loss) on sale of assets	(3,592)	-	-
Operating grants and contributions	14,646	-	879,887
Interest expense	-	(381,378)	-
Total non-operating revenue (expenses)	<u>412,195</u>	<u>(369,581)</u>	<u>887,787</u>
Income (loss) before contributions/transfers	<u>591,287</u>	<u>(1,458,605)</u>	<u>343,172</u>
Transfers in	11,917	1,629,003	265,190
Change in net position	<u>603,204</u>	<u>170,398</u>	<u>608,362</u>
Total net position - beginning	<u>21,871,010</u>	<u>14,570,205</u>	<u>11,948,226</u>
Total net position - ending	<u>\$ 22,474,214</u>	<u>\$ 14,740,603</u>	<u>\$ 12,556,588</u>

Change in net position, per above

Internal service funds are used by management to charge the costs of health insurance and fleet management to individual funds. A portion of the net revenue (expense) of the Internal Service Fund is reported with the business-type activities in the Statement of Activities (Exhibit 2).

Total change in net position - business-type activities

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

Business-type Activities		Governmental Activities
Nonmajor		
Other Enterprise Funds	Totals	Internal Service Funds
\$ 625,391	\$ 7,854,768	\$ -
-	-	9,281,244
-	84,639	-
-	-	430,655
625,391	7,854,768	9,711,899
24,247	2,309,392	164,995
-	121,934	-
488,917	573,346	3,468
26,955	399,806	-
-	909,805	8,251,325
-	973,520	263,988
51,863	1,501,468	-
-	486,942	-
-	-	1,119,293
154,873	2,239,205	-
746,855	9,515,418	9,803,069
(121,464)	(1,660,650)	(91,170)
-	333,049	-
435	27,308	2,184
5,068	60,984	7,059
2,414	(1,178)	-
-	894,533	-
(61,482)	(442,860)	-
(53,565)	871,836	9,243
(175,029)	(788,814)	(81,927)
152,446	2,058,556	250,000
(22,583)	1,269,742	168,073
2,730,635	51,120,076	3,023,358
\$ 2,708,052	\$ 52,389,818	\$ 3,175,299
	1,269,742	
	114,550	
	<u>\$ 1,384,292</u>	

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

	Business-type Activities		
	Major		
	Solid Waste Disposal	Maxwell Center	Jetport Fund
Cash flows from operating activities:			
Receipts from customers	\$ 5,294,805	\$ 1,200,921	\$ (32,564)
Payments to employees for services	(2,072,142)	(415,058)	(105,970)
Payments to suppliers of goods and services	(1,713,856)	(1,201,803)	(377,425)
Proceeds from unrestricted revenues	47,131	-	2,830
Net cash provided (used) by operating activities	1,555,938	(415,940)	(513,129)
Cash flows from noncapital financing activities:			
Grant proceeds	347,695	-	879,887
Due (to) from other government	3,864	10,734	2,929
Transfers (to) from other funds	11,917	1,629,003	265,190
Net cash provided (used) by noncapital financing activities	363,476	1,639,737	1,148,006
Cash flows from capital and related financing activities:			
Principal payments related to capital debt	-	(661,879)	-
Interest payments related to capital debt	-	(382,720)	-
Noncash transfers of assets	-	-	32,012
Payments for the acquisition of capital assets	(1,032,558)	-	(1,065,637)
Net cash provided (used) by capital and related financing activities	(1,032,556)	(1,044,599)	(1,033,625)
Cash flows from investing activities			
Loan to City of Goldsboro	-	-	-
Interest payments received	20,960	843	5,070
Net cash provided (used) by investing activities	20,960	843	5,070
Net increase (decrease) in cash and cash equivalents	907,818	180,041	(393,678)
Cash and cash equivalents, July 1	11,699,500	999,976	641,918
Cash and cash equivalents, June 30	12,607,318	1,180,017	248,240
Operating income	179,092	(1,089,024)	(544,615)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	955,272	652,417	476,641
Non operating income	47,132	-	2,830
Changes in assets and liabilities			
(Increase) decrease			
Accounts receivable	(35,864)	37,344	(853,627)
Accounts receivable - leases	2,398	-	1,296
Inventory	(11,235)	-	(59,948)
Increase (decrease)			
Accounts payable	175,997	3,739	508,110
Postemployment liability	24,515	-	(26,117)
Pensions	(237,048)	(17,948)	(19,421)
Postclosure costs	486,942	-	-
Other liabilities	(31,263)	(2,468)	1,722
Total adjustments	1,376,846	673,084	31,486
Net cash provided (used) by operating activities	\$ 1,555,938	\$ (415,940)	\$ (513,129)

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

<u>Business-type Activities</u>		<u>Governmental Activities</u>	
<u>Nonmajor</u>		<u>Internal Service</u>	
<u>Other Enterprise Funds</u>	<u>Totals</u>	<u>Funds</u>	
\$ 712,079	\$ 7,175,241	\$ 9,446,594	
(23,538)	(2,616,708)	-	
(543,502)	(3,836,586)	(9,801,734)	
5,068	55,029	7,059	
150,107	776,976	(348,081)	
-	1,227,582	-	
-	17,527	-	
155,777	2,061,887	233,868	
155,777	2,158,990	233,868	
(90,000)	(751,879)	-	
(61,482)	(444,202)	-	
-	32,012	-	
(25,020)	(1,090,657)	(14,127)	
(176,502)	(3,287,282)	(14,127)	
-	-	-	
435	27,308	2,184	
435	27,308	2,184	
129,818	823,999	(126,156)	
572,445	13,913,839	3,539,121	
702,263	14,737,838	3,412,965	
(121,464)	(1,576,011)	(91,170)	
154,873	2,239,203	-	
5,068	55,030	7,059	
86,688	(765,459)	(265,306)	
-	3,694	-	
-	(71,183)	6,053	
24,233	712,079	(4,717)	
709	(893)	-	
-	(274,417)	-	
-	486,942	-	
-	(32,009)	-	
271,571	2,352,987	(256,911)	
\$ 150,107	\$ 776,976	\$ (348,081)	

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

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	\$ 141,204
Taxes receivable for other governments, net	862,944
Total assets	<u>1,004,148</u>
 Liabilities	
Miscellaneous liabilities	<u>-</u>
Total liabilities	<u>-</u>
 Net Position	
Individuals, organizations, and other governments	1,004,148
Total fiduciary net position	<u>\$ 1,004,148</u>

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

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

	<u>Custodial Funds</u>
Additions	
Ad valorem taxes collected for other governments	\$ 21,709,777
Collections on behalf of inmates	891,496
Miscellaneous custodial funds	<u>24,022</u>
Total additions	22,625,295
 Deductions	
Tax distributions to other governments	21,684,623
Payments on behalf of inmates	881,691
Payments of miscellaneous custodial funds	11,713
Transfer to general fund	<u>-</u>
Total deductions	<u>22,578,027</u>
 Net increase (decrease) in fiduciary net position	 47,268
Net position - beginning of year	986,394
Net position - end of year	 <u>\$ 1,033,662</u>

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

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Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

I. Summary of Significant Accounting Policies

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

A. Reporting Entity

The County, which is governed by a seven-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. Wayne County Industrial Facility and Pollution Control Financing Authority exists to issue and service revenue bond debt of private businesses for economic purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Wayne County ABC Board (the ABC Board) and the Wayne County Tourism Development Authority (Wayne County TDA) have a June 30 year-end and are presented as if it is a separate funds of the County (discrete presentation).

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Wayne County Alcoholic Beverage Control Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Wayne County Alcoholic Beverage Control Board 206 E. Mulberry Street Goldsboro, NC 27530
Wayne County Tourism Development Authority	Discrete	The Authority exists to promote travel and tourism within the County. The members of the TDA's governing board are appointed by the County. The Authority was created by Wayne County and the County Finance Officer is the ex officio finance officer of the Authority.	Wayne County Tourism Development Authority P.O. Box 227 Goldsboro, N.C. 27533

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities and the internal activities have been allocated between governmental and business-type activities in the process of consolidating the 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

The County reports the following major governmental funds:

General Fund: This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Tax Revaluation Fund is a legally budgeted fund under North Carolina General Statutes; however, in accordance with GASB Statement No. 54, it is consolidated in the General Fund.

American Rescue Plan (ARP) Fund: This fund accounts for moneys received from the federal government for the ARP Act. These funds are used to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession in the United States.

Rosewood State Fund: This fund accounts for moneys received from the State of North Carolina appropriations grant to build a new public school.

Non-major Funds: The County maintains eighteen legally budgeted or project length budgeted funds and one permanent fund. The Emergency Telephone System Fund, the Fire District Fund, the Fines and Forfeitures Fund, the Representative Payee Fund, the NC Court Pilot Program Fund, the State Capital Infrastructure Grant Fund, the Opioid Settlement Fund, the Sheriff's State Grant Fund, the CARES Act Fund, the Utility Fund, and the Street Assessment Fund are reported as non-major special revenue funds. The County Public School Capital Project Fund – Meadow Lane, the County Capital Project

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Fund, the County Public School Capital Project Fund – School Buildings, the County Capital Reserve Projects Fund, the County Capital Project – 911 Call Center Fund, the County Debt Project Fund, and the Fremont School Project Fund are reported as capital projects funds. The Permanent Fund-Senior Center is reported as a non-major permanent fund. A description of each follows:

Emergency Telephone Service Fund: This fund accounts for the accumulation of permits and fees to be used in the operations of the 911 emergency service system.

Fire District Fund: This fund accounts for the ad valorem tax levies of the twenty-six fire districts in Wayne County.

Fines and Forfeitures Fund: This fund accounts for fines and forfeitures collected by the County that are required to be remitted to the Wayne County Board of Education.

Representative Payee Fund: This fund accounts for moneys held by the Social Services Department for the benefit of certain individuals in the County.

North Carolina Court Pilot Program Fund: This fund accounts for moneys from the NC Judicial Branch. The funds are used to improve case management, create innovative court pilot programs, and provide program support positions.

State Capital Infrastructure (SCIF) Grant Fund: This fund accounts for moneys received from the State of North Carolina for capital infrastructure improvements.

Opioid Settlement Fund: This fund accounts for moneys received through the Federal Opioid Settlement to bring relief to communities impacted by opioid addictions.

Sheriff's State Grant Fund: This fund accounts for moneys received through the North Carolina Office of the State Controllers. The funds will be used to improve Sheriff Department operations.

CARES Act Fund: This fund accounts for moneys received from the federal government for The Coronavirus Aid, Relief, and Economic Security Act (CARES). The funds are used to respond to the economic fallout of the COVID-19 pandemic in the United States.

Utility Fund: This fund accounts for the costs of street lights and the collection of resources from residents in specific neighborhoods in Wayne County.

Street Assessment Fund: This fund accounts for the costs of improvements to the streets and the collections of resources from residents in specific neighborhoods in Wayne County.

County Public School Capital Project Fund – Meadow Lane: This capital project fund accounts for the costs of construction and related funding sources for a specific construction project for Meadow Lane Elementary School.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

County Capital Projects Fund: This capital project fund accounts for the costs of construction and related funding sources for capital projects of a general nature.

County Public School Capital Project Fund-School Buildings: This capital project fund accounts for the costs of construction and related funding sources for school related capital projects.

County Capital Reserve Project Fund: This capital project fund accounts for the accumulation of resources for future capital projects.

County Capital Project-911 Call Center Fund: This capital project fund accounts for the costs of construction and future funding sources for capital projects of the emergency call center.

County Debt Project Fund: This fund accounts for the construction of a new Detention Center and DSS/Health Building related to specific debt issuance.

Fremont School Project Fund: This fund accounts for the costs of construction and related funding sources for a specific construction project for Fremont Elementary School.

Permanent Fund-Senior Center: This funds account for the earnings of an endowment for the specific purpose of funding projects and expenses related to the Senior Center.

The County reports the following major enterprise funds:

Solid Waste Disposal Fund: This fund accounts for the operation, maintenance, and development of various landfills and disposal sites.

Maxwell Regional Agricultural & Convention Center (Maxwell Center) Fund: This fund is used to account for the operations of the agricultural and convention center..

Airport Fund: This fund is used to account for the operations of the municipal airport services within the County.

The County reports the following non-major enterprise fund:

Sewer Fund: This fund is used to account for the operations of the County's sewer activities.

The County reports the following fund types:

Internal Service Funds: The County has a Hospital Self Insurance Fund for the accumulation and allocation of health insurance costs, the WC Self Insurance Fund for the accumulation of workman's compensation insurance costs, and the Fleet Management Fund for the accumulation of vehicle repair and maintenance costs.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 funds that are billed and collected by the County for various municipalities and special districts within the County but that are not revenues to the County; the Inmate Accounts Fund for moneys deposited with the Sheriff Department on behalf of inmates; the Miscellaneous Agency Funds which account for moneys collected from various civic organizations and held in a fiduciary capacity to augment the activities financed by public funds.

Measurement Focus, Basis of Accounting

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

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

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

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

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

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

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Emergency Telephone Fund, the Fire District Fund, the Fines and Forfeitures Fund, the Representative Payee Fund, the NC Court Pilot Project Fund, the SCIF Grant Fund, the Opioid Settlement Fund, the Sheriff's State Grant Fund, the CARES Act Fund, the Utility Fund, the Street Assessment Fund, the Wayne County Public School Capital Project Fund – Meadow Lane, Wayne County Public School Capital Projects Fund – School Buildings, County Capital Reserve

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Project Fund, County Capital Outlay – 911 Call Center Fund, the Enterprise Funds and the Internal Service Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the ARP Fund, the County Capital Projects Fund, the County Debt Project Fund, and the Fremont School Project Fund.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the object level for all annually budgeted funds and multi-year funds (capital projects). Amendments are required for any revisions to the approved budgets and may fall into one of two categories: Manager approval or Commissioner approval. Manager approval amendments require County Manager approval and include the following: funds transferred between line items within a department less than \$5,000 and unspent funds reappropriated from one fiscal year to the next without changes. Commissioner approval budget amendments require Board of Commissioner approval upon the following circumstances: funds transferred between line items over \$5,000 or between departments, reappropriation of funds from a prior year to a different purpose and amounts that increase or decrease the department's budget. During the year, 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. The Permanent Fund-Senior Center is not required to be budgeted.

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

1. Deposits and Investments

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

The majority of the County's investments are carried at fair value. Non-participating interest earning contracts are accounted for at cost. The ABC Board and the Wayne County Tourism Authority do not have any investments as of June 30, 2022.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

- 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 rating by S&P. The second fund, the Term Portfolio, is a short-term bond fund investing in treasuries, government agencies, and money market instruments allowed under G.S. 15-30. The Term Portfolio has no rating. Both the NCCMT Government and Term Portfolios are reported at fair value.

2. Cash and Cash Equivalents

The County pools moneys from several funds, except some fiduciary type funds, 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 and the Wayne County Tourism Development Authority considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

Money in the General Fund used for Tax Revaluation is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Capital Project Fund is classified as restricted assets because its use is restricted per North Carolina General Statutes 159-18 through 22. Some special revenue, capital project, and proprietary funds' cash and cash equivalents are restricted to the service for which the deposit was collected. In addition, money in the Qualified School Construction Bond Sinking Fund account and proprietary funds is restricted based on the terms of its related debt covenant or unused debt proceeds.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Wayne County, North Carolina Restricted Cash

Current Assets:

Governmental Activities

General Fund	Tax Revaluation	\$ 524,715
General Fund	School Sales Tax	1,290,953
Special Revenue Fund	American Rescue Plan	23,925,320
Special Revenue Fund	Emergency Telephone	888,613
Special Revenue Fund	Fire Districts	39,770
Special Revenue Fund	Representative Payee	79,062
Special Revenue Fund	CARES Act	-
Special Revenue Fund	NC Court Pilot Program	103,739
Special Revenue Fund	SCIF Grant	500,130
Special Revenue Fund	Rosewood State Grant	20,003,122
Special Revenue Fund	Opioid Settlement	240,204
Special Revenue Fund	Sheriff's State Grant	84,287
Special Revenue Fund	Street Light	35,032
Special Revenue Fund	Neighborhood Roads	444,048
Capital Projects Fund	911 Call Center	3,313,686
Capital Projects Fund	Unspent Debt Proceeds	786,216
Capital Projects Fund	School Buildings	654,851
Permanent Fund	Senior Center	8,890

Restricted Cash, Current Assets - Governmental	<u>52,922,638</u>
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Business-type Activities

Sewer Fund	Unspent Debt Proceeds	7,950
MRACC Fund	Unspent Debt Proceeds	20,920

Restricted Cash, Current Assets - Business-type	<u>28,870</u>
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Total Restricted Cash, Current Assts	<u>52,951,508</u>
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Noncurrent Assets:

Governmental Activities

General Fund	QSCB Sinking Fund	<u>10,720,497</u>
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Total Restricted Cash, Noncurrent Assets	<u>10,720,497</u>
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Total Restricted Cash	<u><u>\$ 63,672,005</u></u>
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Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

4. Ad Valorem Taxes Receivable

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

5. Lease Receivable

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. There are no variable components under the lease agreement. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

6. Allowances for Doubtful Accounts

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

7. Inventories and Prepaid Items

The inventories of the County's enterprise funds are valued at cost (first-in, first-out), which approximates market. The inventory consists of fuel held for consumption or resale. The cost of the inventory is recorded as an expense as it is consumed or sold.

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

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

8. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. Minimum capitalization costs are as follows: land, \$5,000; buildings, improvements, substations, lines, and other plant and distribution systems, \$5,000; infrastructure, \$5,000; furniture and equipment, \$5,000; vehicles, \$5,000, and computer software, \$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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

The County holds title to certain Wayne 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 Wayne County Board of Education.

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

	Years
Sewer improvements	40
Buildings	40
Improvements	40
Land improvements	20
Contractor equipment	5 - 15
Equipment	10 - 20
Vehicles	3 - 10
Computer Software	5

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	Years
Buildings and improvements	10 - 35
Leasehold improvements	7 - 35
Furniture and equipment	10
Vehicles	5

9. Right to use assets

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

10. 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 meet this criterion – pension/other post-employment benefit

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

related deferrals and contributions made to the pension plan/other post-employment benefit plan in the current fiscal year. 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, leases, and other pension related deferrals.

11. Long-term Obligations

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

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as another financing source.

12. Compensated Absences

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

The ABC Board employees may not accumulate vacation days.

The sick leave policies of the County and the ABC Board 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 ABC Board has any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made.

13. Opioid Settlement Funds

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

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

- 15% directly to the State ("State Abatement Fund")

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

- 80% to abatement funds established by Local Governments (“Local Abatement Funds”)
- 5% to a County Incentive Fund.

The County received \$240,179 as part of this settlement in Fiscal Year 2022. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. No funds have been expended as of June 30, 2022. The MOA offered the County two options of expending the funds. The County has not elected its option of expenditure of the funds as of June 30, 2022.

14. Reimbursements for Pandemic-Related Expenditures

In FY 2020/21, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. The County was allocated \$23,916,753 of fiscal recovery funds to be paid in two equal installments. The first installment of \$11,958,377 was received in May, 2021. The second installment was received in May, 2022. County staff and the Board of Commissioners have elected to use the ARPA moneys for various projects. As of June 30, 2022, no funds have been spent.

15. Net Position/Fund Balances

Net Position

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

Unrestricted (deficit) Net Position

Under North Carolina law, the County is responsible for providing capital funding for the Wayne County Board of Education (School System). The County has chosen to meet its legal obligation to provide school capital funding by using a mixture of County funding and debt. Some of the assets funded by the County are owned, utilized and maintained by the School System. Since the County, as the issuing government, acquires no capital asset, the County has incurred a liability without a corresponding increase in assets.

Unrestricted net position for the fiscal year ending June 30, 2018 was significantly impacted by the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Post-employment Benefits other than Pension. For additional information regarding the County’s Other Post-Employment benefits, see Note B, 2, h.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

Restricted for Permanent Fund, Senior Center-principal – portion of fund balance that is permanently restricted by donor (only the earning may be used for the purpose of projects associated with the Senior Center).

Leases – portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource. As of June 30, 2022, the County does not have any fund balance nonspendable for leases.

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

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

Restricted for Future Debt Payments, QSCB – portion of fund balance that is restricted to pay future debt payments based on the terms of the debt covenants, see Note 7.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Restricted for Fire Protection – portion of fund balances that is restricted by revenue source for fire protection expenditures.

Restricted for Public School – portion of fund balance that can only be used for School Capital per G.S. 159-18-22 or restricted by debt agreements.

Restricted for Law Enforcement – portion of fund balance that is restricted by revenue source for law enforcement expenditures.

Restricted for Tax Revaluation – portion of the fund balance that is restricted by revenue source for future tax revaluation purposes.

Restricted for Public Safety – portion of fund balance that is restricted by revenue source for emergency telephone services.

Restricted for Economic Development – portion of fund balance that is restricted by revenue source for economic development.

Restricted for Transportation – portion of fund balance that is restricted by tax revenue collected for specific neighborhood utility and road improvements.

Restricted for Grants – portion of the fund balance that is restricted by grant agreements.

Restricted for Social Services and Permanent Fund Senior Center – Social Services portion of fund balance is the amount held by the Department for the benefit of certain individuals. The Senior Center portion of fund balance from permanent non-spendable principal and only the earning may be used for the purpose of projects associated with the Senior Center.

Committed Fund Balance – Portion of fund balance that can only be used for specific purpose imposed by majority vote of Wayne County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing board. In Wayne County, an ordinance or majority vote is equally binding.

Committed for Future Capital Projects – portion of fund balance that can only be used for future capital projects.

Committed for Community College – portion of fund balance that can only be used for capital projects of Wayne Community College.

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

Assigned for Subsequent Year's Expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$5,000.

Assigned for Donations – portion of fund balance for donations with a specific purpose.

Unassigned Fund Balance – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. A negative unassigned fund balance in governmental funds other than the general fund may be reported, if expenditures incurred exceed the amounts that are restricted, committed, or assigned to those purposes.

Wayne 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.

Wayne County has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to or greater than 14% of budgeted expenditures. Any portion of the General Fund in excess of 14% of budgeted expenditures may be appropriated for a one-time expenditures and may not be used for any purpose that would obligate the County in a future budget.

16. Defined Benefit Pension Plans

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

E. Reconciliation of Government-wide and Fund Financial Statements

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The net adjustment of \$42,718,171 consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (total capital assets on government-wide statement in governmental activities column).	\$ 234,278,874
Less accumulated depreciation	75,623,883
	158,654,991
 GASB No. 87 lease standard - right to use asset	
Right to use assets are not financial resources and therefore are not reported in the funds.	110,999
Accrued interest - leases	305
Lease liability	(43,088)
	68,216
 Internal service funds are used by management to charge the costs of health insurance, workman's compensation, and fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.	3,175,299
 Liabilities for deferred inflows of resources reported in the fund statements but are not government-wide:	
Deferred inflows of resources for taxes and special assessments receivable.	2,028,441
LGERS - pension related deferrals	(457,539)
LGERS - net pension liability	(7,352,063)
LEOSSA - pension related deferrals	1,058,297
LEOSSA - net pension liability	(4,590,851)
ROD - pension related deferrals	30,646
ROD - net pension asset	157,230
OPEB - OPEB related deferrals	4,110,476
OPEB - net pension liability	(45,308,290)
 Liabilities that because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Bonds, leases, and installment financing	(66,026,000)
Compensated absences	(2,334,746)
Accrued interest payable	(495,936)
	(68,856,682)
 Total adjustment	\$ 42,718,171

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$2,893,498 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 4,992,407
Depreciation expense, the allocation of those assets over their useful lives that is recorded on the statements of activities but not in the fund statements.	(7,031,430)
Cost of capital assets disposed of during the year, not recognized on modified accrual basis.	(1,580,458)
The costs, net, to report right-to-use assets, amortization, lease liability, net.	68,103
Contributions and costs to the LGERS pension plan in the current fiscal year are not included on the Statement of Activities.	3,952,365
Contributions and costs to the LEOSSA pension plan in the current fiscal year are not included on the Statement of Activities.	(493,653)
Contributions and costs to the ROD pension plan in the current fiscal year are not included on the Statement of Activities.	(7,461)
Contributions and costs to the OPEB plan in the current fiscal year are not included on the Statement of Activities.	(1,076,264)
Principal payments owed are recorded as a use of funds on the fund statements and proceeds for debt are recorded as a source of funds on the fund statements but again affect only the Statement of Net Position in the government-wide statements.	4,228,000
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements:	
Difference in interest expense between fund statements and government-wide statements.	24,714
Compensated absences	43,139
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	(73,028)
Internal service funds are used by management to charge the cost of health insurance and fleet management to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.	(152,936)
Total adjustment	<u>\$ 2,893,498</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

II. Stewardship, Compliance, and Accountability

A. Significant Violations of Finance-Related Legal and Contractual Provisions

There were no material instances of noncompliance with the N.C. General Statutes.

III. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's the ABC Board's, and the Wayne County Tourism Development Authority'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, the ABC Board's, or the Wayne County Tourism Development Authority'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 ABC Board, and the Wayne County Tourism Development Authority, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the ABC Board, the Wayne County Tourism Development Authority, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, the ABC Board, and the Wayne County Tourism Development Authority under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

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

At June 30, 2022, the County's deposits had a carrying amount of \$119,618,560 and a bank balance of \$112,011,069. Of the bank balance, \$750,000 was covered by federal depository insurance, and \$85,175 in non-interest-bearing deposits and \$118,783,385 in interest bearing deposits were covered by collateral held under the Pooling Method.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

At June 30, 2022, Wayne County had \$14,364 cash on hand.

At June 30, 2022, the carrying amount of deposits for the Wayne County ABC Board was \$4,916,191 and the bank balance was \$6,285,876. All of the bank balance was covered by federal depository insurance except for \$5,636,337, which was collateralized by institutions using the Pooling Method. At June 30, 2022, The ABC Board had \$6,600 cash on hand.

At June 30, 2022, the carrying amount of deposits for the Wayne County Tourism Development Authority was \$125,141 and the bank balance was \$125,141. All of the Tourism Authority's deposits were fully covered by federal depository insurance.

2. Investments

As of June 30, 2022 the County had the following investments and maturities.

Investment Type	Valuation Measurement	Fair Value	Less Than 6	
	Method		Months	6-12 Months
NC Capital Management Trust & Term Government Portfolio	Fair Value - Level 1	27,965,382	27,965,382	N/A
Commercial Paper	Fair Value - Level 2	14,866,042	14,866,042	N/A
Total		<u>\$ 42,831,424</u>	<u>\$ 42,831,424</u>	<u>\$ -</u>

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

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

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2: debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. The County's investment policy requires purchases of securities to be tiered with staggered maturity dates and limits all securities to a final maturity of no more than three years. The State Treasurer's Short Term Investment Fund (STIF) is unrated and had a weighted average maturity of 1.3 years at June 30, 2021.

Credit Risk. County policy limits investments to the provisions of G.S.-159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2022, the County's investments in commercial paper were rated P1 by Standards & Poor's, F1 by Fitch Ratings, and A1 by Moody's Investors Service. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2022. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. Government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's formal policy dictates that all investments will be purchased "payment-verses-delivery" and if certificated will be held by the Finance Officer in the name of the County. All non-certificated investments will be held in book entry form in the name of the County with the County's third party Custodian (Safekeeping Agent).

Concentration of Credit Risk. The County places a limit of 5% on the amount that the County may invest in any one issuer of commercial paper or banker's acceptances.

Investments, long-term restricted cash. The County's debt covenant, see Note B, 6, b, requires them to deposit a required amount annually into a sinking fund bank account. Restricted cash balance, not available for use in the short-term, is \$10,799,559.

The ABC Board and Wayne County Tourism Development Authority have no policy on credit risk.

3. Inventories

Wayne County's inventories are valued at cost, using the last in-first out method. Inventory in the Solid Waste Disposal and Airport proprietary funds consists of fuel for on-site equipment and are recorded when consumed. Inventory in the Fleet Management is allocated to the government wide and proprietary statements and consists of vehicle parts and are recorded when consumed.

The Wayne County ABC Board inventory are valued at the lower of cost (FIFO) or market.

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

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Year Levied	Tax	Interest	Total
2019	\$ 3,137,192	\$ 1,027,430	\$ 4,164,622
2020	4,039,441	959,367	4,998,808
2021	4,038,593	595,692	4,634,285
2022	<u>4,285,836</u>	<u>246,436</u>	<u>4,532,272</u>
	<u>\$ 15,501,062</u>	<u>\$ 2,828,925</u>	<u>\$ 18,329,987</u>

5. Receivables

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

	Accounts	Taxes and Accrued Interest	Lease Receivable	Due from Other Governments	Total
Governmental Activities:					
General	\$ 1,123,632	\$ 3,780,695	\$ 201,879	\$ 2,617,376	\$ 7,723,582
Other governmental	-	479,498	-	14,938,340	15,417,838
Total receivables	<u>1,123,632</u>	<u>4,260,193</u>	<u>201,879</u>	<u>17,555,716</u>	<u>23,141,420</u>
Allowance for doubtful accounts	<u>(817,792)</u>	<u>(947,388)</u>	<u>-</u>	<u>-</u>	<u>(1,765,180)</u>
Total-governmental activities	<u>\$ 305,840</u>	<u>\$ 3,312,805</u>	<u>\$ 201,879</u>	<u>\$ 17,555,716</u>	<u>\$ 21,376,240</u>
Business-type Activities:					
Solid Waste Disposal	\$ 577,896	\$ 78,383	\$ 18,725	\$ 92,458	\$ 767,462
Sewer Fund	65,517	-	-	3,816	69,333
Airport	63,078	-	318,897	854,355	1,236,330
MRAC	<u>14,631</u>	<u>-</u>	<u>-</u>	<u>178,987</u>	<u>193,618</u>
Total receivables	<u>721,122</u>	<u>78,383</u>	<u>337,622</u>	<u>1,129,616</u>	<u>2,266,743</u>
Allowance for doubtful accounts	<u>(292,209)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(292,209)</u>
Total-business-type activities	<u>\$ 428,913</u>	<u>\$ 78,383</u>	<u>\$ 337,622</u>	<u>\$ 1,129,616</u>	<u>\$ 1,974,534</u>

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

Local option sales tax	\$ 5,657,775
Sales tax refund	584,382
Other taxes	834,748
Grants receivable	3,224,737
EMS Medicaid receivable	757,971
Other	<u>7,625,719</u>
Total	<u>\$ 18,685,332</u>

The Tourism Development Authority's receivables consist of occupancy taxes from local hotels of \$20,711. Management expects all accounts receivable to be collected; therefore, no allowance for doubtful accounts has been recorded.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Lease Receivables

Per Note D, 5, the County has recorded lease receivables.

For the year ended 6/30/2022, 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 disclosures below.

General Fund Activities:

On 07/01/2021, Wayne County, NC entered into a 30 month lease as Lessor for the use of Farm 11607 - Old Mt. Olive Highway. An initial lease receivable was recorded in the amount of \$15,086.83. As of 06/30/2022, the value of the lease receivable is \$7,547.97. The lessee is required to make annual fixed payments of \$7,602.84. The lease has an interest rate of 0.7270%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$9,052.10, and Wayne County recognized lease revenue of \$6,034.73 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 30 month lease as Lessor for the use of Farm 13459 - Park East Property. An initial lease receivable was recorded in the amount of \$29,343.95. As of 06/30/2022, the value of the lease receivable is \$14,680.83. The lessee is required to make annual fixed payments of \$14,787.56. The lease has an interest rate of 0.7270%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$17,606.37, and Wayne County recognized lease revenue of \$11,737.58 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into an 18 month lease as Lessor for the use of Farm 11852 - Arrington Bridge Rd. An initial lease receivable was recorded in the amount of \$4,227.50. As of 06/30/2022, the value of the lease receivable is \$0.00. The lessee is required to make annual fixed payments of \$4,240.18. The lease has an interest rate of 0.5140%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$1,409.17, and Wayne County recognized lease revenue of \$2,818.34 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into an 18 month lease as Lessor for the use of Farm 11693, 8742, 6599 & 11850. An initial lease receivable was recorded in the amount of \$13,201.52. As of 06/30/2022, the value of the lease receivable is \$0.00. The lessee is required to make annual fixed payments of \$13,241.10. The lease has an interest rate of 0.5140%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$4,400.51, and Wayne County recognized lease revenue of \$8,801.01 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 78 month lease as Lessor for the use of Farm 11763 - Pecan Rd. An initial lease receivable was recorded in the amount of

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

\$4,453.62. As of 06/30/2022, the value of the lease receivable is \$3,715.35. The lessee is required to make annual fixed payments of \$774.00. The lease has an interest rate of 1.3750%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$3,768.45, and Wayne County recognized lease revenue of \$685.17 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 30 month lease as Lessor for the use of Farm 11955 - S. US 117 Alternate Hwy. An initial lease receivable was recorded in the amount of \$10,632.24. As of 06/30/2022, the value of the lease receivable is \$5,319.33. The lessee is required to make annual fixed payments of \$5,358.00. The lease has an interest rate of 0.7270%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$6,379.34, and Wayne County recognized lease revenue of \$4,252.90 during the fiscal year.

On 07/25/2021, Wayne County, NC entered into a 120 month lease as Lessor for the use of Tower Site - Market Square. An initial lease receivable was recorded in the amount of \$183,970.86. As of 06/30/2022, the value of the lease receivable is \$170,310.96. The lessee is required to make monthly fixed payments of \$1,442.00. The lease has an interest rate of 1.4620%. The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$166,800.25, and Wayne County recognized lease revenue of \$17,170.61 during the fiscal year. The lessee has 3 extension option(s), each for 60 months. The lessee had a termination period of 2 months as of the lease commencement.

On 03/01/2022, Wayne County, NC entered into a 12 month lease as Lessor for the use of 3173 S. US 13 Hwy. An initial lease receivable was recorded in the amount of \$800.00. As of 06/30/2022, the value of the lease receivable is \$0.00. The lessee is required to make annual fixed payments of \$800.00. The lease has an interest rate of 0.7510%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$533.33, and Wayne County recognized lease revenue of \$266.67 during the fiscal year. The lessee has 9 extension option(s), each for 12 months.

Business-type Activities:

On 07/01/2021, Wayne County, NC entered into a 30 month lease as Lessor for the use of Farm 389 - Northern Landfill. An initial lease receivable was recorded in the amount of \$23,647.74. As of 06/30/2022, the value of the lease receivable is \$11,831.01. The lessee is required to make annual fixed payments of \$11,917.02. The lease has an interest rate of 0.7270%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$14,188.65, and Wayne County recognized lease revenue of \$9,459.10 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 94 month lease as Lessor for the use of Landfill Gas - Site. An initial lease receivable was recorded in the amount of \$7,948.41. As of 06/30/2022, the value of the lease receivable is \$6,848.05. The lessee is required to make annual fixed payments of \$1,200.00. The lease has an interest rate of 1.4510%. The Land estimated useful life was 0 months as of the contract commencement. The value of

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

the deferred inflow of resources as of 06/30/2022 was \$6,937.67, and Wayne County recognized lease revenue of \$1,010.75 during the fiscal year. The lessee has 1 extension option(s), each for 240 months.

On 07/01/2021, Wayne County, NC entered into a 30 month lease as Lessor for the use of 912 Mt. Carmel Church Rd. - Farm. An initial lease receivable was recorded in the amount of \$32,941.68. As of 06/30/2022, the value of the lease receivable is \$16,480.78. The lessee is required to make annual fixed payments of \$16,600.60. The lease has an interest rate of 0.7270%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$19,765.01, and Wayne County recognized lease revenue of \$13,176.67 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 57 month lease as Lessor for the use of Premises - Goldsboro-Wayne Airport. An initial lease receivable was recorded in the amount of \$0.00. As of 06/30/2022, the value of the lease receivable is \$0.00. The lessee is required to make monthly fixed payments of \$0.00. The lease has an interest rate of 1.0590%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$0.00, and Wayne County recognized lease revenue of \$0.00 during the fiscal year. The lessee has 1 extension option(s), each for 300 months.

On 07/01/2021, Wayne County, NC entered into a 30 month lease as Lessor for the use of Farm 6686 - 240 Airport Rd. An initial lease receivable was recorded in the amount of \$1,091.40. As of 06/30/2022, the value of the lease receivable is \$546.03. The lessee is required to make annual fixed payments of \$550.00. The lease has an interest rate of 0.7270%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$654.84, and Wayne County recognized lease revenue of \$436.56 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 66 month lease as Lessor for the use of Maintenance Hangar & Apron - Wayne Executive Jetport. An initial lease receivable was recorded in the amount of \$93,458.74. As of 06/30/2022, the value of the lease receivable is \$76,694.17. The lessee is required to make quarterly fixed payments of \$4,385.00. The lease has an interest rate of 1.2170%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$76,466.24, and Wayne County recognized lease revenue of \$16,992.50 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 90 month lease as Lessor for the use of Corporate Hangar No. 2. An initial lease receivable was recorded in the amount of \$255,845.87. As of 06/30/2022, the value of the lease receivable is \$223,175.40. The lessee is required to make monthly fixed payments of \$3,000.00. The lease has an interest rate of 1.4510%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$221,733.08, and Wayne County recognized lease revenue of \$34,112.78 during the fiscal year.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

On 07/01/2021, Wayne County, NC entered into a 14 month lease as Lessor for the use of Hangar Space - Sasser. An initial lease receivable was recorded in the amount of \$11,025.98. As of 06/30/2022, the value of the lease receivable is \$791.48. The lessee is required to make monthly fixed payments of \$772.67. The lease has an interest rate of 0.3870%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2022 was \$1,575.14, and Wayne County recognized lease revenue of \$9,450.84 during the fiscal year.

The activity related to the lease receivable as of June 30, 2022 was as follows:

General Fund Activities:	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Lease Receivable				
Land				
Farm 11607 - Old Mt. Olive Highway	\$ 15,087	\$ -	\$ 7,539	\$ 7,548
Farm 13459 - Park East Property	29,344	-	14,663	14,681
Farm 11852 - Arrington Bridge Rd.	4,228	-	4,228	-
Farm 11693, 8742, 6599 & 11850	13,202	-	13,202	-
Farm 11763 - Pecan Rd.	4,454	-	738	3,715
Farm 11955 - S. US 117 Alternate Hwy	10,632	-	5,313	5,319
3173 S. US 13 Hwy	-	800	800	-
Total Land Lease Receivable	76,946	800	46,482	31,263
Infrastructure				
Tower Site - Market Square	-	183,971	13,660	170,311
Total Infrastructure Lease Receivable	-	183,971	13,660	170,311
Total Lease Receivable	\$ 76,946	\$ 184,771	\$ 60,142	\$ 201,574
General Fund Activities:	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Deferred Inflow of Resources				
Land				
Farm 11607 - Old Mt. Olive Highway	15,087	-	6,035	9,052
Farm 13459 - Park East Property	29,344	-	11,738	17,606
Farm 11852 - Arrington Bridge Rd.	4,228	-	2,818	1,409
Farm 11693, 8742, 6599 & 11850	13,202	-	8,801	4,401
Farm 11763 - Pecan Rd.	4,454	-	685	3,768
Farm 11955 - S. US 117 Alternate Hwy	10,632	-	4,253	6,379
3173 S. US 13 Hwy	-	800	267	533
Total Land Deferred Inflow of Resources	76,946	800	34,596	43,149
Infrastructure				
Tower Site - Market Square	-	183,971	17,171	166,800
Total Infrastructure Deferred Inflow of Resources	-	183,971	17,171	166,800
Total Deferred Inflow of Resources	\$ 76,946	\$ 184,771	\$ 51,767	\$ 209,950

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Business Type Activities:

Solid Waste Fund Activities:	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Lease Receivable				
Land				
Farm 389 - Northern Landfill	\$ 23,648	\$ -	\$ 11,817	\$ 11,831
Landfill Gas - Site	7,948	-	1,100	6,848
Total Land Lease Receivable	31,596	-	12,917	18,679

Total Lease Receivable	\$ 31,596	\$ -	\$ 12,917	\$ 18,679
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Jetport Fund Activities

	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Lease Receivable				
Land				
912 Mt. Carmel Church Rd. - Farm	\$ 32,942	\$ -	\$ 16,461	\$ 16,481
Premises - Goldboro-Wayne Airport	-	-	-	-
Farm 6686 - 240 Airport Rd.	1,091	-	545	546
Maintenance Hangar & Apron - Wayne Executive	93,459	-	16,765	76,694
Total Land Lease Receivable	127,492	-	33,771	93,721

Buildings				
Corporate Hangar No. 2	255,846	-	32,670	223,175
Hangar Space - Sasser	11,026	-	9,443	1,583
Total Building Lease Receivable	266,872	-	42,113	224,759

Total Lease Receivable	\$ 394,364	\$ -	\$ 75,884	\$ 318,480
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Solid Waste Fund Activities:

	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Deferred Inflow of Resources				
Land				
Farm 389 - Northern Landfill	23,648	-	9,459	14,189
Landfill Gas - Site	7,948	-	1,011	6,938
Total Land Deferred Inflow of Resources	31,596	-	10,470	21,126

Total Deferred Inflow of Resources	31,596	-	10,470	21,126
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Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Jetport Fund Activities	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Deferred Inflow of Resources				
Land				
912 Mt. Carmel Church Rd. - Farm	\$ 32,942	\$ -	\$ 13,177	\$ 19,765
Premises - Goldboro-Wayne Airport	-	-	-	-
Farm 6686 - 240 Airport Rd.	1,091	-	437	655
Maintenance Hangar & Apron - Wayne Executive Je	93,459	-	16,993	76,466
Total Land Deferred Inflow of Resources	127,492	-	30,606	96,886
Buildings				
Corporate Hangar No. 2	255,846	-	34,113	221,733
Hangar Space - Sasser	11,026	-	9,451	1,575
Total Building Deferred Inflow of Resources	266,872	-	43,564	223,308
Total Deferred Inflow of Resources	\$ 394,364	\$ -	\$ 74,169	320,194
Total Business-type activities - Deferred Inflow of Resources				\$ 341,321

Principal and Interest Expected to Maturity

Governmental Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 43,881	\$ 2,431	\$ 46,312
2024	16,889	2,198	19,087
2025	17,690	1,947	19,637
2026	18,519	1,683	20,202
2027	19,378	1,408	20,785
2028 - 2032	85,435	2,678	88,113
	<u>\$ 201,792</u>	<u>\$ 12,345</u>	<u>\$ 214,137</u>

Business-Type Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 81,205	\$ 4,187	\$ 85,392
2024	51,465	3,275	54,740
2025	52,177	2,563	54,740
2026	52,898	1,842	54,740
2027	44,846	1,124	45,970
2028 - 2032	54,568	632	55,200
	<u>\$ 337,159</u>	<u>\$ 13,623</u>	<u>\$ 350,782</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

6. Capital Assets

Primary Government

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

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 21,568,151	\$ 1,400,266	\$ 1,716,211	\$ 21,252,206
Total capital assets not being depreciated	21,568,151	1,400,266	1,716,211	21,252,206
Capital assets being depreciated:				
Buildings	165,645,933	2,128,017	424,500	167,349,450
Infrastructure	3,397,980	-	-	3,397,980
Intangibles	1,896,299	104,256	-	2,000,555
Furniture and equipment	27,499,987	988,523	513,174	27,975,336
Vehicles and motor equipment	10,628,660	960,774	1,077,017	10,512,417
Total capital assets being depreciated	209,068,859	4,181,570	2,014,691	211,235,738
Less accumulated depreciation for:				
Buildings	42,343,521	4,009,902	83,166	46,270,257
Infrastructure	578,788	276,752	-	855,540
Intangibles	1,037,886	170,185	-	1,208,071
Furniture and equipment	17,955,001	1,598,344	509,005	19,044,340
Vehicles and motor equipment	7,957,287	976,247	1,043,591	7,889,943
Total accumulated depreciation	69,872,483	\$ 7,031,430	\$ 1,635,762	75,268,151
Total capital assets being depreciated, net	139,196,376			135,967,587
Governmental activity capital assets, net	\$ 160,764,527			157,219,793
Prior period adjustment				1,435,198
Governmental activity capital assets, net				\$ 158,654,991

Increases for capital assets as a prior period adjustment is due to the conversion to MUNIS. An asset was reported in the prior period as disposed. For more information, see Note VIII, restatement/change in accounting principle. In addition, the County moved to a new general ledger and fixed asset software in the prior year. In the conversion, some items were transferred between assets. They are reported as increases and decreases; they net between asset types.

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

General government	\$ 3,893,040
Public safety	2,330,520
Economic and physical development	154,295
Human services	597,930
Environmental protection	469
Education	55,176
Total depreciation expense	<u>\$ 7,031,430</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022
Business-type activities:				
Solid Waste Disposal:				
Capital assets not being depreciated:				
Land	\$ 11,022,663	\$ -	\$ -	\$ 11,022,663
Total capital assets not being depreciated	11,022,663	-	-	11,022,663
Capital assets being depreciated:				
Buildings	1,318,469	-	-	1,318,469
Land improvements	5,624,195	15,300	-	5,639,495
Infrastructure	-	5,500	-	5,500
Furniture and equipment	2,176,975	816,809	10,600	2,983,184
Vehicles and motor equipment	9,330,001	194,948	-	9,524,949
Total capital assets being depreciated	18,449,640	1,032,557	10,600	19,471,597
Less accumulated depreciation for:				
Buildings	484,134	36,787	-	520,921
Land improvements	2,636,859	168,420	-	2,805,279
Infrastructure	-	92	-	92
Furniture and equipment	881,640	238,220	7,008	1,112,852
Vehicles and motor equipment	6,079,238	511,754	-	6,590,992
Total accumulated depreciation	10,081,871	\$ 955,273	\$ 7,008	11,030,136
Total capital assets being depreciated, net	8,367,769			8,441,461
Solid Waste Disposal capital assets, net	\$ 19,390,432			\$ 19,464,124

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022
Business-type activities:				
Sewer:				
Capital assets not being depreciated:				
Land	\$ 23,628	\$ -	\$ -	\$ 23,628
Total capital assets not being depreciated	23,628	-	-	23,628
Capital assets being depreciated:				
Infrastructure	6,072,090	-	-	6,072,090
Buildings	150,762	-	-	150,762
Furniture and equipment	497,093	24,718	-	521,811
Vehicles and motor equipment	138,725	-	21,204	117,521
Total capital assets being depreciated	6,858,670	24,718	21,204	6,862,184
Less accumulated depreciation for:				
Infrastructure	2,632,037	114,469	-	2,746,506
Buildings	43,119	5,296	-	48,415
Furniture and equipment	210,168	27,871	2,416	235,623
Vehicles and motor equipment	108,893	7,237	21,203	94,927
Total accumulated depreciation	2,994,217	\$ 154,873	\$ 23,619	3,125,471
Total capital assets being depreciated, net	3,864,453			3,736,713
Sewer capital assets, net	\$ 3,888,081			\$ 3,760,341

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

	<u>Balance</u> <u>July 01, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2022</u>
<u>Business-type activities:</u>				
Airport:				
Capital assets not being depreciated:				
Land	\$ 1,073,214	\$ -	\$ -	\$ 1,073,214
Total capital assets not being depreciated	1,073,214	-	-	1,073,214
Capital assets being depreciated:				
Buildings	14,167,817	977,198	62,514	15,082,501
Intangibles	143,854	-	-	143,854
Infrastructure	2,462	88,439	-	90,901
Furniture and equipment	230,265	-	-	230,265
Vehicles and motor equipment	21,295	30,503	-	51,798
Total capital assets being depreciated	14,565,693	1,096,140	62,514	15,599,319
Less accumulated depreciation for:				
Buildings	3,956,093	423,638	-	4,379,731
Intangibles	73,079	6,662	-	79,741
Infrastructure	148	1,942	-	2,090
Furniture and equipment	159,562	13,897	-	173,459
Vehicles and motor equipment	21,293	30,502	-	51,795
Total accumulated depreciation	4,210,175	\$ 476,641	\$ -	4,686,816
Total capital assets being depreciated, net	10,355,518			10,912,503
Airport capital assets, net	\$ 11,428,732			\$ 11,985,717
	<u>Balance</u> <u>July 01, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2022</u>
<u>Business-type activities:</u>				
Maxwell Center:				
Capital assets not being depreciated:				
Land	\$ 2,210,000	\$ -	\$ -	\$ 2,210,000
Total capital assets not being depreciated	2,210,000	-	-	2,210,000
Capital assets being depreciated:				
Buildings	24,044,588	-	-	24,044,588
Equipment	15,037	-	-	15,037
Intangibles	95,221	-	-	95,221
Total capital assets being depreciated	24,154,846	-	-	24,154,846
Less accumulated depreciation for:				
Buildings	2,061,861	629,577	-	2,691,438
Equipment	3,968	1,253	-	5,221
Intangibles	73,348	21,587	-	94,935
Total accumulated depreciation	2,139,177	\$ 652,417	\$ -	2,791,594
Total capital assets being depreciated, net	22,015,669			21,363,252
Maxwell Center capital assets, net	22,015,669			23,573,252
Business-type activities capital assets, net	\$ 56,722,914			\$ 58,783,435

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Construction Commitments

As of June 30, 2022, the County has construction commitments as follows:

Project	Amount
Fremont Elementary School	\$ 31,253,715
DSS/Health Building	1,743,424
Jail Addition	2,451,249
Goldsboro Business Campus	2,040,478
Apron Pavement Rehabilitation	2,880,078
	<u>\$ 40,368,944</u>

Discretely presented component units

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

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022
Wayne County ABC Board				
Capital assets not being depreciated:				
Land and construction in progress	\$ 708,108	\$ -	\$ -	\$ 708,108
Total capital assets not being depreciated	708,108	-	-	708,108
Capital assets being depreciated:				
Building	2,061,460	4,025	-	2,065,485
Furniture and equipment	797,381	12,293	-	809,674
Vehicles and motor equipment	158,353	-	-	158,353
Leasehold improvements	12,544	-	-	12,544
Total capital assets being depreciated	3,029,738	16,318	-	3,046,056
Less accumulated depreciation for:				
Building	643,547	52,806	-	696,353
Furniture and equipment	649,657	60,766	-	710,423
Vehicles and motor equipment	145,682	6,686	-	152,368
Leasehold improvements	12,544	-	-	12,544
Total accumulated depreciation	1,451,430	\$ 120,258	\$ -	1,571,688
Total capital assets being depreciated, net	1,578,308			1,474,368
Wayne County ABC Board, net	<u>\$ 2,286,416</u>			<u>\$ 2,182,476</u>

The Wayne County Tourism Development Authority does not have any capital assets as of June 30, 2022.

7. Right to Use Leased Assets

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

General Fund Activities	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Lease Assets				
Land				
2252 Pineview Cemetery Road	\$ 49,756	\$ -	\$ 49,756	\$ -
Land Space	16,981	-		16,981
Tower Site - 862 Moye Road	47,387	-	47,387	-
Total Land Lease Assets	114,124	-	97,143	16,981
Equipment				
Mail Feeder	16,429	-		16,429
Toshiba Wide Path Copier	24,760	-		24,760
Total Equipment Lease Assets	41,189	-	-	41,189
Total Lease Assets	155,313	-	97,143	58,170
Lease Accumulated Amortization				
Land				
2252 Pineview Cemetery Road	-	2,199	2,199	-
Land Space	-	3,087		3,087
Tower Site - 862 Moye Road	-	2,095	2,095	-
Total Land Lease Accumulated Amortization	-	7,381	4,294	3,087
Equipment				
Mail Feeder	-	8,261		8,261
Toshiba Wide Path Copier	-	4,731		4,731
Total Equipment Lease Accumulated Amortization	-	12,992	-	12,992
Total Lease Accumulated Amortization	-	20,373	4,294	16,079
Total General Fund Lease Assets, Net	\$ 155,313	\$ (20,373)	\$ 92,849	\$ 42,091
Public Health Activities:	Balance as of	Additions	Reductions	Balance as of
	July 1, 2021			June 30, 2022
Lease Assets				
Land				
1320 W Grantham St.	\$ -	\$ 137,816		\$ 137,816
Total Land Lease Assets	-	137,816	-	137,816
Total Lease Assets	-	137,816	-	137,816
Lease Accumulated Amortization				
Land				
1320 W Grantham St.	-	68,908		68,908
Total Land Lease Accumulated Amortization	-	68,908	-	68,908
Total Lease Accumulated Amortization	-	68,908	-	68,908
Total Public Health Fund Lease Assets, Net	\$ -	\$ 68,908	\$ -	68,908
Total Governmental Activities - Right to use asset, net				\$ 110,999

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

The Wayne County ABC Board has one right to use assets, a retail store building. The right to use lease assets are amortized on a straight-line basis over the term of the related lease. The ending balance, as of June 30, 2022, net of accumulated amortization, is \$28,381.

B. Liabilities

1. Payables

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

	Vendors	Salaries and Benefits	Accrued Interest	Total
Governmental Activities:				
General	\$ 1,586,368	\$ 284,234	\$ 495,936	\$ 2,366,538
Other governmental	3,697	-	-	3,697
Total-governmental activities	<u>\$ 1,590,065</u>	<u>\$ 284,234</u>	<u>\$ 495,936</u>	<u>\$ 2,370,235</u>
	Vendors	Salaries and Benefits	Accrued Interest	Total
Business-type Activities:				
Solid Waste Disposal	\$ 263,902	\$ 46,433	\$ -	\$ 310,335
Sewer Fund	495,196	-	4,267	499,463
Airport	578,715	2,653	-	581,368
MRAC	72,269	1,642	19,784	93,695
Total-business-type activities	<u>\$ 1,410,082</u>	<u>\$ 50,728</u>	<u>\$ 24,051</u>	<u>\$ 1,484,861</u>

2. Pension Plan and Other Postemployment Obligations

a. Local Governmental Employees' Retirement System

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal 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 post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2022, was 11.350%, less 0.200% court costs, of compensation for law enforcement officers and 11.350% 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. This includes the required death benefit percentage of 0.140% for law enforcement officers and 0.070% for general employees. Contributions to the pension plan from the County were \$3,781,907 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

The ABC Boards' current rate for Employees not engaged in law enforcement officers is 11.49% of annual covered payroll. The ABC Board's contributions to LGERS for the year ended June 30, 2022, was \$107,937. The Wayne County Tourism Development Authority does not have any employees and does not participate in 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 \$7,795,575 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the County's proportion was 0.50832%, which was a decrease of 0.02470% from its proportion measured as of June 30, 2022 (measure as of June 30, 2021).

For the year ended June 30, 2022, the County recognized pension expense of \$2,935,573. 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	\$ 2,480,053	\$ -
Changes of assumptions	4,897,612	-
Net difference between projected and actual earnings on pension plan	-	11,137,535
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,339	1,014,574
Employer contributions subsequent to the measurement date*	4,287,965	-
Total	<u>\$ 11,666,969</u>	<u>\$ 12,152,109</u>

\$4,287,965 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, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Year ended June 30:

2023	\$ (675,392)
2024	(976,638)
2025	(3,408,153)
2026	-
2027	-
Thereafter	-
	<u>\$ (5,060,183)</u>

At June 30, 2022, the ABC Board reported a liability of \$175,137 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The ABC Board's proportion of the net pension liability was based on a projection of the ABC Board'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 ABC Board's proportion was 0.011142%, which was an increase of 0.00099% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the ABC Board recognized pension expense of \$92,008. At June 30, 2022, the ABC Board 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	\$ 55,717	\$ -
Changes of assumptions	110,031	-
Net difference between projected and actual earnings on pension plan	-	250,218
Changes in proportion and differences between employer contributions and proportionate share of contributions	39,664	-
Employer contributions subsequent to the measurement date*	107,937	-
Total	<u>\$ 313,349</u>	<u>\$ 250,218</u>

\$107,937 reported as deferred outflows of resources related to pensions resulting from the ABC Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Year ended June 30:	
2023	\$ 33,867
2024	9,859
2025	(11,964)
2026	(76,568)
2027	-
Thereafter	-
	<u>\$ (44,806)</u>

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

Inflation	3.0 percent
Salary increases	3.5 percent to 8.10 percent, including inflation and productivity factor
Investment rate of return	6.5 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study as of December 31, 2014 through December 31, 2018.

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

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Asset Class	Target Allocation	Long-Term Expected Real 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 Protection	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 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 liability to changes in the discount rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.50 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)	\$ 30,261,774	\$ 7,795,575	\$ (10,692,801)
ABC Board's proportionate share of the net pension liability	679,866	175,137	(240,226)

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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

b. Law Enforcement Officers' Special Separation Allowance

1. *Plan Description.*

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

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

Inactive members currently receiving benefits	15
Active plan members	<u>127</u>
Total	<u><u>142</u></u>

2. *Summary of Significant Accounting Policies*

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

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

3. *Actuarial Assumptions*

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

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

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

Mortality Rate

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

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

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

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

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

4. Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$191,025 as benefits came due for the measurement period, and paid \$84,251 in benefits and actuarial costs for the period subsequent to December 31, 2021 through the fiscal year end.

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

At June 30, 2022, the County reported a total pension liability of \$4,590,851. 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 \$684,678.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 279,217	\$ -
Changes of assumptions	835,557	140,728
Employer contributions subsequent to the measurement date*	84,251	-
Total	<u>\$ 1,199,025</u>	<u>\$ 140,728</u>

\$83,140 reported as deferred outflows of resources related to pensions resulting from benefit payments made and \$1,011 in administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ 45,422
2024	35,775
2025	23,531
2026	23,531
2027	12,469
Thereafter	-
	<u>\$ 140,728</u>

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

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total pension liability	\$ 5,011,255	\$ 4,590,851	\$ 4,209,728

Schedule of Changes in Total Pension Liability	
Service cost	\$ 256,300
Interest on TOL and cash flows	85,302
Changes in benefit terms	-
Difference between expected and actual experience	46,873
Changes in assumptions or other inputs	(130,124)
Benefit payments	(174,601)
Net changes in total LEOSA liability	83,750
Total LEOSA liability (TOL) - beginning	4,507,101
Total LEOSA liability (TOL) - ending	<u>\$ 4,590,851</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 1.93 percent at December 31, 2020 (measurement date) to 2.25 percent at December 31, 2021 (measurement date).

Changes in Benefit Terms. There are no changes in benefit terms since the prior measurement 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 completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2019.

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of 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 call (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 \$1,006,774, which consisted of \$321,064 from the County and \$707,479 from the law enforcement officers.

d. 401(k) Profit Sharing Plan

Wayne County has established a 401(k) Plan to which all full time employees can voluntarily contribute. For the year ended June 30, 2022, the County matched 100% of each eligible employee's earnings up to a maximum of 2%. The County's contribution for the year ending June 30, 2022 was \$609,941.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

e. Registers of Deeds' Supplemental Pension Fund

Plan Description. Wayne County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410 or by calling (919) 981-5454, or at www.osc.nc.gov.

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$9,851 for the year ended June 30, 2022.

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

At June 30, 2022, the County reported an asset of \$157,230, for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021, utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2022, the County's proportion was 0.81835%, which was a decrease of 0.08388% from its proportion measured as of June 30, 2021.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

For the year ended June 30, 2022, the County recognized pension expense of \$14,519. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,678	\$ 1,907
Changes of assumptions	11,465	-
Net difference between projected and actual earnings on pension plan	-	483
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,570	4,735
Employer contributions subsequent to the measurement date*	7,058	-
Total	<u>\$ 37,771</u>	<u>\$ 7,125</u>

\$7,058 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2023.

Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ 11,556
2024	8,734
2025	(368)
2026	3,666
2027	-
Thereafter	-
	<u>\$ 23,588</u>

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

Inflation	2.5 percent
Salary increases	3.25 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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 as of December 31, 2019.

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

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

The information above is based on 30 year expectations developed with the consulting actuary for the 2022 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 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 employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the County's proportionate share of the net pension asset 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	\$ (124,888)	\$ 157,230	\$ (184,407)

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal 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 (ACFR) for the State of North Carolina.

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

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

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$ 7,795,575	\$ (157,230)	\$ -	\$ 7,638,345
Proportion of the Net Pension Liability (Asset)	0.508%	0.827%	N/A	1.335%
Total Pension Liability	\$ -	\$ -	\$ 4,590,851	\$ 4,590,851
Pension Expense	\$ 2,935,573	\$ 14,519	\$ 684,678	\$ 3,634,770

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

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 2,480,053	\$ 1,678	\$ 279,217	\$ 2,760,948
Changes of assumptions	4,897,612	11,465	835,557	5,744,634
Net difference between projected and actual earnings on pension plan	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,339	17,570	-	18,909
County contributions (LGERS, ROD)/benefit payments and administrative costs (LEOSSA) subsequent to the measurement date	4,287,965	7,058	84,251	4,379,274
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 1,907	\$ -	\$ 1,907
Changes of assumptions	-	483	140,728	141,211
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,014,574	4,735	-	1,019,309

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

f. Deferred Compensation Plan

Wayne 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 is not available to employees until termination, retirement, death, or unforeseeable emergency.

g. Other Employment Benefits

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

h. Other Postemployment Benefit

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). As of February, 2003, this plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least fifteen years of creditable service with the County. Employees with at least fifteen years of service with the County when they retire may remain on the County's group insurance plan and must pay the entire premium. When an employee, hired prior to July 1, 2009, with 25 years of continuous service with Wayne County at any age, the County of Wayne will pay the employee's premium in the group plan until age 65 at which time the retiree shall be switched to a Medicare supplement policy. The county is self-insured and contracts with a private insurer to provide all administrative services. The HCB plan has been amended to exclude employees starting after July 1, 2009. The County will pay up to an individual rate amount per month toward the Medicare supplement. Retiree must pay the balance due. Also, the County's retirees can purchase coverage for their dependents at the County's group rates. The County Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

County Contributions based on years of creditable service		
Years of Creditable Service	Date Hired	
	Pre-July 1, 2009	On or after July 1, 2009
Less than 15 years	Not Eligible	Not Eligible
15-24 years	0%	Not Eligible
25+ years	100%	Not Eligible

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

	Employees:
Retirees and dependents receiving benefits	121
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	222
Total	<u>343</u>

Total OPEB Liability

The County's total OPEB liability of \$46,680,471 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020.

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

Inflation	2.50 percent
Salary increases	3.25 percent, including inflation
Discount rate	2.16 percent
Healthcare cost trend rates	Medical/Prescription - 5.25 percent

The discount rate is based on the last Thursday of June publishing of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer.

Changes in the Total Liability

Balance at July 1, 2021	\$ 44,856,940
Changes for the Year	
Service cost	1,015,805
Interest	1,003,874
Changes in benefit terms	-
Difference between expected and actual experience	(117,877)
Changes in assumptions or other inputs	823,798
Benefit payments	(902,069)
Net changes	<u>1,823,531</u>
Balance at June 30, 2022	<u>\$ 46,680,471</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Changes in assumptions and other inputs reflect a change in the discount rate from 2.21% in 2020 to 2.16% in 2021.

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

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 to December 31, 2019 adopted by the LGERS Board. The remaining assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020 valuation were based on a review of recent plan experience done concurrently with the June 30, 2020 valuation.

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) or 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	\$ 56,211,690	\$ 46,680,471	\$ 39,320,043

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 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 rate:

	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 38,512,576	\$ 46,680,471	\$ 57,401,539

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 \$1,823,360. 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	\$ 27,621	\$ 2,339,955
Changes of assumptions	6,346,199	1,344,957
Employer contributions subsequent to the measurement date	1,560,593	-
Total	<u>\$ 7,934,413</u>	<u>\$ 3,684,912</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

\$1,560,593 reported as deferred outflows of resources related to OPEB employer contributions resulting from benefit payments made, \$1,459,670, and administrative expenses, \$100,922, incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources less deferred outflow of resources, related to OPEB will be recognized as an expense as follows:

Year ended June 30:	
2023	\$ 400,270
2024	1,205,268
2025	1,000,781
2026	82,589
2027	-
Thereafter	-
	<u>\$ 2,688,908</u>

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

ABC Board – Eligibility for Allowance. As of March, 1998, the ABC Board offers continuation of group medical coverage to all employees who retire at the age of 62 and older with at least 25 years of service or at any age after 30 years of continuous service and are qualified to receive benefits from NCLGERS. Dependent coverage is not available.

ABC Board - Amount of Allowance. The Board pays the full cost of group health insurance premiums for eligible retirees until they are Medicare-eligible. At age 65, the retiree shall be switched to a Medicare supplement policy. The Board will pay up to an individual rate amount per month toward the Medicare supplement.

ABC Board – Other Post-Employment Benefits. Healthcare and prescription drug coverage are provided in the Board's group health plan. With Medicare eligibility, retirees are moved to Blue Cross Blue Shield Plan J Medicare supplement.

ABC Board - Membership of the HCB Plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

	<u>Employees:</u>
Retirees and dependents receiving benefits	4
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>19</u>
Total	<u><u>23</u></u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

ABC Board - Total OPEB Liability

The County's total OPEB liability of \$598,582 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

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

Inflation	2.50 percent
Salary increases	3.25 percent to 8.41 percent
Discount rate	2.16 percent
Healthcare cost trend rates	Pre-Medicare, 7.00 percent Medicare, 5.25 percent

The discount rate used to measure the TOL was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer.

ABC Board - Changes in the Total Liability

Balance at July 1, 2020	\$ 553,292
Changes for the Year	
Service cost	33,867
Interest	12,773
Changes in benefit terms	-
Difference between expected and actual experience	(796)
Changes in assumptions or other inputs	17,944
Benefit payments	(18,498)
Net changes	<u>45,290</u>
Balance at June 30, 2021	<u>\$ 598,582</u>

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 Pub-2010 Mortality Table, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

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

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	\$ 720,768	\$ 598,582	\$ 504,845

ABC Board - Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the ABC Board, as well as what the ABC Board's total 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 rate:

	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 489,600	\$ 598,582	\$ 748,362

ABC Board - OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the ABC Board recognized OPEB expense of \$32,347. At June 30, 2022, the ABC Board 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	\$ 91	\$ 75,747
Changes of assumptions	95,240	12,882
Employer contributions subsequent to the measurement date	17,789	-
Total	<u>\$ 113,120</u>	<u>\$ 88,629</u>

\$17,789 reported as deferred outflows of resources related to OPEB employer contributions 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, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as an expense as follows:

Year ended June 30:	
2023	\$ (12,074)
2024	(6,063)
2025	5,804
2026	7,410
2027	6,380
Thereafter	5,245
	<u>\$ 6,702</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

3. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pensions/OPEB - difference between expected and actual experience		
LGERS	\$ 2,480,051	\$ -
LEOSSA	279,217	-
Register of Deeds	1,678	1,907
OPEB	27,621	2,339,955
Pensions/OPEB - changes of assumptions		
LGERS	4,897,612	-
LEOSSA	835,557	140,728
Register of Deeds	11,465	-
OPEB	6,346,199	1,344,957
Pensions - net difference between projected and actual earnings on investments		
LGERS	-	11,137,535
Register of Deeds	-	483
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions		
LGERS	1,339	1,014,574
Register of Deeds	17,570	4,735
Employer contributions subsequent to measurement date		
LGERS	4,287,965	-
LEOSSA	84,251	-
Register of Deeds	7,058	-
OPEB	1,560,595	-
Prepaid taxes not yet earned (General)	-	113,492
Prepaid taxes not yet earned (Special Revenue)	-	150,248
Taxes receivable, net, less penalties (Special Revenue)	-	7,848
Deferred lease inflows (General)	-	209,950
Deferred fee and grant revenue (Business)	-	78,383
Deferred lease inflows (Business)	-	341,320
	<u>\$ 20,838,178</u>	<u>\$ 16,886,115</u>

4. Closure and Postclosure Care Costs

State and federal laws and regulations require the County to place a final cover on its Wayne County Sanitary Landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County was required to stop accepting waste at its pre-subtitle D section of the Southern

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Landfill on December 31, 1997. In November, 2008, the County was allowed to renew the permit for this section for a period of five years. This permit allowed the landfill to use this section for construction and demolition waste. In January 1998, the County began filling Phase I of its new lined landfill, permitted for twenty-three acres. Phase I was filled during 2004. The County opened Phase II of the new lined landfill, permitted for 20 acres during 2004. Phase II was filled in August, 2013. The County is currently in Phase III, a twenty-two acre cell that should take eight years to fill. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$8,192,303 reported as landfill closure and postclosure care liability at June 30, 2022, represents a cumulative amount reported to-date based on a financial assurance calculation using the remaining life of the pre-subtitle D landfill section, totaling \$2,543,477 and \$5,648,826 based on a financial assurance calculation using the remaining life of the Phases I, II and III of the new lined landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$8,924,964 amortized over the remaining years of the life of the landfills. These amounts are based on what it would cost to perform all closure and postclosure care in 2022. Overall, all planned phases of this landfill are expected to close in the year 2037. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that help determine if a unit is financially able to meet closure and postclosure care requirements.

5. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to address these risks, the County is insured through a municipal risk pool which provides it property and casualty insurance coverages. The main program provides replacement cost coverage on owned property with total insured values of \$168,000,000 subject to a \$5,000 deductible for all major perils (except flood and earthquake). Public entity fidelity coverage is included with a limit of \$250,000 each occurrence and a deductible of \$1,000. The automobile insurance covers newer County vehicles and all high-value vehicles for physical damage with a deductible of \$1,000. The program provides liability insurance limits of \$7 million each occurrence and annual aggregate for automobile, general liability, law enforcement liability, employment practices, and public officials' liability. Claims under the law enforcement and public officials' liability coverage are subject to a deductible of \$25,000 each occurrence or event. Claims for employment practices liability are subject to a \$5,000 deductible. Claims under the general liability and automobile liability coverage are covered on a first dollar basis (no deductible).

The County's property insurance program includes a \$10 million limit for damage due to flood for all locations outside of federally designated flood zone "A" subject to a \$25,000 deductible. Locations inside special hazard flood zones are also insured for damages due to flood with a limit of \$1 million subject to a deductible of \$500 thousand. Management of

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Wayne County has reviewed all areas that are prone to flood damage and determined that due to very limited financial exposure, no additional flood insurance would be purchased. There have been no significant reductions in insurance coverage from the previous year. This accurately reflects the County's current exposure. Settled claims have not exceeded coverage in any of the past three fiscal years. All insurance arrangements utilized satisfy the County's minimum financial rating criteria.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more in cash or securities at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance, the Tax Collector, the Sheriff and the Register of Deeds are individually bonded in the following amounts: \$250,000, \$150,000, \$25,000 and \$50,000, respectively.

The County also operates a hospital self-insurance fund administered by Blue Cross and Blue Shield up to \$100,000 per employee. Amounts over \$100,000 per employee per claim year is picked up by excess insurance provided through Blue Cross and Blue Shield of North Carolina. Through the Plan, permanent full-time employees of the County are eligible to receive health care benefits with no lifetime maximum except in very specific treatments. The Board pays the full cost of coverage for employees enrolled in this plan who also fully participate in the County's Wellness Program.

The following represents the changes in approximate aggregate liabilities for the County's Hospital Self Insurance fund for the year. The \$569,479 is due in the current year.

	2022	2021
Liability balance, July 1,	\$ 575,748	\$ 697,041
Incurred claims & claim adjustment expenses	8,145,038	8,093,768
Claims & claims adjustment expenses	(8,151,307)	(8,215,061)
Liability Balance, June 30	<u>\$ 569,479</u>	<u>\$ 575,748</u>

The ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The ABC Board has property, general liability, auto liability, workmen's compensation and employee health coverage. The Board also has liquor legal liability.

There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 18B-700(i), each board member and the employees designated as general manager and finance officer are bonded in the amount of \$50,000 secured by a corporate surety.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

6. Contingent Liabilities

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.

7. Long-Term Obligations

a. Leases

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

On 07/01/2021, Wayne County, NC entered into a 46 month lease as Lessee for the use of 2252 Pineview Cemetery Road; however, this lease was terminated on September 1, 2021. An initial lease liability was recorded in the amount of \$49,756.30. As of 06/30/2022, the value of the lease liability is \$0.00. Wayne County is required to make monthly fixed payments of \$1,018.06. The lease has an interest rate of 0.8930%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$0.00 with accumulated amortization of \$0.00 is included with Land on the Lease Class activities schedule at Note III, A, 1, 7.

On 07/01/2021, Wayne County, NC entered into a 66 month lease as Lessee for the use of Land Space. An initial lease liability was recorded in the amount of \$16,980.87. As of 06/30/2022, the value of the lease liability is \$13,584.20. Wayne County is required to make annual fixed payments of \$3,500.00. The lease has an interest rate of 1.2170%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$16,980.87 with accumulated amortization of \$3,087.43 is included with Land on the Lease Class activities table found at Note III, A, 1, 7. Wayne County has 1 extension option(s), each for 60 months.

On 07/01/2021, Wayne County, NC entered into a 46 month lease as Lessee for the use of Tower Site - 862 Moye Road; however, this lease was terminated on September 1, 2021. An initial lease liability was recorded in the amount of \$47,386.91. As of 06/30/2022, the value of the lease liability is \$0.00. Wayne County is required to make monthly fixed payments of \$969.58. The lease has an interest rate of 0.8930%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$0.00 with accumulated amortization of \$0.00 is included with Land on the Lease Class activities table found at Note III, A, 1, 7.

On 07/01/2021, Wayne County, NC entered into a 23 month lease as Lessee for the use of Mail Feeder. An initial lease liability was recorded in the amount of \$16,429.32. As of 06/30/2022, the value of the lease liability is \$9,405.72. Wayne County is required to make quarterly fixed payments of \$2,358.99. The lease has an interest rate of 0.5140%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$16,429.32 with accumulated

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

amortization of \$8,260.55 is included with Equipment on the Lease Class activities table found at Note III, A, 1, 7.

On 10/01/2021, Wayne County, NC entered into a 12 month lease as Lessee for the use of 1320 W Grantham St. The County amended that agreement on October 21, 2021 to extend the lease to a total period of 18 months. As part of the amendment, the County agreed to pay the total amount of the lease immediately. An initial lease liability was recorded in the amount of \$138,333.33. As of 06/30/2022, the value of the lease liability is \$0. Wayne County made all payments on the lease ahead of schedule. The lease has an interest rate of 0.5290%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$138,333.33 with accumulated amortization of \$68,908.19 is included with Land on the Lease Class activities table found at Note III, A, 1, 7.

On 07/01/2021, Wayne County, NC entered into a 62 month lease as Lessee for the use of Toshiba Wide Path Copier. An initial lease liability was recorded in the amount of \$24,759.72. As of 06/30/2022, the value of the lease liability is \$20,098.38. Wayne County is required to make monthly fixed payments of \$399.98. The lease has an interest rate of 0.6870%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$24,759.72 with accumulated amortization of \$4,731.16 is included with Equipment on the Lease Class activities table found below at Note III, A, 1, 7.

General Fund Activities	Balance as of			Balance as of
	July 1, 2021	Additions	Reductions	June 30, 2022
Lease Liability				
Land				
2252 Pineview Cemetery Road	\$ 49,756	\$ -	\$ 49,756	\$ -
Land Space	16,981	-	3,397	13,584
Tower Site - 862 Moye Road	47,387	-	47,387	-
Total Land Lease Liability	114,124	-	100,540	13,584
Equipment				
Mail Feeder	16,429	-	7,024	9,406
Toshiba Wide Path Copier	24,760	-	4,661	20,098
Total Equipment Lease Liability	41,189	-	11,685	29,504
Total Lease Liability	155,313	-	112,225	43,088
Public Health Activities:	Balance as of	Additions	Reductions	Balance as of
	July 1, 2021			June 30, 2022
Lease Liability				
Land				
1320 W Grantham St.	-	137,816	137,816	-
Total Land Lease Liability	-	137,816	137,816	-
Total Lease Liability	\$ -	\$ 137,816	\$ 137,816	\$ -
Total Governmental Activities - Lease Liability				\$ 43,088

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Principal and Interest Requirements to Maturity Governmental Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 17,655	\$ 327	\$ 17,982
2024	8,087	213	8,300
2025	8,160	140	8,300
2026	8,234	65	8,300
2027	952	1	953
	<u>\$ 43,088</u>	<u>\$ 746</u>	<u>\$ 43,834</u>

The Wayne County ABC Board has entered into an agreement to lease a retail store building. The agreement was executed on February 25, 2020 to lease a retail store building and requires thirty-six monthly payments of \$3,667. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 4.20%, which is the Board's incremental borrowing rate. As a result of the lease, the Board has recorded a right to use asset with a net book value of \$28,381 at June 30, 2022.

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

Year ending June 30	Principal	Interest	Total Principal and Interest
2023	\$ 28,877	\$ 456	\$ 29,333
Total	<u>\$ 28,877</u>	<u>\$ 456</u>	<u>\$ 29,333</u>

b. Promissory Note Payable

The County of Wayne entered into an intergovernmental agency agreement and contract with the North Carolina's Eastern Region (Region) under three promissory notes, dated April 17, 2014, June 10, 2014, and June 17, 2014, to use its funds from the Region in order to further economic development and infrastructure projects in the County. The County will use this loan for the purpose set forth in N.C.G.S. 158-7.1, which requires the County to use the proceeds for economic development or re-lend various amounts to area municipalities.

Pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission for approval of the proposed financings.

As of June 30, 2019, the County had repaid all amounts owed under the three promissory notes; however, amounts were still owed from local municipalities.

As of June 30, 2022, the amounts owed to Wayne County from the local municipalities are as follows:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

	<u>Original Loan</u>	<u>Payments Received</u>	<u>Balance</u>
Town of Fremont, NC	\$ 255,245	\$ (255,245)	\$ -
City of Goldsboro, NC	636,876	(636,876)	-
City of Goldsboro, NC	3,000,000	(1,000,000)	2,000,000
Town of Mt. Olive, NC	100,000	(100,000)	-
Town of Fremont, NC	70,000	(70,000)	-
	<u>\$ 4,062,121</u>	<u>\$ (2,062,121)</u>	<u>\$ 2,000,000</u>

These amounts owed are reported on the government wide financial statements as an increase to due from other governments. Payments received are over life of the loan.

5. Installment Financing Agreements

The County of Wayne has determined that it is necessary and expedient to finance the construction, renovation, and equipping of improvements to Eastern Wayne Middle School and Norwayne Middle School. Pursuant to Section 160A-20 of the General Statutes of North Carolina, the County financed the Project through an Installment Financing Agreement, as of October 1, 2011, between the County and BB&T, whereby BB&T shall advance moneys to the County and the County, subject to its right of non-appropriation, shall repay the advance with interest in installments. The principal component of the installment payments due under the agreement shall be \$15,000,000 due October 1, 2025, with approximately equal annual sinking fund payments due annually each October 1, beginning October 1, 2012. The County will pay interest at a taxable rate of 4.33%, but will receive interest subsidy payments from the United States Treasury on account of the designation of the installment payments as Qualified School Construction Bonds (QSCB) under the federal tax laws, resulting in an effective interest rate of 0% to the County.

The County of Wayne has determined that it is necessary and expedient to finance the construction, renovation, and equipping of improvements to Spring Creek Middle School and Grantham Middle School. Pursuant to Section 160A-20 of the General Statutes of North Carolina, the County financed the Project through an Installment Financing Agreement, as of July 14, 2014, between the County and Suntrust Bank, whereby Suntrust Bank shall advance moneys to the County and the County, subject to its right of non-appropriation, shall repay the advance with interest in installments. The principal component of the installment payments due under the agreement shall be \$38,452,000 due August 1, 2015, with approximately equal semi-annual payments due annually each August 1 and February 1, beginning August 1, 2015, with one interest only payment made on February 1, 2015. The County will pay interest at a taxable rate of 3.55%. This note was refinanced with Suntrust bank in March, 2016. Principal payments will be made annually beginning August 1, 2016. The interest payments will be made semi-annually at a rate of 2.75% beginning August 1, 2016 and every six months thereafter.

The County of Wayne has determined that it is necessary and expedient to finance a portion of the Maxwell Agriculture and Convention Center. The County financed the Project through an USDA Rural Economic Development Loan Program, as of September 1,

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

2017, between the County and Tri-County Electric Membership Cooperative, whereby U.S. Department of Agriculture shall advance moneys to the County by passing it through the electric cooperative and the County, subject to its right of non-appropriation, shall repay the advance with interest, which is zero as decided by the cooperative, in installments. The principal component of the installment payments due under the agreement shall be \$19,323 due September 1, 2017 with equal monthly payments for 120 months.

The County of Wayne has determined that it is necessary and expedient to finance the purchase of finance office software, voting equipment, and fire department/emergency services radios. Pursuant to Section 160A-20 of the General Statutes of North Carolina, the County financed the Project through an Installment Financing Agreement, as of August 20, 2020, between the County and Truist Bank, whereby Truist Bank shall advance moneys to the County and the County, subject to its right of non-appropriation, shall repay the advance with interest in installments. The principal component of the installment payments due under the agreement shall be \$10,000,000 due June 30, 2036, with approximately equal annual payments due each August 1st, beginning August, 2020. The County will pay interest at a taxable rate between 1.5% and 2.18%, depending on the portion allocated to the various items purchased.

Pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission for approval of the proposed financings.

Governmental activities:

The installment financing agreements are as follows:

\$15,000,000 installment financing agreement, principal due October, 2025 with approximately equal annual sinking fund payments beginning October, 2012. Interest will be paid semi-annually at 4.33% annum. County will receive interest subsidy payments from the U.S. Treasury because the payments are designated as QSCB. Results in a 0% effective interest rate.	\$ 15,000,000
\$38,452,000 installment financing agreement to be paid annually beginning August, 2015 with interest at 3.55% per annum, secured by real property. Final payment due August, 2034. Refinanced March, 2016 with a reduced rate of 2.75%.	24,991,000
\$10,000 installment financing agreement to be paid annually beginning August, 2020 with interest between 1.5% and 2.18% per annum, secured by real property. Final payment due June, 2036.	9,070,000
	<u>\$ 49,061,000</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

For Governmental activities, the future minimum payments as of June 30, 2022 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
2023	\$ 2,853,000	\$ 1,497,246	\$ 4,350,246
2024	2,853,000	1,426,775	4,279,775
2025	2,853,000	1,356,305	4,209,305
2026	17,852,000	961,084	18,813,084
2027	2,462,000	565,879	3,027,879
Thereafter	20,188,000	2,215,339	22,403,339
Total	<u>\$ 49,061,000</u>	<u>\$ 8,022,628</u>	<u>\$ 57,083,628</u>

Business-type activities:

The installment financing agreements are as follows:

Maxwell Center: \$2,318,767 installment financing agreement to be paid monthly beginning September, 2018 with interest at 0% per annum, secured by building. Final payment due September, 2028.

\$ 1,198,027

\$ 1,198,027

For business type activities, the future minimum payments as of June 30, 2022 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
2023	\$ 231,877	\$ -	\$ 231,877
2024	231,877	-	231,877
2025	231,877	-	231,877
2026	231,877	-	231,877
2027	231,877	-	231,877
Thereafter	38,642	-	38,642
Total	<u>\$ 1,198,027</u>	<u>\$ -</u>	<u>\$ 1,198,027</u>

6. Limited Obligation Bond

The County of Wayne has determined that it is necessary and expedient to finance the construction and renovation of various public school projects, in addition to, the construction of the Maxwell Center, the construction of the County Fiber Loop Project, the installation of the Sheriff Office software, and a public street assessment project. Pursuant to Section 160A-20 of the General Statutes of North Carolina, the County financed the NC Limited Obligation Bonds, Series 2017 through an agreement, as of June 28, 2017, between the County and U.S. Bank, whereby U.S. Bank shall advance moneys to the County and the County, subject to its right of non-appropriation, shall repay the

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

advance with interest in installments. The principal amount of the Series 2017 bonds was \$35,945,000 over 19 years at a true interest cost of 2.72%. The balance as of June 30, 2022 is \$27,125,000. Governmental activities balance is \$16,965,000 as of June 30, 2022 and business-type activities balance is \$1,310,000 and \$8,850,000 as of June 30, 2022, sewer and Maxwell Center, respectively.

For governmental activities, the future minimum payments as of June 30, 2022 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
2023	\$ 1,370,000	\$ 716,210	\$ 2,086,210
2024	1,375,000	647,710	2,022,710
2025	1,210,000	578,960	1,788,960
2026	1,215,000	522,060	1,737,060
2027	1,200,000	461,310	1,661,310
Thereafter	10,595,000	2,051,550	12,646,550
Total	<u>\$ 16,965,000</u>	<u>\$ 4,977,800</u>	<u>\$ 21,942,800</u>

For business-type activities, the future minimum payments as of June 30, 2022 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
2023	\$ 520,000	\$ 418,540	\$ 938,540
2024	520,000	392,540	912,540
2025	510,000	366,540	876,540
2026	515,000	342,440	857,440
2027	515,000	316,690	831,690
Thereafter	7,580,000	1,488,850	9,068,850
Total	<u>\$ 10,160,000</u>	<u>\$ 3,325,600</u>	<u>\$ 13,485,600</u>

Debt Related to Capital Activities – Of the total Governmental Activities debt listed, all relates to assets the County holds title. Unspent restricted cash related to this debt amounts to \$4,783,622.

7. Long-Term Obligation Activity

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion of Balance
Governmental activities:					
Installment purchase contract	\$ 51,914,000	\$ -	\$ 2,853,000	\$ 49,061,000	\$ 2,853,000
Limited obligation bond	18,340,000	-	1,375,000	16,965,000	1,370,000
Leases	43,088	-	-	43,088	-
Net OPEB liability	43,484,062	1,824,228	-	45,308,290	-
Total pension liability (LEOSSA)	4,507,101	83,750	-	4,590,851	-
Net pension liability (LGERS)	17,943,963	-	10,591,900	7,352,063	-
Compensated absences	2,377,885	2,334,746	2,377,885	2,334,746	2,334,746
Total governmental activities	<u>\$ 138,610,099</u>	<u>\$ 4,242,724</u>	<u>\$ 17,197,785</u>	<u>\$ 125,655,038</u>	<u>\$ 6,557,746</u>

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion of Balance
Business-type activities:					
Solid Waste Disposal:					
Installment purchase contract	\$ -	\$ -	\$ -	\$ -	\$ -
Limited obligation bond	-	-	-	-	-
Accrued landfill closure and post-closure care costs	7,705,361	486,942	-	8,192,303	-
Net OPEB liability	1,251,805	24,517	-	1,276,322	-
Net pension liability (LGERS)	937,646	-	562,367	375,279	-
Compensated absences	111,660	82,495	111,660	82,495	82,495
Total governmental activities	<u>\$ 10,006,472</u>	<u>\$ 593,954</u>	<u>\$ 674,027</u>	<u>\$ 9,926,399</u>	<u>\$ 82,495</u>

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion of Balance
Business-type activities:					
Sewer:					
Installment purchase contract	\$ -	\$ -	\$ -	\$ -	\$ -
Limited obligation bond	1,400,000	-	90,000	1,310,000	90,000
Accrued landfill closure and post-closure care costs	-	-	-	-	-
Net OPEB liability	10,969	905	-	11,874	-
Net pension liability (LGERS)	-	-	-	-	-
Compensated absences	-	-	-	-	-
Total governmental activities	<u>\$ 1,410,969</u>	<u>\$ 905</u>	<u>\$ 90,000</u>	<u>\$ 1,321,874</u>	<u>\$ 90,000</u>

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022	Current Current Portion of Balance
Business-type activities:					
Jetport:					
Installment purchase contract	\$ -	\$ -	\$ -	\$ -	\$ -
Limited obligation bond	-	-	-	-	-
Accrued landfill closure and post-closure care costs	-	-	-	-	-
Net OPEB liability	110,102	-	26,117	83,985	-
Net pension liability (LGERS)	55,156	-	38,098	17,058	-
Compensated absences	4,667	4,736	4,667	4,736	4,736
Total governmental activities	<u>\$ 169,925</u>	<u>\$ 4,736</u>	<u>\$ 68,882</u>	<u>\$ 105,779</u>	<u>\$ 4,736</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion of Balance
<u>Business-type activities:</u>					
Maxwell Center:					
Installment purchase contract	\$ 1,429,904	\$ -	\$ 231,877	\$ 1,198,027	\$ 231,877
Limited obligation bond	9,280,000	-	430,000	8,850,000	430,000
Accrued landfill closure and post-closure care costs	-	-	-	-	-
Net OPEB liability	-	-	-	-	-
Net pension liability (LGERS)	110,311	-	59,137	51,174	-
Compensated absences	11,777	7,668	11,777	7,668	7,668
Total governmental activities	<u>\$ 10,831,992</u>	<u>\$ 7,668</u>	<u>\$ 732,791</u>	<u>\$ 10,106,869</u>	<u>\$ 669,545</u>

	Balance July 01, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion of Balance
<u>Business-type activities:</u>					
Combined:					
Installment purchase contract	\$ 1,429,904	\$ -	\$ 231,877	\$ 1,198,027	\$ 231,877
Limited obligation bond	10,680,000	-	520,000	10,160,000	520,000
Accrued landfill closure and post-closure care costs	7,705,361	486,942	-	8,192,303	-
Net OPEB liability	1,372,876	25,422	26,117	1,372,181	-
Net pension liability (LGERS)	1,103,113	-	659,602	443,511	-
Compensated absences	128,104	94,899	128,104	94,899	94,899
Total governmental activities	<u>\$ 22,419,358</u>	<u>\$ 607,263</u>	<u>\$ 1,565,700</u>	<u>\$ 21,460,921</u>	<u>\$ 846,776</u>

At June 30, 2022, Wayne County had no unissued bonds and a legal debt margin of \$742,146,629.

Net pension liability, total pension liability, and other postemployment liability for governmental activities are all typically liquidated in the general fund. Compensated absences for governmental activities typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking time as it is earned.

8. Debt Used for Capital Purposes

	Governmental Activities	Business- type Activities	Total Debt
Installment Purchase Contracts	\$ 49,061,000	\$ 1,198,027	\$ 50,259,027
Limited Obligation Bonds	16,965,000	10,160,000	27,125,000
	<u>\$ 66,026,000</u>	<u>\$ 11,358,027</u>	<u>\$ 77,384,027</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Interfund Balances and Activity

Transfers to/from:

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

Description	Amount
From the General fund to the Solid Waste fund to reimburse for rents received in the General Fund.	\$ (11,917)
From the General fund to the Sewer fund to assist with debt payment associated with public school sewer facilities.	(152,446)
From the General fund to Jetport fund to provide resources for operations.	(265,190)
From the General fund to Maxwell fund to provide resources for operations.	(1,629,003)
Total General Fund Transfers to Business Funds (Exhibit 2)	<u>\$ (2,058,556)</u>

Description	Amount
From the General fund to the Solid Waste fund to reimburse for rents received in the General Fund.	\$ (11,917)
From the General fund to the Sewer fund to assist with debt payment associated with public school sewer facilities.	(152,446)
From the General fund to Jetport fund to provide resources for capital assets.	(265,190)
From the General fund to Maxwell fund to provide resources for operations.	(1,629,003)
From the General fund to County Capital Reserve fund to provide resources for capital projects.	(17,877,914)
From the General Fund to County Debt Project Fund to provide resources for capital project funding.	(6,349,394)
From the General Fund to the Fremont School Project Fund to provide resources for new school building project.	(484,001)
Total General Fund transfers out (Exhibit 4)	<u>\$ (26,769,865)</u>

Description	Amount
From the CARES Act fund to the General fund to provide resources to the County for COVID-19 related activity.	\$ (1,239)
From the Street Assessment Fund to the General Fund to cover debt payment.	(195,250)
From the County Capital Reserve Project fund to provide resources for capital outlay.	(3,463,315)
Total Other Governmental Fund transfers out (Exhibit 4)	<u>(3,659,804)</u>
Total transfers out (Exhibit 4)	<u>\$ (30,429,669)</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

C. Net Investment in Capital Assets

Net investment in Capital Assets as of June 30, 2022 consists of the following:

	Governmental Activities	Business-type Activities	Total	Wayne County ABC Board
Capital Assets	\$ 158,850,978	\$ 58,783,734	\$ 217,634,712	\$ 2,182,476
less: long-term debt	66,026,000	11,358,027	77,384,027	-
plus: Unspent debt proceeds	4,754,752	28,870	4,783,622	-
Net investment in capital assets	<u>\$ 97,579,730</u>	<u>\$ 47,454,577</u>	<u>\$ 145,034,307</u>	<u>\$ 2,182,476</u>

D. Fund Balance

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

Total fund balance - General Fund (Exhibit 3)		\$ 70,058,834
Less:		
Restricted for: Stabilization by state statute	17,624,490	
Restricted for: Future debt payments, QSCB	10,720,497	
Restricted for: Public Schools	3,224,972	
Restricted for: Tax revaluation	524,715	
Restricted for: Law enforcement	355,076	
Restricted for: Grants	192,145	
Restricted for: Economic development	4,929,568	
Committed for: Community College	40,494	
Assigned for: Subsequent year's expenditures	2,122,032	
Assigned for: Donations	15,000	
Working Fund Balance Policy	3,178,299	
		(42,927,288)
Remaining Fund Balance		<u>\$ 27,131,546</u>

Wayne County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to or greater than 14% of budgeted expenditures, including the amount restricted for state stabilization.

IV. Related Organization

The Wayne County Commissioners are responsible for appointing eight members of the ten-member board of the Wayne Health Corporation (Wayne Memorial Hospital), but the County's accountability for this organization does not extend beyond making these appointments. The Hospital is a nonprofit organization. It is funded entirely by fees for services provide.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

V. Joint Ventures

The County, in conjunction with the State of North Carolina and the Wayne County Board of Education, participates in a joint venture to operate Wayne Community College. Each of the three participants appoints four members of the twelve-member board of trustees of the community college. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. No debt is outstanding at this time. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$4,170,897 and \$1,127,990 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2022. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2022. Complete financial statements for the community college may be obtained from the community college's administrative offices at 3000 Wayne Memorial Drive, Goldsboro, NC 27532.

The Wayne County Commissioners and the Goldsboro City Council created the Goldsboro-Wayne Area Transportation Authority. The Authority is to provide fixed-route bus transportation for all of Wayne County and to consolidate all public transportation services in the County. The Authority consists of a nine-member board of directors, seven voting members and two ex-officio members, appointed to one-year terms by the Wayne County Board of Commissioners and the City of Goldsboro City Council.

The County of Wayne and the City of Goldsboro entered into an Intergovernmental Agreement on August 1, 2016 regarding marketing and communications. The Agreement states that the County and City will share the expenses of one marketing and communications director, who will be supervised by both the County and City Manager. The director will be paid on the County's payroll with half the costs of the salary and related fringes being billed and paid on a quarterly basis by the City.

The County, the City of Goldsboro, and the Wayne County Economic Development Alliance, Inc. (WCDA) entered into a joint venture to develop a shell building on land owned by Wayne County. The plan is to bring new business into the area for economic growth by having a building available for their operations. WCDA contributed \$492,000 towards the project in the current fiscal year. After completion of the shell building, the City of Goldsboro will owe the County \$425,000 towards the construction costs with three annual payments of \$141,667 beginning twenty-five months after completion of the building. No liability has been recorded at this time as the construction project has not been completed.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

VI. 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, which do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	Federal	State
Medicaid	\$ 200,308,953	\$ 75,172,006
N.C. Health Choice	1,924,787	431,190
Temporary Assistance for Needy Families	1,304,948	-
Pandemic Fund	203,000	-
Family Preservation	34,189	-
Refugee Assistance	879	-
Special Assistance for Adults	-	720,382
Women, Infant, Children Program	3,918,328	-
Supplemental Nutrition Assistance Program	75,499,932	-
IV-E Foster Care/Adoption Subsidy	1,052,418	198,709
CWS Adoption Subsidy and Vendor	28,435.00	444,692
	<u>\$ 284,275,869</u>	<u>\$ 76,966,979</u>

VII. Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

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

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

VIII. Change in Accounting Principles/Restatement

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 78, Leases, effective July 1, 2021. 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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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. No restatement of net assets was needed. The beginning balance adjustment for the asset or the lease receivable was equal to the deferred inflows of resources or the lease liability.

During the fiscal year ending June 30, 2021, the County implemented a new general ledger software, MUNIS. During the implementation process and subsequent use of the fixed asset module, a governmental building was accidentally disposed. The government-wide Statement of Activities, Exhibit 2, reflects an increase of net position of \$1,435,198 – the net amount of the asset less accumulated depreciation.

IX. Subsequent Events

During the fiscal year, the Board of Commissioners approved staff's recommendation to transition to bi-weekly payroll in April of 2023. Currently, all employees are paid monthly, and their pay does not align with time actually worked. To address this and other staff recommendations, all employees will move to bi-weekly payroll in April of 2023. This implementation date allows for sufficient time to educate employees, allows for employees to adjust bill payment dates, configure software properly and other necessary steps to accomplish this change.

On August 11, 2022, the County closed on an \$8 million Installment Financing Agreement with Truist Bank. These proceeds will be used in conjunction with lottery funds and sales tax proceeds for the construction of a new Fremont Elementary School.

Required Supplemental Financial Data

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

Schedule of Changes in Total Other Postemployment (OPEB) Liability and Related Ratios

Schedule of County's Proportionate Share of Net Pension Liability (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) and Related Ratios

Wayne County, North Carolina
Other Postemployment Benefits (OPEB)
Schedule of Changes in Total OPEB Liability and Related Ratios
June 30, 2022*

	<u>2022</u>	<u>2021</u>
Service costs at end of the year**	\$ 1,015,805	\$ 876,755
Interest on TOL and cash flows	1,003,874	1,373,935
Changes of benefit terms	-	-
Differences between expected and actual experience	(117,877)	(3,334,940)
Changes of assumptions	823,798	8,105,276
Benefit payments	(902,069)	(1,075,969)
Net change in total OPEB liability	<u>1,823,531</u>	<u>5,945,057</u>
Total OPEB liability (TOL) - beginning	<u>44,856,940</u>	<u>38,911,883</u>
Total OPEB liability (TOL) - ending	<u><u>\$ 46,680,471</u></u>	<u><u>\$ 44,856,940</u></u>

**The service cost includes interest for the year.

Covered-employee payroll	10,008,411	10,008,411
Total OPEB liability as a % of covered-employee payroll	466.41%	448.19%

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

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

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

Note: Wayne County implemented GASB Statement No. 75 for the fiscal year ended June 30, 2018; therefore, ten years of data is not yet available.

2020	2019	2018
\$ 779,945	\$ 979,860	\$ 1,129,480
1,351,482	1,301,395	1,179,241
-	-	-
61,302	(1,261,468)	(111,921)
2,475,570	(1,932,010)	(4,089,514)
(988,353)	(816,597)	(643,166)
3,679,946	(1,728,820)	(2,535,880)
35,231,937	36,960,757	39,496,637
<u>\$ 38,911,883</u>	<u>\$ 35,231,937</u>	<u>\$ 36,960,757</u>
11,972,970	11,972,970	12,052,425
325.00%	294.26%	306.67%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's Proportion of the net pension liability (asset)	0.508%	0.533%	0.590%
County's proportionate share of the net pension liability (asset) \$	\$ 7,795,575	\$ 19,047,075	\$ 16,118,448
County's covered payroll	\$ 36,937,526	\$ 36,441,645	\$ 37,295,354
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	21.105%	52.267%	43.218%
Plan fiduciary net position as a percentage of the total pension liability	95.510%	88.610%	90.860%

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

Note: Wayne County implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015; therefore, ten years of data is not yet available.

2019	2018	2017	2016	2015	2014
0.596%	0.578%	0.528%	0.533%	0.518%	0.524%
\$ 14,142,954	\$ 8,832,072	\$ 11,211,235	\$ 2,390,956	\$ (3,052,879)	\$ 6,312,596
\$ 36,327,778	\$ 34,691,540	\$ 31,101,885	\$ 30,402,981	\$ 29,463,829	\$ 29,463,829
38.932%	25.459%	36.047%	7.700%	-10.040%	21.420%
91.630%	94.180%	91.470%	98.090%	102.640%	94.350%

Wayne County, North Carolina
Schedule of County Contributions
Local Governmental Employees' Retirement System
Last Nine Fiscal Years *

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 4,308,124	\$ 3,793,895	\$ 3,333,247
Contributions in relation to the contractually required contribution	<u>4,308,124</u>	<u>3,793,895</u>	<u>3,333,247</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 37,202,557	\$ 36,565,785	\$ 36,441,645
Contributions as a percentage of covered payroll	11.580%	10.376%	9.147%

Note: Wayne County implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015; therefore, ten years of data is not yet available.

2019	2018	2017	2016	2015	2014
\$ 2,762,866	\$ 2,548,954	\$ 2,586,457	\$ 2,123,597	\$ 2,148,490	\$ 2,091,600
<u>2,762,866</u>	<u>2,548,954</u>	<u>2,586,457</u>	<u>2,123,597</u>	<u>2,148,490</u>	<u>2,091,600</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 37,295,354	\$ 36,327,778	\$ 34,691,540	\$ 31,101,885	\$ 30,402,981	\$ 29,463,829
7.408%	7.017%	7.456%	6.830%	7.070%	7.100%

Wayne 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>
County's Proportion of the net pension liability (asset) %	0.818%	0.902%	0.827%
County's proportionate share of the net pension liability (asset) \$	\$ (157,230)	\$ (206,773)	\$ (163,353)
County's covered payroll	\$ 75,528	\$ 65,223	\$ 64,230
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-208.174%	-317.025%	-254.325%
Plan fiduciary net position as a percentage of the total pension liability	156.530%	173.620%	164.110%

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

Note: Wayne County implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015; therefore, ten years of data is not yet available.

2019	2018	2017	2016	2015	2014
0.954%	0.977%	0.980%	0.956%	0.962%	0.925%
\$ (157,946)	\$ (166,701)	\$ (183,300)	\$ (221,556)	\$ (218,061)	\$ (197,627)
\$ 62,915	\$ 62,531	\$ 64,808	\$ 58,761	\$ 57,974	\$ 57,974
-251.047%	-266.589%	-282.835%	-341.870%	-371.100%	-340.890%
153.310%	153.770%	160.170%	197.290%	193.880%	190.500%

Wayne 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>
Contractually required contribution	\$ 9,851	\$ 9,821	\$ 8,639
Contributions in relation to the contractually required contribution	<u>9,851</u>	<u>9,821</u>	<u>8,639</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 61,805	\$ 75,528	\$ 65,223
Contributions as a percentage of covered payroll	15.939%	13.003%	13.245%

Note: Wayne County implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015; therefore, ten years of data is not yet available.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 8,161	\$ 8,486	\$ 7,814	\$ 8,009	\$ 7,650	\$ 7,855
8,161	8,486	7,814	8,009	7,650	7,855
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 64,230	\$ 62,915	\$ 62,531	\$ 64,808	\$ 58,761	\$ 57,974
12.706%	13.488%	12.496%	12.358%	13.019%	13.549%

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

	<u>2022</u>	<u>2021</u>
Service costs at end of the year**	\$ 256,300	\$ 166,663
Interest on TOL and cash flows	85,302	99,555
Changes of benefit terms	-	-
Differences between expected and actual experience	46,873	67,585
Changes of assumptions	(130,124)	1,185,123
Benefit payments	(174,601)	(131,296)
Net change in total LEOSSA liability	<u>83,750</u>	<u>1,387,630</u>
Total LEOSSA liability (TOL) - beginning	<u>4,507,101</u>	<u>3,119,471</u>
Total LEOSSA liability (TOL) - ending	<u><u>\$ 4,590,851</u></u>	<u><u>\$ 4,507,101</u></u>
Covered payroll		
	6,301,213	6,210,377
Total LEOSSA liability as a percentage of covered payroll	72.86%	72.57%

***The service cost includes interest for the year.*

Notes to the schedules:

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

Changes in actuarial assumptions or other inputs:

December 31, 2021 Measurement Date: The Municipal Bond Index Rate increased from 1.93% to 2.25%.

December 31, 2020 Measurement Date: The Municipal Bond Index Rate decreased from 3.26% to 1.93%. Based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ending December 31, 2019, the following were updated: mortality rates, salary increase rates, service retirement rates, disability rates, termination rates, real wage growth and leave conversion service.

December 31, 2019 Measurement Date: The Municipal Bond Index Rate decreased from 3.64% to 3.26%.

December 31, 2018 Measurement Date: The Municipal Bond Index Rate increased from 3.16% to 3.64%.

December 31, 2017 Measurement Date: The Municipal Bond Index Rate decreased from 3.86% to 3.16%. The assumed inflation rate was reduced from 3.00% and assumed wage inflation was increased from 0.5% to 1.0%.

December 31, 2016 Measurement Date: The Municipal Bond Index Rate increased from 3.57% to 3.86%.

*The amounts for each fiscal year were determined as of the prior December 31, measurement date.

Note: Wayne County implemented GASB Statement No. 73 for the fiscal year ended June 30, 2017; therefore, ten years of data is not yet available.

2020	2019	2018	2017
\$ 150,160	\$ 147,373	\$ 124,978	\$ 119,982
91,746	75,742	76,588	67,593
-	-	-	-
318,232	121,079	112,524	-
99,637	(107,909)	177,740	(50,080)
(121,594)	(103,778)	(54,409)	(38,993)
538,181	132,507	437,421	98,502
2,581,290	2,448,783	2,011,362	1,912,860
<u>\$ 3,119,471</u>	<u>\$ 2,581,290</u>	<u>\$ 2,448,783</u>	<u>\$ 2,011,362</u>
6,208,401	5,925,898	5,497,204	4,948,972
50.25%	43.56%	44.55%	40.64%

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General Fund

Major 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.

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes			
Taxes	\$ 63,973,594	\$ 65,571,612	\$ 1,598,018
Penalties and interest	325,000	373,118	48,118
Total	<u>64,298,594</u>	<u>65,944,730</u>	<u>1,646,136</u>
Local option sales tax			
Article 39 one percent	9,682,412	11,419,123	1,736,711
Article 40 one/half of one percent	7,573,863	8,454,774	880,911
Article 42 one/half of one percent	6,202,449	6,941,448	738,999
Article 44 one/half of one percent	1,645,079	1,957,568	312,489
Total	<u>25,103,803</u>	<u>28,772,913</u>	<u>3,669,110</u>
Other taxes and licenses			
Cable TV franchise tax	450,000	394,589	(55,411)
Sales tax - Medicaid Hold Harmless	500,000	1,427,328	927,328
Excise tax	1,205,530	1,374,616	169,086
Leased vehicle tax	70,000	87,905	17,905
Total	<u>2,225,530</u>	<u>3,284,438</u>	<u>1,058,908</u>
Unrestricted intergovernmental revenues			
Beer and wine	377,400	471,495	94,095
Incentives	555,217	327,366	(227,851)
Total	<u>932,617</u>	<u>798,861</u>	<u>(133,756)</u>
Restricted intergovernmental			
Federal and State grants	32,160,884	17,831,966	(14,328,918)
Court facility fees	160,000	162,173	2,173
Total	<u>32,320,884</u>	<u>17,994,139</u>	<u>(14,326,745)</u>
Permits and fees			
Building permits and inspection fees	625,000	812,891	187,891
Register of Deeds	640,915	734,003	93,088
Total	<u>1,265,915</u>	<u>1,546,894</u>	<u>280,979</u>
Charges for services			
Rents	7,559,911	11,309,590	3,749,679
Jail fees	1,826,650	1,861,565	34,915
Service fees	3,361,007	3,699,048	338,041
Tax collection fees	325,000	333,405	8,405
Total	<u>13,072,568</u>	<u>17,203,608</u>	<u>4,131,040</u>
Investment earnings	\$ 60,000	\$ 82,311	\$ 22,311

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues (cont'd)			
Miscellaneous			
Donations	\$ 155,154	\$ 72,281	\$ (82,873)
Refunds and reimbursements	933,602	1,079,954	146,352
Other	2,483,363	1,448,294	(1,035,069)
Total	<u>3,572,119</u>	<u>2,600,529</u>	<u>(971,590)</u>
Payments from various municipalities	<u>245,759</u>	<u>20,635</u>	<u>(225,124)</u>
Other revenue 2	-	-	-
Total revenues	143,097,789	138,249,058	(4,848,731)
Expenditures			
General government			
Board of commissioners			
Board - per diem	172,108	172,070	38
Operating expenditures	<u>247,809</u>	<u>184,786</u>	<u>63,023</u>
Total	<u>419,917</u>	<u>356,856</u>	<u>63,061</u>
County manager			
Salaries and employee benefits	580,962	553,997	26,965
Operating expenditures	<u>44,637</u>	<u>38,088</u>	<u>6,549</u>
Total	<u>625,599</u>	<u>592,085</u>	<u>33,514</u>
Board of elections			
Salaries and employee benefits	318,438	316,647	1,791
Per diem	15,000	14,921	79
Operating expenditures	<u>470,662</u>	<u>324,100</u>	<u>146,562</u>
Total	<u>804,100</u>	<u>655,668</u>	<u>148,432</u>
Finance			
Salaries and employee benefits	845,888	831,842	14,046
Operating expenditures	<u>550,094</u>	<u>389,347</u>	<u>160,747</u>
Total	<u>1,395,982</u>	<u>1,221,189</u>	<u>174,793</u>
Information and technology			
Salaries and employee benefits	1,162,886	1,143,159	19,727
Operating expenditures	1,119,045	699,849	419,196
Capital outlay	<u>182,129</u>	<u>-</u>	<u>182,129</u>
Total	<u>2,464,060</u>	<u>1,843,008</u>	<u>621,052</u>
Communications			
Salaries and employee benefits	156,936	155,376	1,560
Operating expenditures	<u>92,006</u>	<u>63,723</u>	<u>28,283</u>
Total	<u>\$ 248,942</u>	<u>\$ 219,099</u>	<u>\$ 29,843</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
Tax listing			
Salaries and employee benefits	\$ 863,615	\$ 863,358	\$ 257
Operating expenditures	664,468	630,545	33,923
Total	<u>1,528,083</u>	<u>1,493,903</u>	<u>34,180</u>
Tax revaluation			
Operating expenditures	112,638	52,638	60,000
Total	<u>112,638</u>	<u>52,638</u>	<u>60,000</u>
GIS			
Salaries and employee benefits	109,391	109,363	28.00
Operating expenditures	11,050	5,903	5,147
Total	<u>120,441</u>	<u>115,266</u>	<u>5,175</u>
County-staff attorney			
Salaries and employee benefits	200,152	200,082	70
Operating expenditures	351,772	304,025	47,747
Total	<u>551,924</u>	<u>504,107</u>	<u>47,817</u>
County attorney			
Salaries and employee benefits	144,578	144,286	292
Operating expenditures	121,053	83,285	37,768
Total	<u>265,631</u>	<u>227,571</u>	<u>38,060</u>
Register of Deeds			
Salaries and employee benefits	391,875	366,571	25,304
Operating expenditures	884,624	886,629	(2,005)
Capital outlay	30,000	-	30,000
Total	<u>1,306,499</u>	<u>1,253,200</u>	<u>53,299</u>
Buildings and grounds			
Salaries and employee benefits	1,883,560	1,849,067	34,493
Operating expenditures	817,011	626,001	191,010
Utilities	1,052,198	1,065,219	(13,021)
Maintenance	326,871	310,170	16,701
Capital outlay	3,308,865	917,644	2,391,221
Total	<u>7,388,505</u>	<u>4,768,101</u>	<u>2,620,404</u>
Central services			
Salaries and employee benefits	1,556,234	880,231	676,003
Operating expenditures	429,483	428,579	904
Fixed charges	763,966	676,715	87,251
Contra accounts	(3,498,331)	(2,998,331)	(500,000)
Total	<u>\$ (748,648)</u>	<u>\$ (1,012,806)</u>	<u>\$ 264,158</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
Planning board			
Salaries and employee benefits	\$ 304,006	\$ 303,980	\$ 26
Operating expenditures	240,585	195,989	44,596
Capital outlay	43,772	43,772	-
Total	<u>588,363</u>	<u>543,741</u>	<u>44,622</u>
Personnel			
Salaries and employee benefits	307,071	304,401	2,670
Operating expenditures	49,944	38,740	11,204
Total	<u>357,015</u>	<u>343,141</u>	<u>13,874</u>
County aid			
Capital outlay	132,310	66,018	66,292
Total	<u>132,310</u>	<u>66,018</u>	<u>66,292</u>
Court facilities			
Superior court	50,000	50,000	-
Law library	98,924	69,523	29,401
Total	<u>148,924</u>	<u>119,523</u>	<u>29,401</u>
Total general government	17,710,285	13,362,308	4,347,977
Public Safety			
Medical examiner			
Professional services	114,000	85,650	28,350
Total	<u>114,000</u>	<u>85,650</u>	<u>28,350</u>
Office of the sheriff			
Salaries and employee benefits	8,862,454	8,837,753	24,701
Operating expenditures	2,570,724	1,886,425	684,299
Capital outlay	998,539	842,840	155,699
Total	<u>12,431,717</u>	<u>11,567,018</u>	<u>864,699</u>
County jail			
Salaries and employee benefits	6,035,290	5,872,563	162,727
Operating expenditures	3,044,332	2,293,290	751,042
Capital outlay	132,541	99,251	33,290
Total	<u>9,212,163</u>	<u>8,265,104</u>	<u>947,059</u>
Day reporting center			
Salaries and employee benefits	324,709	280,811	43,898
Operating expenditures	173,144	139,167	33,977
Total	<u>\$ 497,853</u>	<u>\$ 419,978</u>	<u>\$ 77,875</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
Sheriff grant			
Salaries and employee benefits	\$ 225,077	\$ 217,927	\$ 7,150
Operating expenditures	302,384	276,327	26,057
Total	<u>527,461</u>	<u>494,254</u>	<u>33,207</u>
NC resource officers			
Salaries and employee benefits	1,222,621	1,203,229	19,392
Operating expenditures	187,355	120,667	66,688
Capital outlay	30,000	25,213	4,787
Total	<u>1,439,976</u>	<u>1,349,109</u>	<u>90,867</u>
Emergency services			
Salaries and employee benefits	251,693	251,325	368
Operating expenditures	940,752	849,117	91,635
Capital outlay	426,106	211,001	215,105
Total	<u>1,618,551</u>	<u>1,311,443</u>	<u>307,108</u>
Emergency telephone			
Salaries and employee benefits	1,876,709	1,730,370	146,339
Operating expenditures	153,190	119,521	33,669
Total	<u>2,029,899</u>	<u>1,849,891</u>	<u>180,008</u>
Inspectors			
Salaries and employee benefits	557,352	530,262	27,090
Operating expenditures	72,160	64,554	7,606
Capital outlay	24,272	24,272	-
Total	<u>653,784</u>	<u>619,088</u>	<u>34,696</u>
Emergency medical services			
Salaries and employee benefits	6,777,643	6,464,804	312,839
Operating expenditures	2,471,006	3,293,730	(822,724)
Total	<u>9,248,649</u>	<u>9,758,534</u>	<u>(509,885)</u>
Animal control			
Salaries and employee benefits	578,516	568,467	10,049
Operating expenditures	275,963	203,698	72,265
Total	<u>854,479</u>	<u>772,165</u>	<u>82,314</u>
Total public safety	38,628,532	36,492,234	2,136,298
Transportation			
Salaries and employee benefits	110,157	110,132	25
Mount Olive Airport	33,281	33,281	-
Mass transit	387,180	321,525	65,655
Total	<u>530,618</u>	<u>464,938</u>	<u>65,680</u>
Total transportation	\$ 530,618	\$ 464,938	\$ 65,680

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Economic and physical development			
Agricultural extension service			
Salaries and employee benefits	\$ 136,267	\$ 130,496	\$ 5,771
Operating expenditures	663,594	620,788	42,806
Total	<u>799,861</u>	<u>751,284</u>	<u>48,577</u>
Soil conservation service			
Salaries and employee benefits	250,340	244,773	5,567
Operating expenditures	338,681	21,841	316,840
Capital outlay	3,415,393	462,740	2,952,653
Total	<u>4,004,414</u>	<u>729,354</u>	<u>3,275,060</u>
Hazardous mitigation			
Operating expenditures	5,082,160	287,869	4,794,291
Total	<u>5,082,160</u>	<u>287,869</u>	<u>4,794,291</u>
Economic development			
Other	2,801,221	944,089	1,857,132
Total	<u>2,801,221</u>	<u>944,089</u>	<u>1,857,132</u>
Economic Development Commission			
Salaries and employee benefits	20,812	20,773	39
Operating expenditures	4,854,412	49,515	4,804,897
Total	<u>4,875,224</u>	<u>70,288</u>	<u>4,804,936</u>
Total economic and physical development	17,562,880	2,782,884	14,779,996
Human services			
Veterans service officer			
Salaries and employee benefits	171,753	171,742	11
Operating expenditures	16,204	10,890	5,314
Total	<u>187,957</u>	<u>182,632</u>	<u>5,325</u>
WAGES/Communities in School			
Transportation	940,165	922,056	18,109
Total	<u>940,165</u>	<u>922,056</u>	<u>18,109</u>
4-H Discovery			
Salaries and employee benefits	104,079	104	103,975
Operating expenditures	29,725	-	29,725
Total	<u>133,804</u>	<u>104</u>	<u>133,700</u>
4-H Program			
Salaries and employee benefits	77,429	66,895	10,534
Operating expenditures	129,465	52,287	77,178
Capital outlay	6,900	6,779	121
Total	<u>\$ 213,794</u>	<u>\$ 125,961</u>	<u>\$ 87,833</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
<i>Children and youth council</i>			
Youth council			
Operating expenditures	\$ 569,930	\$ 540,601	\$ 29,329
Total	<u>569,930</u>	<u>540,601</u>	<u>-</u>
<i>Total children and youth council</i>	569,930	540,601	-
<i>Senior citizens</i>			
Chore			
Salaries and employee benefits	428,206	346,732	81,474
Operating expenditures	53,609	40,187	13,422
Total	<u>481,815</u>	<u>386,919</u>	<u>94,896</u>
Transportation			
Salaries and employee benefits	20,878	16,954	3,924
Transportation	62,352	57,418	4,934
Total	<u>83,230</u>	<u>74,372</u>	<u>8,858</u>
Senior center health promotion			
Salaries and employee benefits	10,546	2,500	8,046
Operating expenditures	12,002	7,263	4,739
Total	<u>22,548</u>	<u>9,763</u>	<u>12,785</u>
Transportation general			
Salaries and employee benefits	20,893	16,955	3,938
Operating expenditures	440	275	165
Transportation	64,506	25,876	38,630
Total	<u>85,839</u>	<u>43,106</u>	<u>42,733</u>
Information/care assistance			
Salaries and employee benefits	32,162	25,023	7,139
Operating expenditures	6,193	2,706	3,487
Total	<u>38,355</u>	<u>27,729</u>	<u>10,626</u>
State chore			
Salaries and employee benefits	16,546	13,219	3,327
Operating expenditures	4,590	3,009	1,581
Total	<u>21,136</u>	<u>16,228</u>	<u>4,908</u>
Family care givers			
Operating expenditures	34,339	34,339	-
Total	<u>\$ 34,339</u>	<u>\$ 34,339</u>	<u>\$ -</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
Senior citizens program			
Salaries and employee benefits	\$ 178,109	\$ 167,275	\$ 10,834
Operating expenditures	461,042	367,858	93,184
Capital outlay	47,136	14,141	32,995
Total	686,287	549,274	137,013
SHIIP			
Salaries and employee benefits	13,608	11,576	2,032
Operating expenditures	3,747	2,113	1,634
Total	17,355	13,689	3,666
<i>Total senior citizens program</i>	<i>1,470,904</i>	<i>1,155,419</i>	<i>315,485</i>
Social services			
Administration			
Salaries and employee benefits	535,181	848,931	(313,750)
Operating expenditures	66,171	3,901	62,270
Total	601,352	852,832	(251,480)
Child support - Title IV-D			
Salaries and employee benefits	809,124	484,400	324,724
Operating expenditures	621,325	438,664	182,661
Professional services	235,000	214,200	20,800
Total	1,665,449	1,137,264	528,185
Energy assistance			
Crisis intervention program	912,422	725,877	186,545
Progress Energy assistance	1,903,090	1,858,243	44,847
Total	2,815,512	2,584,120	231,392
Other administrative expenditures			
Operating expenditures	1,338,073	889,658	448,415
Capital outlay	235,137	-	235,137
Total	1,573,210	889,658	683,552
Regular service administrative			
Salaries and employee benefits	4,789,132	3,735,676	1,053,456
Operating expenditures	67,950	40,029	27,921
Total	4,857,082	3,775,705	1,081,377
Income maintenance			
Salaries and employee benefits	5,473,757	4,732,220	741,537
Operating expenditures	71,880	44,096	27,784
Total	\$ 5,545,637	\$ 4,776,316	\$ 769,321

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
Public assistance programs			
Special assistance to adults	\$ 1,365,757	\$ 934,091	\$ 431,666
Adoption assistance	30,068	-	30,068
Miscellaneous	50,000	-	50,000
Total	<u>1,445,825</u>	<u>934,091</u>	<u>511,734</u>
Purchased services			
Foster care	1,067,772	522,313	545,459
Transportation	194,500	68,638	125,862
Professional services	98,725	97,014	1,711
Miscellaneous	204,830	74,315	130,515
Total	<u>1,565,827</u>	<u>762,280</u>	<u>803,547</u>
Work first block grant			
Education	5,000	-	5,000
Transportation	76,500	1,950	74,550
Total	<u>81,500</u>	<u>1,950</u>	<u>79,550</u>
County only assistance			
Miscellaneous services	29,000	23,116	5,884
Clothing	35,000	23,314	11,686
Total	<u>64,000</u>	<u>46,430</u>	<u>17,570</u>
<i>Total social services</i>	<i>20,215,394</i>	<i>15,760,646</i>	<i>4,454,748</i>
<i>Public health</i>			
Health administration			
Salaries and employee benefits	1,408,165	1,092,043	316,122
Operating expenditures	363,204	372,867	(9,663)
Total	<u>1,771,369</u>	<u>1,464,910</u>	<u>306,459</u>
Communicable diseases			
Salaries and employee benefits	678,960	9,691	669,269
Operating expenditures	638,163	408,067	230,096
Total	<u>1,317,123</u>	<u>417,758</u>	<u>899,365</u>
Tuberculosis			
Salaries and employee benefits	196,607	153,813	42,794
Operating expenditures	21,542	15,786	5,756
Total	<u>218,149</u>	<u>169,599</u>	<u>48,550</u>
Smart Start health services			
Salaries and employee benefits	76,337	61,920	14,417
Operating expenditures	9,834	5,263	4,571
Total	<u>\$ 86,171</u>	<u>\$ 67,183</u>	<u>\$ 18,988</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
Health promotion			
Salaries and employee benefits	\$ 28,213	\$ 2,475	\$ 25,738
Operating expenditures	36,528	16,477	20,051
Total	<u>64,741</u>	<u>18,952</u>	<u>45,789</u>
Crippled children			
Salaries and employee benefits	13,519	1,540	11,979
Operating expenditures	700	48	652
Total	<u>14,219</u>	<u>1,588</u>	<u>12,631</u>
Adult health			
Salaries and employee benefits	139,092	139,017	75
Operating expenditures	149,390	83,901	65,489
Total	<u>288,482</u>	<u>222,918</u>	<u>65,564</u>
Maternity care project			
Salaries and employee benefits	1,510,006	1,135,973	374,033
Operating expenditures	426,854	342,456	84,398
Total	<u>1,936,860</u>	<u>1,478,429</u>	<u>458,431</u>
Child health			
Salaries and employee benefits	533,105	103,217	429,888
Operating expenditures	112,863	73,498	39,365
Total	<u>645,968</u>	<u>176,715</u>	<u>469,253</u>
Child services coordinator			
Salaries and employee benefits	329,676	285,454	44,222
Operating expenditures	51,943	11,223	40,720
Total	<u>381,619</u>	<u>296,677</u>	<u>84,942</u>
Dental program			
Salaries and employee benefits	68,343	49,295	19,048
Operating expenditures	147,612	6,662	140,950
Total	<u>215,955</u>	<u>55,957</u>	<u>159,998</u>
Family planning			
Salaries and employee benefits	1,034,654	893,630	141,024
Operating expenditures	205,543	145,204	60,339
Total	<u>1,240,197</u>	<u>1,038,834</u>	<u>201,363</u>
AIDS control			
Salaries and employee benefits	288,166	40,938	247,228
Operating expenditures	38,298	22,690	15,608
Total	<u>\$ 326,464</u>	<u>\$ 63,628</u>	<u>\$ 262,836</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
Women, infants and children			
Salaries and employee benefits	\$ 820,391	\$ 713,680	\$ 106,711
Operating expenditures	<u>77,533</u>	<u>54,353</u>	<u>23,180</u>
Total	<u>897,924</u>	<u>768,033</u>	<u>129,891</u>
Environmental health			
Salaries and employee benefits	570,477	554,087	16,390
Operating expenditures	<u>67,265</u>	<u>53,843</u>	<u>13,422</u>
Total	<u>637,742</u>	<u>607,930</u>	<u>29,812</u>
Bioterrorism program			
Salaries and employee benefits	27,549	23,216	4,333
Operating expenditures	<u>26,676</u>	<u>15,482</u>	<u>11,194</u>
Total	<u>54,225</u>	<u>38,698</u>	<u>15,527</u>
Opioid Action Plan			
Salaries and employee benefits	33,965	-	33,965
Operating expenditures	<u>53,116</u>	<u>22,883</u>	<u>30,233</u>
Total	<u>87,081</u>	<u>22,883</u>	<u>64,198</u>
Project Connect			
Salaries and employee benefits	<u>13,090</u>	<u>-</u>	<u>13,090</u>
Total	<u>13,090</u>	<u>-</u>	<u>13,090</u>
Minority Health			
Operating expenditures	3,446	-	3,446
Capital outlay	<u>72,435</u>	<u>72,435</u>	<u>-</u>
Total	<u>75,881</u>	<u>72,435</u>	<u>3,446</u>
Maternal care coordinator			
Salaries and employee benefits	347,308	293,395	53,913
Operating expenditures	<u>34,005</u>	<u>250</u>	<u>33,755</u>
Total	<u>381,313</u>	<u>293,645</u>	<u>87,668</u>
School nurse initiative			
Operating expenditures	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Primary Care			
Operating expenditures	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total	<u>2,000</u>	<u>-</u>	<u>2,000</u>
<i>Total public health</i>	<u>\$ 10,906,573</u>	<u>\$ 7,526,772</u>	<u>\$ 3,379,801</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures (cont'd)			
<i>Mental health</i>			
Administration			
Mental health services	\$ 42,000	\$ 31,500	\$ 10,500
Total human services	34,680,521	26,245,691	8,405,501
Cultural and recreational			
Wayne County Public Library			
Salaries and employee benefits	1,785,471	1,659,580	125,891
Operating expenditures	764,200	678,587	85,613
Total	2,549,671	2,338,167	211,504
Literacy Connections			
Salaries and employee benefits	163,727	163,712	15
Operating expenditures	102,700	102,648	52
Total	266,427	266,360	67
County aid			
Museum	60	-	60
Parks and recreation	43,950	43,950	-
Miscellaneous	53,050	53,050	-
Total	97,060	97,000	60
Total cultural and recreational	2,913,158	2,701,527	211,631
Education			
Wayne Community College			
Current expenditures	4,408,251	4,408,251	-
Capital outlay	134,617	132,047	2,570
Total	4,542,868	4,540,298	2,570
Wayne County Public Schools			
Current expenditures	21,380,695	21,380,695	-
Capital outlay	2,999,982	2,042,910	957,072
Total	24,380,677	23,423,605	957,072
Total education	28,923,545	27,963,903	959,642
Debt Service			
Principal payments	5,299,428	4,410,497	888,931
Interest payments - debt	2,342,383	2,342,081	302
Total debt service	7,641,811	6,752,578	889,233
Total Expenditures	148,591,350	116,766,063	31,795,958
Revenues over (under) expenditures	\$ (5,493,561)	\$ 21,482,995	\$ 26,976,556

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other Financing Sources (Uses)			
Proceeds from lease financing	-	293,646	293,646
Transfers in			
General Fund	\$ 4,705,392	\$ -	\$ 4,705,392
Capital Projects Funds	3,312,240	3,312,240	-
Special Revenue Funds	211,382	212,621	(1,239)
Transfers out			
Internal Service Fund	-	4,705,392	(4,705,392)
Capital Projects Funds	(24,711,309)	(24,711,309)	-
Proprietary Funds	(2,058,556)	(2,058,556)	-
Sale of capital assets	16,183	214,031	(197,848)
Total other financing sources	<u>(18,524,668)</u>	<u>(18,031,935)</u>	<u>94,559</u>
Revenues and other financing sources over (under) expenditures	(24,018,229)	3,451,060	27,469,289
Appropriated fund balance	<u>24,018,229</u>	<u>-</u>	<u>(24,018,229)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>3,451,060</u>	<u>\$ 3,451,060</u>
Fund balance - July 1		66,607,772	
Fund balances - June 30		<u>\$ 70,058,832</u>	

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Special Revenue Funds

Major and Nonmajor Funds

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

Major Fund

American Rescue Plan Fund – This fund accounts for moneys received from the federal government for the American Rescue Plan Act (ARP). These funds are used to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession in the United States.

Rosewood State Appropriations Grant Fund – This fund accounts for moneys received from the State of North Carolina appropriations grant to build a new public school.

Nonmajor Funds

Emergency Telephone System Fund - This fund accounts for the 911 revenues collected by the telephone industry to fund the 911 emergency system.

Fire District Fund - This fund accounts for the ad valorem tax levies of the 28 fire districts in Wayne County.

Fines and Forfeitures Fund - This fund accounts for fines and forfeitures collected by the County that are required to be remitted to the Wayne County Board of Education.

Representative Payee Fund - This fund accounts for moneys held by the Social Services Department for the benefit of certain individuals in the County.

North Carolina Court Pilot Program Fund – This fund accounts for moneys from the NC Judicial Branch. The funds are used to improve case management, create innovative court pilot programs, and provide program support positions.

Special Revenue Funds, continued

State Capital Infrastructure (SCIF) Grant Fund – This fund accounts for moneys received from the State of North Carolina for capital infrastructure improvements.

Opioid Settlement Fund – This fund accounts for moneys received through the Federal Opioid Settlement to bring relief to communities impacted by opioid addictions.

Sheriff's State Grant Fund – This fund accounts for moneys received through the North Carolina Office of the State Controllers. The funds will be used to improve Sheriff Department operations.

CARES Act Fund – This fund accounts for moneys received from the federal government for The Coronavirus Aid, Relief, and Economic Security Act (CARES). The funds are used to respond to economic fallout of the COVID-19 pandemic in the United States.

Utility Fund – This fund accounts for the costs of street lights and the collection of resources from residents in specific neighborhoods in Wayne County.

Street Assessment Fund – This fund accounts for the costs of improvements to the streets and the collection of resources from residents in specific neighborhoods in Wayne County.

Capital Projects Funds

Major and Nonmajor Funds

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

Major Fund

None

Nonmajor Funds

Wayne County Public School Capital Projects Fund-Meadow Lane - This fund accounts for the costs of construction and related funding sources for school related capital projects

County Capital Projects Fund - This fund accounts for the costs of construction and related funding sources for capital projects of a general nature.

Wayne County Public School Capital Projects Fund-School Buildings - This fund accounts for the costs of construction and related funding sources for school related capital projects.

County Capital Reserve Project Fund – This fund accounts for the accumulation of resources for future capital projects.

County Capital Outlay-911 Call Center Fund – This fund accounts for the costs of construction and related funding sources for capital projects of a 911 Call Center.

County Debt Project Fund – This fund accounts for the construction of a new Detention Center and DSS/Health Building related to specific debt issuance.

Fremont School Project Fund – This fund accounts for the costs of construction and related funding sources for school related capital projects.

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Permanent Funds

Nonmajor Fund

Permanent Funds are used to account for resources received by other entities, whereby the use of the resources is restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's programs.

Nonmajor Fund

Permanent Fund-Senior Center – This fund accounts for the principal funds and earnings of an endowment for the specific purpose of funding projects and expenses related to the Senior Center.

Wayne County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

Special Revenue Funds

	Emergency Telephone Service Fund	Fire District Fund	Fines and Forfeitures Fund	Representative Payee Fund	NC Court Pilot Program	SCIF Grant
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and equivalents	888,613	39,771	-	79,063	103,739	500,130
Taxes receivable, net	17,806	152,206	-	-	-	-
Receivable from other governments	-	-	-	-	-	-
Due from other governments	22,750	347,395	-	-	1,690	-
Total assets	<u>929,169</u>	<u>539,372</u>	<u>-</u>	<u>79,063</u>	<u>105,429</u>	<u>500,130</u>
Liabilities and Fund Balance						
Liabilities						
Accounts payable	3,697	-	-	-	-	-
Unearned revenue	-	-	-	-	105,408	500,000
Interfund payable	-	-	-	-	-	-
Total liabilities	<u>3,697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,408</u>	<u>500,000</u>
Deferred Inflows of Resources						
Taxes receivable, net	-	158,096	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>158,096</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances						
Non-spendable:						
Senior Center-principal	-	-	-	-	-	-
Restricted:						
Stabilization by state statute	40,556	341,505	-	-	21	-
Fire protection	-	39,771	-	-	-	-
Public safety	884,916	-	-	-	-	-
Public schools	-	-	-	-	-	-
Debtors	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Social services/senior center	-	-	-	79,063	-	-
Grants	-	-	-	-	-	130
Committed:						
Capital Projects	-	-	-	-	-	-
Unassigned:	-	-	-	-	-	-
Total fund balances	<u>925,472</u>	<u>381,276</u>	<u>-</u>	<u>79,063</u>	<u>21</u>	<u>130</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 929,169</u>	<u>\$ 539,372</u>	<u>\$ -</u>	<u>\$ 79,063</u>	<u>\$ 105,429</u>	<u>\$ 500,130</u>

Special Revenue Funds					Total Nonmajor Special Revenue Funds
Opioid Settlement Fund	Sheriffs State Grant	CARES Act Fund	Utility Fund	Street Assessment Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
240,204	84,288	-	35,031	444,047	2,414,886
-	-	-	-	702,334	872,346
-	-	-	-	-	-
-	-	-	3,694	-	375,529
240,204	84,288	-	38,725	1,146,381	3,662,761
-	-	-	-	-	3,697
240,179	84,270	-	-	-	929,857
-	-	-	-	-	-
240,179	84,270	-	-	-	933,554
-	-	-	-	-	158,096
-	-	-	-	-	158,096
-	-	-	-	-	-
-	-	-	3,694	702,333	1,088,109
-	-	-	-	-	39,771
25	18	-	-	-	884,959
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	35,031	444,048	479,079
-	-	-	-	-	79,063
-	-	-	-	-	130
-	-	-	-	-	-
-	-	-	-	-	-
25	18	-	38,725	1,146,381	2,571,111
\$ 240,204	\$ 84,288	\$ -	\$ 38,725	\$ 1,146,381	\$ 3,662,761

Wayne County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Capital Project Funds				
	County Public School Capital Project Fund- Meadow Lane	County Capital Project Fund	County Public School Capital Project Fund- School Buildings	County Capital Reserve Project Fund	County Capital Project-911 Call Center
Assets					
Cash and cash equivalents	\$ 320,751	\$ 1,243,211	\$ 488,249	\$ 12,739,283	\$ (2,687,700)
Restricted cash and equivalents	334,708	786,216	320,143	-	3,313,686
Taxes receivable, net	-	-	-	-	178
Receivable from other governments	-	8,453	-	-	-
Due from other governments	-	-	-	-	-
Total assets	<u>655,459</u>	<u>2,037,880</u>	<u>808,392</u>	<u>12,739,283</u>	<u>626,164</u>
Liabilities and Fund Balance					
Liabilities					
Accounts payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Interfund payable	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes receivable, net	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances					
Non-spendable:					
Senior Center-principal	-	-	-	-	-
Restricted:					
Stabilization by state statute	-	-	-	-	-
Fire protection	-	-	-	-	-
Public safety	-	-	-	-	-
Public schools	655,458	-	808,393	-	-
Debtors	-	-	-	-	-
Transportation	-	-	-	-	-
Social services/senior center	-	-	-	-	-
Grants	-	-	-	-	-
Committed:					
Capital Projects	-	2,037,880	-	12,739,283	626,164
Unassigned:	-	-	-	-	-
Total fund balances	<u>655,458</u>	<u>2,037,880</u>	<u>808,393</u>	<u>12,739,283</u>	<u>626,164</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 655,458</u>	<u>\$ 2,037,880</u>	<u>\$ 808,393</u>	<u>\$ 12,739,283</u>	<u>\$ 626,164</u>

Capital Project Funds			Permanent Fund	
Debt Project Fund	Fremont School Project Fund	Total Nonmajor Capital Project Funds	Permanent Fund-Senior Center	Total Nonmajor Funds
\$ 4,540,667	\$ 12	\$ 16,644,473	\$ -	\$ 16,644,473
-	-	4,754,753	8,890	7,178,529
-	-	178	-	872,524
-	-	8,453	-	8,453
-	-	-	-	375,529
4,540,667	12	21,407,857	8,890	25,079,508
-	-	-	-	3,697
-	-	-	-	929,857
-	-	-	-	-
-	-	-	-	933,554
-	-	-	-	158,096
-	-	-	-	158,096
-	-	-	8,600	8,600
-	-	-	-	1,088,109
-	-	-	-	39,771
-	-	-	-	884,959
-	12	1,463,863	-	1,463,863
-	-	-	-	-
-	-	-	-	479,079
-	-	-	290	79,353
-	-	-	-	130
4,540,667	-	19,943,994	-	19,943,994
-	-	-	-	-
4,540,667	12	21,407,857	8,890	23,987,858
\$ 4,540,667	\$ 12	\$ 21,407,857	\$ 8,890	\$ 25,079,508

Wayne County, North Carolina
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Special Revenue Funds				
	Emergency Telephone Service Fund	Fire District Fund	Fines and Forfeitures Fund	Representative Payee Fund	NC Court Pilot Program
Revenues					
Property taxes	\$ -	\$ 3,931,154	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	1,895,798	-	-	-
Fees and fines	-	-	448,376	-	-
Restricted intergovernmental	-	-	-	-	67,092
Investment earnings	656	400	-	-	21
Miscellaneous	22,750	-	-	-	-
Donations	-	-	-	-	-
Client account income	-	-	-	284,602	-
Total revenues	<u>23,406</u>	<u>5,827,352</u>	<u>448,376</u>	<u>284,602</u>	<u>67,113</u>
Expenditures					
Current:					
General government	-	-	-	-	67,092
Public safety	119,714	5,816,270	448,376	-	-
Human services	-	-	-	279,121	-
Transportation	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	233,692	-	-	-	-
Total expenditures	<u>353,406</u>	<u>5,816,270</u>	<u>448,376</u>	<u>279,121</u>	<u>67,092</u>
Excess (deficiency) of revenues over expenditures	<u>(330,000)</u>	<u>11,082</u>	<u>-</u>	<u>5,481</u>	<u>21</u>
Other Financing Sources (Uses)					
Proceeds from debt, net of costs	-	-	-	-	-
Other use					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(330,000)</u>	<u>11,082</u>	<u>-</u>	<u>5,481</u>	<u>21</u>
Fund balances - beginning	<u>1,255,472</u>	<u>370,194</u>	<u>-</u>	<u>73,582</u>	<u>-</u>
Fund balances - ending	<u>\$ 925,472</u>	<u>\$ 381,276</u>	<u>\$ -</u>	<u>\$ 79,063</u>	<u>\$ 21</u>

Special Revenue Funds						Total Nonmajor Special Revenue Funds
SCIF Grant	Opioid Settlement Fund	Sheriffs State Grant	CARES Act Fund	Utility Fund	Street Assessment Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,931,154
-	-	-	-	16,920	44,373	1,957,091
-	-	-	-	-	-	448,376
-	-	-	-	-	-	67,092
130	25	18	1	61	-	1,312
-	-	-	-	-	-	22,750
-	-	-	-	-	-	-
-	-	-	-	-	-	284,602
<u>130</u>	<u>25</u>	<u>18</u>	<u>1</u>	<u>16,981</u>	<u>44,373</u>	<u>6,712,377</u>
-	-	-	-	-	-	67,092
-	-	-	-	-	-	6,384,360
-	-	-	-	-	-	279,121
-	-	-	-	13,429	-	13,429
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	233,692
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,429</u>	<u>-</u>	<u>6,977,694</u>
<u>130</u>	<u>25</u>	<u>18</u>	<u>1</u>	<u>3,552</u>	<u>44,373</u>	<u>(265,317)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,239)</u>	<u>-</u>	<u>(195,250)</u>	<u>(196,489)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,239)</u>	<u>-</u>	<u>(195,250)</u>	<u>(196,489)</u>
<u>130</u>	<u>25</u>	<u>18</u>	<u>(1,238)</u>	<u>3,552</u>	<u>(150,877)</u>	<u>(461,806)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,238</u>	<u>35,173</u>	<u>1,297,258</u>	<u>3,032,917</u>
<u>\$ 130</u>	<u>\$ 25</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 38,725</u>	<u>\$ 1,146,381</u>	<u>\$ 2,571,111</u>

Wayne County, North Carolina
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Capital Project Funds				
	County Public School Capital Project Fund- Meadow Lane	County Capital Project Fund	County Public School Capital Project Fund- School Buildings	County Capital Reserve Project Fund	County Capital Project-911 Call Center
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-	-
Fees and fines	-	-	-	-	-
Restricted intergovernmental	-	-	-	-	-
Investment earnings	472	2,677	440	5,657	2,500
Miscellaneous	-	-	-	-	-
Donations	-	-	-	-	-
Client account income	-	-	-	-	-
Total revenues	<u>472</u>	<u>2,677</u>	<u>440</u>	<u>5,657</u>	<u>2,500</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Human services	-	-	-	-	-
Transportation	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	212,730	-	-	2,762
Total expenditures	<u>-</u>	<u>212,730</u>	<u>-</u>	<u>-</u>	<u>2,762</u>
Excess (deficiency) of revenues over expenditures	<u>472</u>	<u>(210,053)</u>	<u>440</u>	<u>5,657</u>	<u>(262)</u>
Other Financing Sources (Uses)					
Proceeds from debt, net of costs	-	-	-	-	-
Other use					
Transfers from other funds	-	-	308,398	13,073,596	-
Transfers to other funds	-	-	-	(3,463,315)	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>308,398</u>	<u>9,610,281</u>	<u>-</u>
Net change in fund balance:	<u>472</u>	<u>(210,053)</u>	<u>308,838</u>	<u>9,615,938</u>	<u>(262)</u>
Fund balances - beginning	<u>654,986</u>	<u>2,247,933</u>	<u>499,555</u>	<u>3,123,345</u>	<u>626,426</u>
Fund balances - ending	<u>\$ 655,458</u>	<u>\$ 2,037,880</u>	<u>\$ 808,393</u>	<u>\$ 12,739,283</u>	<u>\$ 626,164</u>

<u>Capital Project Funds</u>			<u>Permanent Fund</u>	
<u>Debt Project Fund</u>	<u>Fremont School Project Fund</u>	<u>Total Nonmajor Capital Project Funds</u>	<u>Permanent Fund-Senior Center</u>	<u>Total Nonmajor Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,931,154
-	-	-	-	1,957,091
-	-	-	-	448,376
-	-	-	-	67,092
1,073	12	12,831	5	14,148
-	-	-	-	22,750
-	-	-	1,000	1,000
-	-	-	-	284,602
<u>1,073</u>	<u>12</u>	<u>12,831</u>	<u>1,005</u>	<u>6,726,213</u>
-	-	-	-	67,092
-	-	-	-	6,384,360
-	-	-	-	279,121
-	-	-	-	13,429
-	-	-	-	-
-	-	-	-	-
1,250	-	1,250	-	1,250
1,808,550	175,603	2,199,645	-	2,433,337
<u>1,809,800</u>	<u>175,603</u>	<u>2,200,895</u>	<u>-</u>	<u>9,178,589</u>
<u>(1,808,727)</u>	<u>(175,591)</u>	<u>(2,188,064)</u>	<u>1,005</u>	<u>(2,452,376)</u>
-	-	-	-	-
6,349,394	484,001	20,215,389	-	20,215,389
<u>-</u>	<u>-</u>	<u>(3,463,315)</u>	<u>-</u>	<u>(3,659,804)</u>
6,349,394	484,001	16,752,074	-	16,555,585
<u>4,540,667</u>	<u>308,410</u>	<u>14,564,010</u>	<u>1,005</u>	<u>14,103,209</u>
-	-	7,152,245	7,885	10,193,047
<u>\$ 4,540,667</u>	<u>\$ 308,410</u>	<u>\$ 21,716,255</u>	<u>\$ 8,890</u>	<u>\$ 24,296,256</u>

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
American Rescue Plan Fund
For the Fiscal Year Ended June 30, 2022

	Project Author- ization	Prior Years	Actual	Total to Date	Variance Positive (Negative)
Revenues					
ARP Funds	\$ 23,916,753	\$ -	\$ -	\$ -	\$ (23,916,753)
Investment earnings	-	758	8,090	8,848	8,848
Total revenues	<u>23,916,753</u>	<u>758</u>	<u>8,090</u>	<u>8,848</u>	<u>(23,907,905)</u>
Expenditures					
Current:					
General government	<u>23,916,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,916,753</u>
Total expenditures	<u>23,916,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,916,753</u>
Revenues over (under) expenditures	-	758	8,090	8,848	8,848
Other Financing Sources (Uses)					
Transfers out					
General Fund	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Proprietary Funds	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Total financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues other sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ 758</u>	<u>8,090</u>	<u>\$ 8,848</u>	<u>\$ 8,848</u>
Fund balance - July 1			758		
Fund balance - June 30			<u>\$ 8,848</u>		

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Rosewood State Grant
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 20,000,000	\$ -	(20,000,000)
Investment earnings	-	3,122	3,122
Total revenues	<u>20,000,000</u>	<u>3,122</u>	<u>(19,996,878)</u>
Expenditures			
Current:			
Capital outlay	<u>20,000,000</u>	<u>-</u>	<u>20,000,000</u>
Total expenditures	<u>20,000,000</u>	<u>-</u>	<u>20,000,000</u>
Revenues over (under) expenditures	-	3,122	3,122
Other Financing Sources			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	-	3,122	3,122
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>3,122</u>	<u>\$ 3,122</u>
Fund balance - July 1		-	
Fund balance - June 30		<u>\$ 3,122</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Emergency Telephone Service Fund
For the Fiscal Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Restricted intergovernmental	\$ -	\$ -	-
Investment earnings	-	656	656
Municipality reimbursements	-	22,750	22,750
Total revenues	<u>-</u>	<u>23,406</u>	<u>23,406</u>
Expenditures			
Current:			
Public safety	205,876	119,714	86,162
Capital outlay	436,386	233,692	202,694
Total expenditures	<u>642,262</u>	<u>353,406</u>	<u>288,856</u>
Revenues under expenditures	(642,262)	(330,000)	312,262
Other Financing Sources			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources under expenditures	(642,262)	(330,000)	312,262
Appropriated fund balance	<u>642,262</u>	<u>-</u>	<u>(642,262)</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>(330,000)</u>	<u>\$ (330,000)</u>
Fund balance - July 1		1,255,473	
Fund balance - June 30		<u>\$ 925,473</u>	

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes			
Current year	\$ 3,338,356	\$ 3,339,961	\$ 1,605
Vehicle tax	538,462	537,530	(932.00)
Prior year tax	57,961	53,663	(4,298)
County sales taxes	1,881,644	1,895,798	14,154
Investment earnings	-	400	400
Total revenues	<u>5,816,423</u>	<u>5,827,352</u>	<u>10,929</u>
Expenditures			
Current:			
Public safety	5,799,388	5,799,235	153
Debt Service			
Principal	17,035	17,035	-
Interest and other charges	-	-	-
Total expenditures	<u>5,816,423</u>	<u>5,816,270</u>	<u>153</u>
Revenues over (under) expenditures	-	11,082	11,082
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	11,082	<u>\$ 11,082</u>
Fund balance - July 1		370,194	
Fund balance - June 30		<u>\$ 381,276</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Fines and Forfeitures Fund
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and forfeitures	\$ -	\$ 448,376	\$ 448,376
Total revenues	-	448,376	448,376
Expenditures			
Current:			
Education	-	448,376	(448,376)
Total expenditures	-	448,376	(448,376)
Revenues over (under) expenditures	-	-	-
Other Financing Sources			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	-	-	-
Revenues and other financing sources over (under) expenditures	-	-	-
Appropriated fund balance	-	-	-
Revenues and appropriated fund balance over (under) expenditures	\$ -	-	\$ -
Fund balance - July 1		-	
Fund balance - June 30		\$ -	

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

	Budget	Actual	Variance Positive (Negative)
Revenues			
Client Account Income	\$ 279,121	\$ 284,602	\$ 5,481
Total revenues	<u>279,121</u>	<u>284,602</u>	<u>5,481</u>
Expenditures			
Current:			
Health and sanitation	279,121	279,121	-
Total expenditures	<u>279,121</u>	<u>279,121</u>	<u>-</u>
Revenues over (under) expenditures	-	5,481	5,481
Other Financing Sources			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	-	5,481	5,481
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>5,481</u>	<u>\$ 5,481</u>
Fund balance - July 1		73,582	
Fund balance - June 30		<u>\$ 79,063</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
NC Court Pilot Program
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 230,000	\$ 67,092	\$ (162,908)
Investment earnings	-	21	21
Total revenues	<u>230,000</u>	<u>67,113</u>	<u>(162,887)</u>
Expenditures			
Current:			
General government	194,000	67,092	126,908
Capital outlay	<u>36,000</u>	-	<u>36,000</u>
Total expenditures	<u>230,000</u>	<u>67,092</u>	<u>162,908</u>
Revenues over (under) expenditures	-	21	21
Other Financing Sources			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	-	21	21
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>21</u>	<u>\$ 21</u>
Fund balance - July 1		-	
Fund balance - June 30		<u>\$ 21</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
SCIF Grant
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 500,000	\$ -	\$ (500,000)
Investment earnings	-	130	130
Total revenues	<u>500,000</u>	<u>130</u>	<u>(499,870)</u>
Expenditures			
Current:			
General government	-	-	-
Capital outlay	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total expenditures	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Revenues over (under) expenditures	-	130	130
Other Financing Sources			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	-	130	130
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>130</u>	<u>\$ 130</u>
Fund balance - July 1		-	
Fund balance - June 30		<u>\$ 130</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Opioid Settlement Fund
For the Fiscal Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Opioid settlement funds	\$ -	\$ -	\$ -
Investment earnings	-	25	25
Total revenues	<u>-</u>	<u>25</u>	<u>25</u>
Expenditures			
Current:			
General government	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	-	25	25
Other Financing Sources			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	-	25	25
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>25</u>	<u>\$ 25</u>
Fund balance - July 1		-	
Fund balance - June 30		<u>\$ 25</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Sheriffs State Grant
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 84,270	\$ -	\$ (84,270)
Investment earnings	-	18	18
Total revenues	<u>84,270</u>	<u>18</u>	<u>(84,252)</u>
Expenditures			
Current:			
Public safety	-	-	-
Capital outlay	<u>84,270</u>	<u>-</u>	<u>84,270</u>
Total expenditures	<u>84,270</u>	<u>-</u>	<u>84,270</u>
Revenues over (under) expenditures	-	18	18
Other Financing Sources			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	-	18	18
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>18</u>	<u>\$ 18</u>
Fund balance - July 1		-	
Fund balance - June 30		<u>\$ 18</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
CARES Act Fund
For the Fiscal Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Grant revenues	\$ -	\$ -	\$ -
Investment earnings	-	1	1
Total revenues	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures			
Current:			
Payments to Municipalities	-	-	-
Payments to Non-profit Agencies	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	-	1	1
Other Financing Sources			
Transfers in	-	-	-
Transfers out	-	(1,239)	1,239
Total other financing sources	<u>-</u>	<u>(1,239)</u>	<u>1,239</u>
Revenues and other financing sources over (under) expenditures	-	(1,238)	(1,238)
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>(1,238)</u>	<u>\$ (1,238)</u>
Fund balance - July 1		1,238	
Fund balance - June 30		<u>\$ -</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Utility Fund-Street Lights
For the Fiscal Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes			
Special Assessment	\$ 13,429	\$ 16,920	\$ 3,491
Investment earnings	-	61	61
Total revenues	<u>13,429</u>	<u>16,981</u>	<u>3,552</u>
Expenditures			
Current:			
Transportation	<u>13,429</u>	<u>13,429</u>	<u>-</u>
Total expenditures	<u>13,429</u>	<u>13,429</u>	<u>-</u>
Revenues over (under) expenditures	-	3,552	3,552
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	3,552	<u>\$ 3,552</u>
Fund balance - July 1		35,173	
Fund balance - June 30		<u>\$ 38,725</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Transportation Fund-Street Assessment
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Miscellaneous taxes	\$ 43,434	\$ 44,373	\$ 939
Investment earnings	-	-	-
Total revenues	<u>43,434</u>	<u>44,373</u>	<u>939</u>
Expenditures			
Current:			
Transportation	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	43,434	44,373	939
Other Financing Sources			
Transfers in	-	-	-
Transfers out	(195,250)	(195,250)	-
Total other financing sources	<u>(195,250)</u>	<u>(195,250)</u>	<u>-</u>
Revenues and other financing sources under expenditures	(151,816)	(150,877)	939
Appropriated fund balance	<u>22,303</u>	<u>-</u>	<u>(22,303)</u>
Revenues and fund balance under expenditures	<u>\$ (129,513)</u>	<u>(150,877)</u>	<u>\$ (21,364)</u>
Fund balance - July 1		1,297,258	
Fund balance - June 30		<u>\$ 1,146,381</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
County Public School Capital Project Fund-Meadow Lane
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 472	\$ 472
Total revenues	-	472	472
Expenditures			
Current:			
Capital outlay	1,142,999	-	1,142,999
Total expenditures	1,142,999	-	1,142,999
Revenues over (under) expenditures	(1,142,999)	472	1,143,471
Other Financing Sources			
Transfers in			
General Fund	-	-	-
Transfers out			
General Fund	-	-	-
Total other financing sources	-	-	-
Revenues and other financing sources over (under) expenditures	(1,142,999)	472	1,143,471
Appropriated fund balance	1,142,999	-	(1,142,999)
Revenues and other sources over (under) expenditures	\$ -	472	\$ 472
Fund balance - July 1		654,986	
Fund balance - June 30		\$ 655,458	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
County Capital Project Fund
For the Fiscal Year Ended June 30, 2022

	Project Author- ization	Prior Years	Actual	Total to Date	Variance Positive (Negative)
Revenues					
Private grant	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ -
Investment earnings	-	184,161	2,677	186,838	186,838
Miscellaneous	-	308,637	-	308,637	308,637
Total revenues	<u>15,000</u>	<u>507,798</u>	<u>2,677</u>	<u>510,475</u>	<u>495,475</u>
Expenditures					
Current:					
Transportation - Street Assessment	1,940,585	1,912,251	-	1,912,251	28,334
Debt Service					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital Outlay					
General Government Projects	5,164,004	4,719,561	212,730	4,932,291	231,713
Fiber Optic Loop Project	870,007	565,455	-	565,455	304,552
Spillman/Superion Project	1,460,164	1,445,656	-	1,445,656	14,508
Advanced Manufacturing Project	3,700,000	3,343,031	-	3,343,031	356,969
Total expenditures	<u>13,134,760</u>	<u>11,985,954</u>	<u>212,730</u>	<u>12,198,684</u>	<u>936,076</u>
Revenues over (under) expenditures	(13,119,760)	(11,478,156)	(210,053)	(11,688,209)	1,431,551
Other Financing Sources (Uses)					
Proceeds-bond issuance, par amount	3,260,000	3,260,000	-	3,260,000	-
Proceeds-bond issuance, premium	444,076	444,076	-	444,076	-
Proceeds from long-term debt, net	4,899,759	4,972,310	-	4,972,310	72,551
Other use	-	-	-	-	-
Transfers in:					
General Fund					
General Fund	5,200,302	5,400,302	-	5,400,302	200,000
Transportation - Street	142,982	142,982	-	142,982	-
Advance Manufacturing Center	3,700,000	3,500,000	-	3,500,000	(200,000)
Spillman/Superion Project	144,600	144,600	-	144,600	-
Proprietary Funds	200,000	200,000	-	200,000	-
Transfers out					
General Fund	(4,871,959)	(4,871,959)	-	(4,871,959)	-
Total financing sources (uses)	<u>13,119,760</u>	<u>13,192,311</u>	<u>-</u>	<u>18,064,270</u>	<u>72,551</u>
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues other sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ 1,714,155</u>	<u>(210,053)</u>	<u>\$ 6,376,061</u>	<u>\$ 6,376,061</u>
Fund balance - July 1			2,247,933		
Fund balance - June 30			<u>\$ 2,037,880</u>		

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
County Public School Capital Project Fund-School Buildings
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 440	\$ 440
Total revenues	-	440	440
Expenditures			
Current:			
Capital outlay	6,394,900	-	6,394,900
Total expenditures	6,394,900	-	6,394,900
Revenues over (under) expenditures	(6,394,900)	440	6,395,340
Other Financing Sources			
Transfers in			
General Fund	3,165,132	-	3,165,132
Capital Projects Funds	717,084	308,398	408,686
Transfers out			
General Fund	-	-	-
Total other financing sources	3,882,216	308,398	3,573,818
Revenues and other financing sources over (under) expenditures	(2,512,684)	308,838	2,821,522
Appropriated fund balance	2,512,684	-	(2,512,684)
Revenues and other sources over (under) expenditures	\$ -	308,838	\$ 308,838
Fund balance - July 1		499,555	
Fund balance - June 30		\$ 808,393	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
County Capital Reserve Project Fund
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 5,657	\$ 5,657
Total revenues	-	5,657	5,657
Expenditures			
Current:			
General government	8,325,000	-	8,325,000
Capital Outlay	1,383,232	-	1,383,232
Total expenditures	9,708,232	-	9,708,232
Revenues over (under) expenditures	(9,708,232)	5,657	9,713,889
Other Financing Sources			
Transfers in			
General Fund	13,073,596	13,073,596	-
Transfers out			
General Fund	(3,463,315)	(3,463,315)	-
Total other financing sources	9,610,281	9,610,281	-
Appropriated fund balance	97,951	-	(97,951)
Revenues and other sources over (under) expenditures	\$ -	9,615,938	\$ 9,615,938
Fund balance - July 1		3,123,345	
Fund balance - June 30		<u>\$ 12,739,283</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
County Capital Project-911 Call Center
For the Fiscal Year Ended June 30, 2022

	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 1,530,693	\$ -	\$ (1,530,693)
Investment earnings	-	2,500	2,500
Total revenues	<u>1,530,693</u>	<u>2,500</u>	<u>(1,528,193)</u>
Expenditures			
Current:			
Capital Outlay	<u>6,274,339</u>	<u>2,762</u>	<u>6,271,577</u>
Total expenditures	<u>6,274,339</u>	<u>2,762</u>	<u>6,271,577</u>
Revenues under expenditures	(4,743,646)	(262)	4,743,384
Other Financing Sources			
Proceeds from long-term debt, net	4,953,858	-	(4,953,858)
Transfers in			
General Fund	523,026	-	523,026
Capital Projects Funds	15,755	-	15,755
Transfers out			
General Fund	<u>(4,503,026)</u>	<u>-</u>	<u>(4,503,026)</u>
Total other financing sources	<u>989,613</u>	<u>-</u>	<u>(8,918,103)</u>
Appropriated fund balance	<u>3,754,033</u>	<u>-</u>	<u>(3,754,033)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	(262)	<u>\$ (262)</u>
Fund balance - July 1		626,426	
Fund balance - June 30		<u>\$ 626,164</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Debt Project Fund
For the Fiscal Year Ended June 30, 2022

	Project Authorization	Prior Years	Actual	Total To- Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	1,073	1,073	1,073
Total revenues	-	-	1,073	1,073	1,073
Expenditures					
Debt Service			-		
Principal	-	-	-	-	-
Interest and other charges	-	-	1,250	1,250	(1,250)
Capital Outlay					
DSS/Health Building Project	1,587,430	-	347,933	347,933	1,239,497
Detention Center Project	1,760,714	-	1,026,555	1,026,555	734,159
WCC Projects	3,000,000	-	434,062	434,062	2,565,938
Total expenditures	6,348,144	-	1,809,800	1,809,800	4,538,344
Revenues under expenditures	(6,348,144)	-	(1,808,727)	(1,808,727)	(4,539,417)
Other Financing Sources					
Proceeds from long-term debt, net			-	-	-
Transfers in					
General Fund	6,348,144	-	6,349,394	6,349,394	(1,250)
Transfers out					
General Fund	-	-	-	-	-
Total other financing sources	6,348,144	-	6,349,394	6,349,394	(1,250)
Appropriated fund balance	-	-	-	-	-
Revenues and other sources over expenditures	\$ -	\$ -	4,540,667	\$ 4,540,667	\$ (4,540,667)
Fund balance - July 1			-		
Fund balance - June 30			<u>\$ 4,540,667</u>		

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Fremont School Project Fund
For the Fiscal Year Ended June 30, 2022

	Project Authorization	Prior Years	Actual	Total To- Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	12	12	12
Total revenues	-	-	12	12	12
Expenditures					
Debt Service					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital Outlay	485,251	-	484,001	484,001	1,250
Total expenditures	485,251	-	484,001	484,001	1,250
Revenues under expenditures	(485,251)	-	(483,989)	(483,989)	1,262
Other Financing Sources					
Proceeds from long-term debt, net	-	-	-	-	-
Transfers in					
General Fund	176,853	-	484,001	484,001	(307,148)
Prior Year Land Purchase	308,398	-	-	-	308,398
Total other financing sources	485,251	-	484,001	484,001	1,250
Appropriated fund balance	-	-	-	-	-
Revenues and other sources over (under) expenditures	\$ -	\$ -	12	\$ 12	\$ 12
Fund balance - July 1			-		
Fund balance - June 30			\$ 12		

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Permanent Fund-Senior Center
For the Fiscal Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Investment earnings	\$ -	\$ 5	\$ 5
Total revenues	<u>-</u>	<u>5</u>	<u>5</u>
Expenditures			
Senior Center	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	-	5	5
Other Financing Sources			
Permanent fund donation	-	1,000	1,000
Total other financing sources	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Revenues and other financing sources over (under) expenditures	-	1,005	1,005
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	1,005	<u>\$ 1,005</u>
Fund balance - July 1		7,885	
Fund balance - June 30		<u>\$ 8,890</u>	

Enterprise Funds

Major 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.

Solid Waste Disposal Fund - This fund is used to account for the operations of the County's solid waste activities.

Maxwell Regional Agricultural and Convention Center Fund (Maxwell Center) – This fund is used to account for the costs of construction and related funding sources for capital projects of an agricultural center.

Jetport Fund - This fund is used to account for the operations of the County's municipal airport.

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

	Budget	Actual	Variance Positive (Negative)
Revenues			
Operating revenues			
User fees - solid waste	\$ 3,587,547	\$ 3,756,279	\$ 168,732
User fees - household	1,277,000	1,317,658	40,658
Recycling fees	12,600	246,262	233,662
Lease revenue	-	12,917	12,917
Total operating revenues	4,877,147	5,333,116	455,969
Non-operating revenues			
Restricted intergovernmental revenues	309,000	333,048	24,048
Interest and investment revenue	-	20,911	20,911
Miscellaneous revenue	280,510	47,132	(233,378)
Operating grants and contributions	8,000	14,646	6,646
Total non-operating revenues	597,510	415,737	(181,773)
Appropriated retained earnings	-	-	-
Total revenues	5,474,657	5,748,853	274,196
Expenditures			
Operating expenditures			
Salaries and employee benefits	2,089,647	2,070,042	19,605
Contractual services	90,525	61,793	28,732
Repairs and maintenance	478,156	283,068	195,088
Other departmental expenses	824,437	730,934	93,503
Other supplies and expenses	497,677	402,815	94,862
Indirect costs	393,167	393,167	-
Total	4,373,609	3,941,819	431,790
Budgetary appropriations			
Capital outlay	1,112,965	1,032,557	80,408
Total	1,112,965	1,032,557	80,408
Total expenditures	5,486,574	4,974,376	512,198
Revenues over (under) expenditures	(11,917)	774,477	762,560
Other financing sources (uses):			
Sale of capital assets	-	-	-
Transfers in (out)	11,917	11,917	-
Total other financing sources	11,917	11,917	-
Revenues over (under) expenditures and other sources	\$ -	\$ 786,394	\$ 786,394

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

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

	<u>2022</u>
Total revenues	\$ 5,748,853
Total expenditures	(4,974,376)
Other financing	<u>11,917</u>
Revenues and expenditures	786,394
Reconciling items:	
Capital outlay	1,032,557
Depreciation	(955,272)
Loss on disposal of asset	(3,593)
Bad debt allowance	(9,238)
Increase in Landfill closure & postclosure costs	(486,942)
Increase (decrease) in lease receivable	18,679
Increase (decrease) in accrued interest receivable - leases	49
(Increase) decrease in deferred outflows of resources - leases	(21,126)
(Increase) decrease in OPEB liability	(24,515)
Increase (decrease) in deferred outflows of resources - OPEB	(30,511)
(Increase) decrease in deferred inflows of resources - OPEB	51,581
(Increase) decrease in net pension liability	562,366
Increase (decrease) in deferred outflows of resources - pensions	192,900
(Increase) decrease in deferred inflows of resources - pensions	(539,289)
(Increase) decrease in accrued vacation pay	<u>29,164</u>
Change in net position	<u><u>\$ 603,204</u></u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Maxwell Center Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Operating revenues			
User fees	\$ 1,100,443	\$ 1,163,581	\$ 63,138
Total operating revenues	1,100,443	1,163,581	63,138
Non-operating revenues			
Interest and investment revenue	-	843	843
Donations	34,843	5,000	(29,843)
Miscellaneous	-	5,954	5,954
Total non-operating revenues	34,843	11,797	(23,046)
Appropriated retained earnings	-	-	-
Total revenues	1,135,286	1,175,378	40,092
Expenditures			
Operating expenditures			
Salaries and employee benefits	441,971	416,703	25,268
Contractual services	15,400	11,181	4,219
Utilities	94,723	84,429	10,294
Repairs and maintenance	61,643	46,621	15,022
Other departmental expenses	74,050	51,166	22,884
Other supplies and expenses	104,966	85,246	19,720
Indirect costs	926,899	926,899	-
Interest expense	382,760	382,667	93
Debt principal	661,877	661,877	-
Total	2,764,289	2,666,789	97,500
Budgetary appropriations			
Capital outlay	-	-	-
Total	-	-	-
Total expenditures	2,764,289	2,666,789	(97,500)
Other financing sources			
Transfers in (out)	1,629,003	1,629,003	-
Total	1,629,003	1,629,003	-
Revenues over (under) expenditures	\$ -	\$ 137,592	\$ 137,592

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Maxwell Center Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2022

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

	<u>2022</u>
Total revenues	\$ 1,175,378
Total expenditures	(2,666,789)
Other financing	<u>1,629,003</u>
Revenues, other financing sources, and expenditures	137,592
Reconciling items:	
Capital outlay	-
Depreciation	(652,417)
(Increase) decrease in accrued vacation	4,109
(Increase) decrease in net pension liability	59,137
Increase (decrease) in deferred outflows of resources - pensions	33,206
(Increase) decrease in deferred inflows of resources - pensions	(74,395)
Debt principal	661,877
(Increase) decrease in accrued interest payable	<u>1,289</u>
Change in net position	<u><u>\$ 170,398</u></u>

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

	Budget	Actual	Variance Positive (Negative)
Revenues			
Operating revenues			
User fees	\$ 801,756	\$ 745,597	\$ (56,159)
Lease revenue	-	75,883	75,883
Total operating revenues	801,756	821,480	19,724
Non-operating revenues			
Interest and investment revenue	-	4,652	4,652
Miscellaneous revenue	5,001	2,830	(2,171)
Operating grants and contributions	5,443,865	879,887	(4,563,978)
Total non-operating revenues	5,448,866	887,369	(4,561,497)
Appropriated retained earnings	121,599	-	(121,599)
Total revenues	6,372,221	1,708,849	(4,663,372)
Expenditures			
Operating expenditures			
Salaries and employee benefits	125,019	31,427	93,592
Contractual services	48,960	48,960	-
Repairs and maintenance	70,747	43,162	27,585
Other departmental expenses	135,054	118,467	16,587
Other supplies and expenses	545,477	477,658	67,819
Indirect costs	129,539	129,539	-
Total	1,054,796	849,213	205,583
Budgetary appropriations			
Capital outlay	5,582,615	1,065,637	4,516,978
Total	5,582,615	1,065,637	4,516,978
Total expenditures	6,637,411	1,914,850	4,722,561
Other financing sources			
Transfers in (out)	265,190	265,190	-
Total	265,190	265,190	-
Revenues over (under) expenditures	\$ -	\$ 59,189	\$ 59,189

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

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

	<u>2022</u>
Total revenues	\$ 1,708,849
Total expenditures	(1,914,850)
Other financing	<u>265,190</u>
Revenues and expenditures	59,189
Reconciling items:	
Capital outlay	1,065,637
Depreciation	(476,641)
Increase (decrease) in lease receivable	318,480
Increase (decrease) in accrued interest receivable - leases	418
(Increase) decrease in deferred outflows of resources - leases	(320,194)
(Increase) decrease in accrued vacation pay	(69)
(Increase) decrease in OPEB liability	26,117
Increase (decrease) in deferred outflows of resources - OPEB	(2,008)
(Increase) decrease in deferred inflows of resources - OPEB	3,394
Bad debt	(7,800)
(Increase) decrease in net pension liability	(38,097)
Increase (decrease) in deferred outflows of resources - pensions	3,838
(Increase) decrease in deferred inflows of resources - pensions	<u>(23,902)</u>
Change in net position	<u><u>\$ 608,362</u></u>

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Enterprise Funds

Nonmajor 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.

Sewer Fund - This fund is used to account for the operations of the County's sewer activities.

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Wayne County, North Carolina
Combining Statement of Net Position
Nonmajor Proprietary Funds
June 30, 2022

	<u>Business-type Activities</u>	
	<u>Sewer Fund</u>	<u>Total</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 702,263	\$ 702,263
Accounts receivable, net	65,517	65,517
Receivables from other governments	3,823	3,823
Total current assets	<u>771,603</u>	<u>771,603</u>
Capital assets:		
Land	23,628	23,628
Other capital assets, net of depreciation	3,736,713	3,736,713
Total capital assets	<u>3,760,341</u>	<u>3,760,341</u>
Total non-current assets	<u>3,760,341</u>	<u>3,760,341</u>
Total assets	<u>4,531,944</u>	<u>4,531,944</u>
Deferred Outflows of Resources	2,793	2,793
Liabilities		
Current liabilities:		
Accounts payable	27,898	27,898
Accrued interest payable	4,267	4,267
Due to other funds	467,298	467,298
Bonds, notes and loans payable	90,000	90,000
Total current liabilities	<u>589,463</u>	<u>589,463</u>
Non-current liabilities:		
OPEB liability	11,874	11,874
Bonds, notes and loans payable	1,220,000	1,220,000
Total non-current liabilities	<u>1,231,874</u>	<u>1,231,874</u>
Total liabilities	<u>1,821,337</u>	<u>1,821,337</u>
Deferred Inflows of Resources	5,348	5,348
Net Position		
Net investment in capital assets	2,458,291	2,458,291
Unrestricted	249,761	249,761
Total net position	<u>\$ 2,708,052</u>	<u>\$ 2,708,052</u>

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Wayne County, North Carolina
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2022

	Business-type Activities	
	Sewer Fund	Total
Operating revenues:		
User fees	\$ 625,391	\$ 625,391
Total operating revenues	625,391	625,391
Operating expenses:		
Salaries and employee benefits	24,247	24,247
Utilities	488,917	488,917
Repairs and maintenance	26,955	26,955
Indirect costs	51,863	51,863
Depreciation	154,873	154,873
Total Operating Expenses	746,855	746,855
Operating income (loss)	(121,464)	(121,464)
Non-operating revenues (expenses)		
Interest and investment revenue	435	435
Miscellaneous revenue	5,068	5,068
Interest expense	(61,482)	(61,482)
Total non-operating revenues (expenses)	(55,979)	(55,979)
Income (loss) before contributions and transfers	(177,443)	(177,443)
Transfers in	152,446	152,446
Special item - gain (loss) on sale of asset	2,414	2,414
Change in net position	(22,583)	(22,583)
Total net position - beginning	2,730,635	2,730,635
Total net position - ending	\$ 2,708,052	\$ 2,708,052

Wayne County, North Carolina
Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2022

	<u>Business-type</u> <u>Nonmajor</u>	
	<u>Sewer Fund</u>	<u>Totals</u>
Cash flows from operating activities:		
Receipts from customers	\$ 712,079	\$ 712,079
Payments to employees for services	(23,538)	(23,538)
Payments to suppliers of goods & services	(543,502)	(543,502)
Miscellaneous revenues	5,068	5,068
Net cash provided (used) by operating activities	150,107	150,107
Cash flows from noncapital financing activities:		
Cash received from other funds	155,777	155,777
Net cash provided (used) by noncapital financing activities	155,777	155,777
Cash flows from capital & related financing activities:		
Principal payments related to capital debt	(90,000)	(90,000)
Interest payments related to capital debt	(61,783)	(61,783)
(Costs) of capital assets	(24,718)	(24,718)
Net cash provided (used) by capital and related financing activities	(176,501)	(176,501)
Cash flows from investing activities		
Interest payments received	435	435
Net cash provided (used) by investing activities	435	435
Net increase (decrease) in cash and cash equivalents	129,818	129,818
Cash and cash equivalents, July 1	572,445	572,445
Cash and cash equivalents, June 30	<u>702,263</u>	<u>702,263</u>

Wayne County, North Carolina
Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2022

Operating income	(121,464)	(121,464)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation	154,873	154,873
Non operating income (expense)	5,068	5,068
Changes in assets and liabilities		
(Increase) decrease		
Accounts receivable	86,688	86,688
Increase (decrease)		
Accounts payable	24,233	24,233
Postemployment liability	709	709
	<hr/>	<hr/>
Total adjustments	271,571	271,571
	<hr/>	<hr/>
Net cash provided (used) by operating activities	<u>\$ 150,107</u>	<u>\$ 150,107</u>

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Operating revenues			
User fees	\$ 688,992	625,391	\$ (63,601)
Total operating revenues	688,992	625,391	(63,601)
Non-operating revenues			
Interest and investment revenue	-	436	436
Miscellaneous revenue	-	5,068	5,068
Total non-operating revenues	-	5,504	5,504
Appropriated retained earnings	26,700	-	(26,700)
Total revenues	715,692	630,895	(84,797)
Expenditures			
Operating expenditures			
Salaries and employee benefits	23,577	23,538	39
Utilities	508,523	488,917	19,606
Repairs and maintenance	105,367	26,955	78,412
Indirect costs	51,863	51,863	-
Interest expense	61,780	61,780	-
Debt principal	90,000	90,000	-
Total	841,110	743,053	98,057
Budgetary appropriations			
Capital outlay	27,028	24,718	2,310
Total	27,028	24,718	2,310
Total expenditures	868,138	767,771	100,367
Other financing sources			
Transfers in (out)	152,446	152,446	-
Total	152,446	152,446	-
Revenues over (under) expenditures	\$ -	\$ 15,570	\$ 15,570

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

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

	<u>2022</u>
Total revenues	\$ 630,895
Total expenditures	(767,771)
Other financing	<u>152,446</u>
Revenues and expenditures	15,570
Reconciling items:	
Capital outlay	24,718
Gain (loss) on disposal of assets	2,414
Depreciation	(154,873)
Debt payments	90,000
(Increase) decrease in accrued interest	298
(Increase) decrease in OPEB liability	(905)
Increase (decrease) in deferred outflows of resources - OPEB	(284)
(Increase) decrease in deferred inflows of resources - OPEB	<u>480</u>
Change in net position	<u><u>\$ (22,582)</u></u>

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Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis.

Hospital Self-Insurance Fund - This fund is used to account for the operation of the hospital self-insurance program for County employees.

Workmen's Compensation Self-Insurance Fund – This fund is used to account for the operation of the workmen's compensation self-insurance program for the County employees.

Fleet Management Fund – This fund is used to account for the operations, repairs, and maintenance of the County's fleet of vehicles.

Wayne County, North Carolina
Combining Balance Sheet
Internal Service Funds
June 30, 2022

	WC Self Insurance Fund	Hospital Self Insurance Fund	Fleet Management Fund	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 650,513	\$ 2,708,142	\$ 54,310	\$ 3,412,965
Accounts receivables, net	272,685	2,825	4,106	279,616
Receivables from other governments	-	-	17,997	17,997
Inventories	-	-	22,161	22,161
Total current assets	<u>923,198</u>	<u>2,710,967</u>	<u>98,574</u>	<u>3,732,739</u>
Non-current assets:				
Capital Assets:				
Other capital assets, net of depreciation	-	-	29,971	29,971
Total capital assets	-	-	29,971	29,971
Total assets	<u>923,198</u>	<u>2,710,967</u>	<u>128,545</u>	<u>3,762,710</u>
Liabilities				
Liabilities				
Accounts payable	-	586,013	1,398	587,411
Total current liabilities	-	586,013	1,398	587,411
Total liabilities	-	586,013	1,398	587,411
Net Position				
Invested in capital assets, net of related debt	-	-	29,971	29,971
Unrestricted	923,198	2,124,954	97,176	3,145,328
Total net position	<u>\$ 923,198</u>	<u>\$ 2,124,954</u>	<u>\$ 127,147</u>	<u>\$ 3,175,299</u>

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

Exhibit J-2

	WC Self Insurance Fund	Hospital Self Insurance Fund	Fleet Management Fund	Total
Operating revenues:				
Insurance premiums	\$ 563,650	\$ 8,717,594	\$ -	\$ 9,281,244
Fleet services	-	-	430,655	430,655
Total operating revenues	563,650	8,717,594	430,655	9,711,899
Operating expenses:				
Salaries and employee benefits	-	-	164,995	164,995
Other departmental expenses	600	8,145,038	105,687	8,251,325
Other supplies and expenses	-	-	263,988	263,988
Utilities	-	-	3,468	3,468
Insurance claims and expenses	1,119,293	-	-	1,119,293
Total operating expenses	1,119,893	8,145,038	538,138	9,803,069
Operating loss	(556,243)	572,556	(107,483)	(91,170)
Non-operating revenues (expenses):				
Investment earnings	580	1,537	67	2,184
Miscellaneous revenue	-	7,059	-	7,059
Total non-operating revenues	580	8,596	67	9,243
Transfers in	250,000	-	-	250,000
Transfers out	-	-	(16,132)	(16,132)
Special item - gain (loss) on sale of	-	-	-	-
	250,000	-	(16,132)	233,868
Change in net position	(305,663)	581,152	(123,548)	151,941
Total net position - beginning	1,228,861	1,543,802	250,695	3,023,358
Total net position - ending	<u>\$ 923,198</u>	<u>\$ 2,124,954</u>	<u>\$ 127,147</u>	<u>\$ 3,175,299</u>

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

	Business-type Activities			
	Major			
	WC Self- Insurance Fund	Hospital Self- Insurance Fund	Fleet Management Fund	Totals
Cash flows from operating activities:				
Receipts from customers	\$ 290,965	\$ 8,718,743	\$ 436,886	\$ 9,446,594
Payments to suppliers of goods & services	(1,120,173)	(8,148,725)	(532,836)	(9,801,734)
Proceeds from unrestricted revenues	-	7,059	-	7,059
Net cash provided (used) by operating activities	(829,208)	577,077	(95,950)	(348,081)
Cash flows from noncapital financing activities:				
Transfers (to) from other funds	250,000	-	(16,132)	233,868
Net cash provided (used) by noncapital financing activities	250,000	-	(16,132)	233,868
Cash flows from capital and related financing activities:				
Payments for the acquisition of capital assets	-	-	(14,127)	(14,127)
Net cash provided (used) by capital and related financing activities	-	-	(14,127)	(14,127)
Cash flows from investing activities				
Interest payments received	580	1,537	67	2,184
Net cash provided (used) by investing activities	580	1,537	67	2,184
Net increase (decrease) in cash and cash equivalents	(578,628)	578,614	(126,142)	(126,156)
Cash and cash equivalents, July 1	1,229,141	2,129,528	180,452	3,539,121
Cash and cash equivalents, June 30	<u>650,513</u>	<u>2,708,142</u>	<u>54,310</u>	<u>3,412,965</u>
Operating income	(556,243)	572,556	(107,483)	(91,170)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Non operating income	-	7,059	-	7,059
Changes in assets and liabilities				
(Increase) decrease				
Accounts receivable	(272,685)	1,148	6,231	(265,306)
Inventory	-	-	6,053	6,053
Increase (decrease) Accounts payable	(280)	(3,686)	(751)	(4,717)
Total adjustments	(272,965)	4,521	11,533	(256,911)
Net cash provided (used) by operating activities	\$ (829,208)	\$ 577,077	\$ (95,950)	\$ (348,081)

Wayne County, North Carolina
Schedule of Revenues and Expenditures
WC - Self Insurance
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2022

Exhibit K-1

	Budget	Actual	Variance Positive (Negative)
Revenues			
Insurance premiums	\$ 578,800	\$ 563,650	\$ (15,150)
Total operating revenues	578,800	563,650	(15,150)
Non-operating revenues:			
Investment earnings	-	580	580
Total non-operating revenues	-	580	580
Expenditures			
Contractual services	1,400	600	800
Operating expenditures			
Insurance claims and expenses	1,605,243	1,119,293	485,950
Total expenditures	1,606,643	1,119,893	486,750
Other financing sources			
Transfers in	250,000	250,000	-
Appropriated fund balance	777,843	-	(777,843)
Total other financing sources	1,027,843	250,000	(777,843)
Revenues over (under) expenditures	\$ -	\$ (305,663)	\$ (305,663)

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

	2022
Total revenues	\$ 564,230
Total expenditures	(1,119,893)
Other financing	250,000
Revenues over expenditures	(305,663)
Reconciling items:	
No reconciling items	-
Change in net position	\$ (305,663)

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Hospital - Self Insurance
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2022

Exhibit K-2

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Operating revenues:			
Insurance premiums	\$ 9,781,107	\$ 8,717,593	\$ (1,063,514)
Miscellaneous	-	-	-
Total operating revenues	9,781,107	8,717,593	(1,063,514)
Non-operating revenues:			
Investment earnings	-	1,538	1,538
Miscellaneous revenue	48,992	7,059	(41,933)
Total non-operating revenues	48,992	8,597	(40,395)
Expenditures			
Operating expenditures			
Insurance claims and expenses	9,887,988	8,145,038	1,742,950
Total expenditures	9,887,988	8,145,038	1,742,950
Revenues over (under) expenditures	(57,889)	581,152	639,041
Other financing sources			
Appropriated fund balance	57,889	-	(57,889)
Total other financing sources	57,889	-	(57,889)
Revenues over (under) expenditures and other sources	\$ -	\$ 581,152	\$ 581,152

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

	<u>2022</u>
Total revenues	\$ 8,726,190
Total expenditures	(8,145,038)
Other financing	-
Revenues over expenditures	581,152
Reconciling items:	
No reconciling items	-
Change in net position	\$ 581,152

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Fleet Management
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2022

Exhibit K-3

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Charges for services			
Operating revenues:			
Fleet services	\$ 555,300	\$ 430,655	\$ (124,645)
Total operating revenues	555,300	430,655	(124,645)
Non-operating revenues:			
Investment earnings	-	67	67
Total non-operating revenues	-	67	67
Total revenues	555,300	430,722	(124,578)
Expenditures			
Operating expenditures			
Salaries and wages	184,493	164,995	19,498
Repairs and maintenance	660	-	660
Other departmental expenses	106,652	105,687	965
Other supplies and expenses	272,094	263,988	8,106
Utilities	3,560	3,468	92
Total expenditures	567,459	538,138	29,321
Revenues under expenditures	(12,159)	(107,416)	(95,257)
Budgetary appropriations			
Capital outlay	14,239	14,127	112
Total	14,239	14,127	112
Total expenditures	581,698	552,265	29,433
Other financing sources (expenses)			
Transfers out	(16,132)	(16,132)	-
Appropriated fund balance	42,530	-	42,530
Total other financing sources	26,398	(16,132)	42,530
Revenues over (under) expenditures and other sources	\$ -	\$ (137,742)	\$ (137,742)

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

	<u>2022</u>
Total revenues	\$ 430,722
Total expenditures	(552,265)
Other financing	(16,132)
Revenues over expenditures	(137,675)
Reconciling items:	
Capital outlay	14,127
No reconciling items	-
Change in net position	\$ (123,548)

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Agency Funds

Agency Funds are used to account for assets held by the County as an agent for individuals and/or other governments.

Agency Funds

Municipal Tax Fund - This fund accounts for property tax proceeds collected by the County and distributed to the municipalities within the County.

Inmate Accounts Fund – This fund accounts for moneys collected at the time of the inmate's booking process, any monies deposited by family/friends, less funds spent on commissary items or medical/damage charges. The balance is returned to the inmate upon their release or transfer.

Miscellaneous Agency Funds - These funds account for moneys collected from various civic organizations and held in a fiduciary capacity to augment the activities financed by public funds.

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

	Municipal Tax	Inmate Accounts	Miscellaneous	Total Custodial
	Fund	Fund	Fund	Funds
Assets				
Cash and cash equivalents	\$ 38,999	82,788	19,417	\$ 141,204
Taxes receivable for other governments, net	862,401	-	543	862,944
Total assets	901,400	82,788	19,960	1,004,148
Liabilities				
Miscellaneous liabilities	-	-	-	-
Total liabilities	-	-	-	-
Net Position				
Individuals, organizations, other governments	901,400	82,788	19,960	1,004,148
Total fiduciary net position	\$ 901,400	\$ 82,788	\$ 19,960	\$ 1,004,148

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

	Municipal Tax Fund	Inmate Account Fund	Miscellaneous Fund	Total Custodial Funds
Additions				
Ad valorem taxes collected for other governments	\$ 21,680,263	\$ 29,514	\$ -	\$ 21,709,777
Collections on behalf of inmates	-	891,496	-	891,496
Miscellaneous custodial funds	-	-	24,022	24,022
Total additions	21,680,263	921,010	24,022	22,625,295
Deductions				
Tax distributions to other governments	21,684,623	-	-	21,684,623
Payments on behalf of inmates	-	881,691	-	881,691
Payments of miscellaneous custodial funds	-	-	11,713	11,713
Transfer to general fund	-	-	-	-
Total deductions	21,684,623	881,691	11,713	22,578,027
Net increase (decrease) in fiduciary net position	(4,360)	39,319	12,309	47,268
Net position - beginning of year	905,760	72,983	7,651	986,394
Net position - end of year	<u>\$ 901,400</u>	<u>\$ 112,302</u>	<u>\$ 19,960</u>	<u>\$ 1,033,662</u>

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Other Schedules

This section includes additional information on property taxes, and Emergency Telephone System Unspent Balance.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy
- Secondary Market Disclosures

Wayne County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivables
June 30, 2022

<u>Fiscal Year</u>	Uncollected Balance June 30, 2021	Additions	Collections and Credits	Uncollected Balance June 30, 2022
2021-2022	\$ -	\$ 57,533,399 (a)	56,643,474 (b)	\$ 889,925 (c)
2020-2021	855,270	2,164	506,509	350,925
2019-2020	441,607	800	198,944	243,463
2018-2019	236,874	794	75,891	161,777
2017-2018	171,982	794	44,361	128,415
2016-2017	130,354	794	26,462	104,686
2015-2016	113,056	-	19,133	93,923
2014-2015	94,093	-	14,208	79,885
2013-2014	140,752	-	12,070	128,682
2013 and before	417,961	-	15,251	402,710
	<u>\$ 2,601,949</u>	<u>\$ 57,538,745</u>	<u>\$ 57,556,303 (d)</u>	<u>2,584,391</u>

Less: allowance for uncollectible accounts:

General Fund

(1,006,474)

Ad valorem taxes receivable - net:

General Fund

\$ 1,577,917

Reconcilement with revenues:

Ad valorem taxes - General Fund

\$ 57,448,076

Interest collected on ad valorem taxes-General Fund

320,487

Reconciling items:

Interest collected

(320,487)

Rebates & releases

54,164

Late listing

54,064

Total reconciling items

(212,259)

Total collections and credits

\$ 57,556,304 (d)

Wayne County, North Carolina
Analysis of Current Tax Levy
County-wide Levy
For the Fiscal Year Ended June 30, 2022

	<u>County - wide</u>			<u>Total Levy</u>	
	<u>Property</u>	<u>Rate</u>	<u>Amount</u>	<u>Property</u>	<u>Registered</u>
	<u>Valuation</u>		<u>of Levy</u>	<u>excluding</u>	<u>Motor</u>
				<u>Registered</u>	<u>Motor</u>
				<u>Motor</u>	<u>Vehicles</u>
				<u>Vehicles</u>	<u>Vehicles</u>
Original levy:					
Property taxes					
at current year's rate	\$ 9,280,260,030	0.7075	\$ 65,657,840	\$ 57,503,583	\$ 8,154,257
Penalties	-		48,093	48,093	-
Total	<u>9,280,260,030</u>		<u>65,705,933</u>	<u>57,551,676</u>	<u>8,154,257</u>
Discoveries:					
Current year taxes	35,491,025	0.7075	251,099	251,099	-
Penalties			5,970	5,970	-
Total	<u>35,491,025</u>		<u>257,069</u>	<u>257,069</u>	<u>-</u>
Abatements:					
Current year taxes	38,918,194	0.7075	275,346	275,346	-
Total property valuation	<u>\$ 9,276,832,861</u>				
Net levy			65,687,656	57,533,399 (a)	8,154,257
Uncollected taxes at June 30, 2021			<u>889,925</u> (c)	<u>889,925</u>	<u>-</u>
Current year's taxes collected			<u>\$ 64,797,731</u>	<u>\$ 56,643,474</u> (b)	<u>\$ 8,154,257</u>
Current levy collection percentage			<u>98.65%</u>	<u>98.45%</u>	<u>100.00%</u>

Wayne County , North Carolina
Secondary Market Disclosures
County-wide Levy
For the Fiscal Year Ended June 30, 2022

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio ¹	100%
Real Property	\$ 6,544,981,743
Personal Property	1,918,868,465
Public Service Companies ²	812,982,653
Assessed Valuation at Current Year Rates	<u>9,276,832,861</u>
Tax Rate per \$100	<u>0.7075</u>
	65,633,592
Penalties	<u>54,064</u>
Levy (includes discoveries, releases and abatements) ³	<u>65,687,656</u>
Total Assessed Valuation	\$ <u>9,276,832,861</u>
Levy (includes discoveries, releases and abatements)-all rates	\$ <u>65,687,656</u>

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

School Districts	\$ -
Fire Protection Districts	<u>3,392,768</u>
Total	\$ <u>3,392,768</u>

¹ Percentage of appraised value has been established by statute.

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

³ The levy includes interest and penalties.

Statistical Section

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Statistical Section

This part of the Wayne County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
<i>These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	195
Revenue Capacity	
<i>These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	205
Debt Capacity	
<i>These tables present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	210
Demographic and Economic Information	
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Operating Information	
<i>These tables contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	217

Wayne County, North Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities:				
Net investment in capital assets	\$ 43,911,545	\$ 49,308,882	\$ 48,979,040	\$ 74,488,975
Restricted for:				
General government	443,048	3,774,081	2,568,863	1,260,698
Future debt obligations	1,071,859	2,143,772	3,215,487	4,287,311
Capital improvements	-	-	-	-
Public safety	2,875,580	2,088,112	1,886,348	1,696,044
Education	17,042,786	12,510,649	11,267,722	7,850,060
Stabilization by State Statute	5,940,064	5,399,018	6,717,578	7,110,594
Register of Deeds pension plan	-	-	-	-
Senior Center-earnings	-	-	-	6
Restricted for (nonexpendable):				
Senior Center-principal	-	-	2,100	7,100
Unrestricted	<u>43,891,572</u>	<u>48,538,748</u>	<u>53,457,527</u>	<u>36,385,546</u>
Total governmental activities net position	<u>115,176,454</u>	<u>123,763,262</u>	<u>128,094,665</u>	<u>133,086,334</u>
Business-type activities:				
Net investment in capital assets	28,903,951	28,324,030	28,469,555	30,696,293
Unrestricted	<u>4,151,565</u>	<u>4,397,099</u>	<u>4,550,695</u>	<u>8,658,123</u>
Total business-type activities net position	<u>33,055,516</u>	<u>32,721,129</u>	<u>33,020,250</u>	<u>39,354,416</u>
Primary government:				
Net investment in capital assets	72,815,496	77,632,912	77,448,595	105,185,268
Restricted for (expendable):				
General government	443,048	3,774,081	2,568,863	1,260,698
Future debt obligations	1,071,859	2,143,772	3,215,487	4,287,311
Capital improvements	-	-	-	-
Public safety	2,875,580	2,088,112	1,886,348	1,696,044
Education	17,042,786	12,510,649	11,267,722	7,850,060
Stabilization by State Statute	5,940,064	5,399,018	6,717,578	7,110,594
Register of Deeds pension plan	-	-	-	-
Senior Center-earnings	-	-	-	6
Restricted for (nonexpendable):				
Senior Center-principal	-	-	2,100	7,100
Unrestricted	<u>48,043,137</u>	<u>52,935,847</u>	<u>58,008,222</u>	<u>45,043,669</u>
Total primary government net position	<u>\$ 148,231,970</u>	<u>\$ 156,484,391</u>	<u>\$ 161,114,915</u>	<u>\$ 172,440,750</u>

Note: See note disclosure I, D, 11 regarding the decline in unrestricted net position of the governmental activities net position.

Source: Annual audited financial statements of this entity.

Table 1-A

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	84,009,596	\$ 83,342,500	\$ 86,075,786	\$ 93,027,599	\$ 101,332,091	\$ 97,579,730
	1,183,193	928,043	1,118,262	1,464,076	1,395,982	6,256,466
	5,359,241	6,431,278	7,503,421	8,575,674	9,648,030	10,720,497
	2,626,905	-	-	-	-	-
	485,593	1,505,969	1,701,848	2,198,358	1,519,014	884,916
	26,350,512	7,822,971	9,785,394	4,761,419	2,661,483	4,688,835
	9,693,425	6,864,086	9,141,828	11,730,429	13,506,416	18,712,599
	183,300	166,701	157,946	157,946	206,773	157,230
	26	170	189	280	285	290
	7,100	7,100	7,100	7,100	7,600	8,600
	6,014,025	563,477	(6,313,473)	(17,506,924)	(15,395,017)	(2,232,330)
	<u>135,912,916</u>	<u>107,632,295</u>	<u>109,178,301</u>	<u>104,415,957</u>	<u>114,882,657</u>	<u>136,776,833</u>
	33,151,761	42,870,075	45,685,683	50,048,457	46,851,856	47,454,577
	8,600,185	1,718,563	3,183,440	4,291,835	4,121,405	4,902,976
	<u>41,751,946</u>	<u>44,588,638</u>	<u>48,869,123</u>	<u>54,340,292</u>	<u>50,973,261</u>	<u>52,357,553</u>
	117,161,357	126,212,575	131,761,469	143,076,056	148,183,947	145,034,307
	1,183,193	928,043	1,118,262	1,464,076	1,395,982	6,256,466
	5,359,241	6,431,278	7,503,421	8,575,674	9,648,030	10,720,497
	2,626,905	-	-	-	-	-
	485,593	1,505,969	1,701,848	2,198,358	1,519,014	884,916
	26,350,512	7,822,971	9,785,394	4,761,419	2,661,483	4,688,835
	9,693,425	6,864,086	9,141,828	11,730,429	13,506,416	18,712,599
	183,300	166,701	157,946	157,946	206,773	157,230
	26	170	189	280	285	290
	7,100	7,100	7,100	7,100	7,600	8,600
	14,614,210	2,282,040	(3,130,033)	(13,215,089)	(11,273,612)	2,670,646
\$	<u><u>177,664,862</u></u>	<u><u>152,220,933</u></u>	<u><u>158,047,424</u></u>	<u><u>158,756,249</u></u>	<u><u>165,855,918</u></u>	<u><u>189,134,386</u></u>

Wayne County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Expenses</u>			
Governmental Activities:			
General government	\$ 12,343,016	\$ 12,490,505	\$ 12,368,863
Public safety	22,037,055	21,625,673	21,654,541
Transportation	490,796	1,020,522	381,974
Human services	32,077,683	30,053,084	29,901,977
Cultural and recreation	1,942,729	1,933,460	2,334,770
Education	25,592,686	24,879,620	24,559,080
Interest on long-term debt	778,716	319,874	2,271,474
Environmental protection	843,822	835,274	775,891
Economic and physical development	753,397	804,303	2,216,080
Total government activities expenses	<u>96,859,900</u>	<u>93,962,315</u>	<u>96,464,650</u>
Business-type activities:			
Solid waste disposal	4,158,736	4,294,326	4,304,345
EMS - EMS Net	6,919,508	7,015,107	7,138,260
Sewer	481,878	579,083	629,487
EMS nonemergency transportation	1,373,590	1,386,321	1,223,057
Jetport	1,118,540	1,062,101	962,283
Maxwell Center	-	-	-
Total business-type activities expenses	<u>14,052,252</u>	<u>14,336,938</u>	<u>14,257,432</u>
Total primary government expenses	<u><u>110,912,152</u></u>	<u><u>108,299,253</u></u>	<u><u>110,722,082</u></u>
<u>Program Revenues</u>			
Governmental Activities:			
Charges for services:			
General government	3,504,880	3,779,248	2,913,747
Public safety	1,734,612	1,679,764	1,654,030
Transportation	-	-	-
Human services	3,024,589	2,220,629	2,264,735
Culture and recreation	64,879	56,360	62,162
Environmental protection	4,598	5,887	6,352
Economic and physical development	-	(912.00)	-
Operating and capital grants, and contributions	20,275,546	22,013,478	24,104,254
Total governmental activities program revenues	<u>28,609,104</u>	<u>29,754,454</u>	<u>31,005,280</u>
Business-type activities:			
Charges for services:			
Solid waste disposal	3,841,329	4,005,749	4,307,139
EMS - EMS Net	4,292,843	4,164,330	4,983,531
Sewer	282,539	338,057	373,186
EMS Nonemergency transportation	1,501,554	1,325,703	1,149,005
Jetport	659,051	636,232	525,894
Maxwell Center	-	-	-
Operating grants and contributions	1,006,570	995,529	1,394,245
Total business-type activities program revenues	<u>11,583,886</u>	<u>11,465,600</u>	<u>12,733,000</u>
Total primary government program revenues	<u><u>40,192,990</u></u>	<u><u>41,220,054</u></u>	<u><u>43,738,280</u></u>
<u>Net (Expense)/Revenue</u>			
Governmental activities	(68,250,796)	(64,207,861)	(65,459,370)
Business-type activities	(2,468,366)	(2,871,338)	(1,524,432)
Total primary government net expense	<u><u>\$ (70,719,162)</u></u>	<u><u>\$ (67,079,199)</u></u>	<u><u>\$ (66,983,802)</u></u>

Table 1-B

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 12,325,585	\$ 12,413,717	\$ 15,851,523	\$ 14,113,920	\$ 14,957,710	\$ 15,003,046	\$ 16,004,509
24,195,295	27,757,877	28,265,627	29,747,584	30,771,396	46,326,721	42,768,130
255,919	288,553	342,179	401,409	444,493	216,595	487,403
29,695,951	29,748,429	27,676,367	26,284,213	26,408,593	29,020,919	25,552,599
2,151,928	2,398,219	2,458,207	2,559,040	2,528,812	2,728,431	2,574,396
26,186,821	28,927,009	29,700,156	29,245,606	35,940,325	30,777,796	28,377,205
2,174,838	1,312,337	1,604,188	1,554,463	1,484,537	2,302,473	2,367,500
852,483	883,895	915,707	1,126,413	1,276,287	166,547	10,659
1,696,922	1,201,470	1,330,486	1,991,925	5,852,543	3,031,739	2,913,894
<u>99,535,742</u>	<u>104,931,506</u>	<u>108,144,440</u>	<u>107,024,573</u>	<u>119,664,696</u>	<u>129,574,267</u>	<u>121,056,295</u>
4,422,152	4,503,860	4,552,742	4,564,560	5,081,978	5,638,128	5,130,774
11,233,893	12,766,445	12,510,315	12,563,366	12,269,924	-	-
654,838	470,379	760,054	852,243	719,211	935,340	807,738
-	-	-	-	-	-	-
1,050,842	1,117,726	1,249,400	1,338,975	1,240,259	1,284,183	1,360,647
-	37,073	1,181,564	1,727,393	1,888,906	2,061,675	2,629,271
<u>17,361,725</u>	<u>18,895,483</u>	<u>20,254,075</u>	<u>21,046,537</u>	<u>21,200,278</u>	<u>9,919,326</u>	<u>9,928,430</u>
<u>116,897,467</u>	<u>123,826,989</u>	<u>128,398,515</u>	<u>128,071,110</u>	<u>140,864,974</u>	<u>139,493,593</u>	<u>130,984,725</u>
3,605,184	4,284,428	4,215,884	2,682,513	3,913,478	2,126,043	2,835,583
1,800,539	2,182,244	3,410,822	5,629,317	2,829,288	10,805,523	13,941,959
-	-	-	-	-	105,674	116,880
2,128,060	2,058,240	2,179,407	2,171,524	2,063,064	2,509,947	4,385,179
68,559	67,090	65,323	59,062	41,912	206,488	202,360
6,335	7,194	5,275	9,311	5,360	-	-
-	-	-	-	-	72,641	84,917
<u>25,141,864</u>	<u>25,552,030</u>	<u>18,726,600</u>	<u>19,491,424</u>	<u>23,377,353</u>	<u>27,517,405</u>	<u>19,195,634</u>
<u>32,750,541</u>	<u>34,151,226</u>	<u>28,603,311</u>	<u>30,043,151</u>	<u>32,230,455</u>	<u>43,343,721</u>	<u>40,762,512</u>
3,969,204	4,505,640	4,577,771	5,074,382	5,140,008	5,133,692	5,374,209
6,660,861	7,668,760	7,470,911	7,934,981	7,096,141	-	-
460,580	390,201	450,242	599,450	558,672	712,703	632,874
-	-	-	-	-	-	-
495,218	603,961	723,674	738,578	638,418	727,367	822,597
-	1,537,039	795,521	1,243,600	1,123,683	845,228	1,169,535
<u>4,267,065</u>	<u>2,491,345</u>	<u>1,813,870</u>	<u>2,676,981</u>	<u>6,300,496</u>	<u>891,650</u>	<u>1,232,581</u>
<u>15,852,928</u>	<u>17,196,946</u>	<u>15,831,989</u>	<u>18,267,972</u>	<u>20,857,418</u>	<u>8,310,640</u>	<u>9,231,796</u>
<u>48,603,469</u>	<u>51,348,172</u>	<u>44,435,300</u>	<u>48,311,123</u>	<u>53,087,873</u>	<u>51,654,361</u>	<u>49,994,308</u>
(66,785,201)	(70,780,280)	(79,541,129)	(76,981,422)	(87,434,241)	(86,230,546)	(80,293,783)
(1,508,797)	(1,698,537)	(4,422,086)	(2,778,565)	(342,860)	(1,608,686)	(696,634)
<u>\$ (68,293,998)</u>	<u>\$ (72,478,817)</u>	<u>\$ (83,963,215)</u>	<u>\$ (79,759,987)</u>	<u>\$ (87,777,101)</u>	<u>\$ (87,839,232)</u>	<u>\$ (80,990,417)</u>

Wayne County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

General Revenues and Other Changes in Net Position

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities:			
Taxes:			
Property taxes	\$ 57,083,125	\$ 57,746,209	\$ 56,375,308
Local option sales tax	17,389,549	17,485,548	18,683,423
Other taxes and licenses	206,338	416,469	357,554
Investment earnings, unrestricted	115,525	59,314	85,950
Miscellaneous, unrestricted	443,751	279,589	115,847
Transfers	<u>(1,426,009)</u>	<u>(2,529,152)</u>	<u>(2,482,848)</u>
Total governmental activities	<u>73,812,279</u>	<u>73,457,977</u>	<u>73,135,234</u>
Business-type activities:			
Investment earnings, unrestricted	15,552	7,800	9,278
Miscellaneous, unrestricted	-	-	-
Transfers	<u>1,426,009</u>	<u>2,529,152</u>	<u>2,482,848</u>
Total business-type activities	<u>1,441,561</u>	<u>2,536,952</u>	<u>2,492,126</u>
Total primary government	<u><u>75,253,840</u></u>	<u><u>75,994,929</u></u>	<u><u>75,627,360</u></u>

Change in Net Position

Governmental activities	5,561,483	9,250,116	7,675,864
Business activities	<u>(1,026,805)</u>	<u>(334,386)</u>	<u>967,694</u>
Total primary government	<u><u>\$ 4,534,678</u></u>	<u><u>\$ 8,915,730</u></u>	<u><u>\$ 8,643,558</u></u>

Source: Annual audited financial statements of this entity.

Table 1-B

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 58,672,780	\$ 57,741,770	\$ 58,872,411	\$ 59,799,476	\$ 62,052,615	\$ 64,641,923	\$ 69,848,719
19,379,479	21,073,395	20,952,048	23,254,541	25,091,605	29,196,677	32,096,039
306,924	311,970	283,924	314,324	318,340	261,155	240,400
80,801	164,342	622,168	989,403	586,143	136,110	152,134
421,945	190,526	242,115	122,409	229,261	558,410	474,025
(4,037,905)	(4,051,886)	(12,387,837)	(6,832,220)	(5,055,778)	(1,431,259)	(2,058,556)
<u>74,824,024</u>	<u>75,430,117</u>	<u>68,584,829</u>	<u>77,647,933</u>	<u>83,222,186</u>	<u>93,363,016</u>	<u>100,752,761</u>
28,741	44,183	112,228	286,829	208,251	24,781	22,370
(461)	-	-	-	-	-	-
<u>4,037,905</u>	<u>4,051,886</u>	<u>12,387,837</u>	<u>6,832,220</u>	<u>5,055,778</u>	<u>1,439,372</u>	<u>2,058,556</u>
<u>4,066,185</u>	<u>4,096,069</u>	<u>12,500,065</u>	<u>7,119,049</u>	<u>5,264,029</u>	<u>1,464,153</u>	<u>2,080,926</u>
<u>78,890,209</u>	<u>79,526,186</u>	<u>81,084,894</u>	<u>84,766,982</u>	<u>88,486,215</u>	<u>94,827,169</u>	<u>102,833,687</u>
8,038,823	4,649,837	(10,956,300)	666,511	(4,212,055)	7,132,470	20,458,978
2,557,388	2,397,532	8,077,979	4,340,484	4,921,169	(144,533)	1,384,292
<u>\$ 10,596,211</u>	<u>\$ 7,047,369</u>	<u>\$ (2,878,321)</u>	<u>\$ 5,006,995</u>	<u>\$ 709,114</u>	<u>\$ 6,987,937</u>	<u>\$ 21,843,270</u>

Wayne County, North Carolina
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Restricted for:				
Stabilization by State Statute	\$ 5,734,752	\$ 5,160,470	\$ 6,309,654	\$ 6,564,718
Future debt payments, QSCB	1,071,859	2,143,772	3,215,487	4,287,311
Public schools	10,304,722	12,510,648	5,579,616	5,767,329
Law enforcement	401,893	286,214	234,161	82,237
Tax revaluation	649,500	729,968	818,003	899,701
Court facilities	362,079	425,935	-	-
Economic development	-	3,069,192	1,554,352	35,459
Grants	200,000	187,866	121,554	235,736
Committed for:				
LEO Pension	-	-	-	947,742
Future capital projects	-	7,000,000	-	32,000
Community College	483,881	483,881	764,812	704,925
Public schools	3,170,566	3,068,199	1,270,720	2,536,751
Assigned for:				
Subsequent year's expenditures	10,453,723	5,512,988	5,876,487	1,549,268
Donations	141,399	15,713	34,811	1,200
Unassigned	28,794,879	29,757,299	26,346,813	34,806,329
Total general fund	<u>61,769,253</u>	<u>70,352,145</u>	<u>52,126,470</u>	<u>58,450,706</u>
All Other Governmental Funds				
Non-spendable:				
Senior Center-principal	-	-	2,100	7,100
Restricted for:				
Stabilization by State Statute	205,312	238,548	404,723	442,256
Fire protection	10,336	2,850	6,360	4,651
Public schools	1,386,912	-	5,688,105	2,082,730
Capital improvements	-	-	-	-
Public safety	2,277,481	1,801,898	1,645,827	1,616,170
Community development	88,071	88,238	74,954	82,789
Transportation	-	-	-	-
Grants	-	-	-	-
Social services/senior center	-	-	-	6
Committed for:				
Future capital projects	9,732,563	6,776,076	15,526,441	4,705,007
Public Schools	-	-	6,447,561	-
Assigned for:				
Subsequent year's expenditures	-	-	-	-
Donations	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	\$ <u>13,700,675</u>	\$ <u>8,907,610</u>	\$ <u>29,796,071</u>	\$ <u>8,940,709</u>

Source: Annual audited financial statements of this entity.

Table 1-C

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	9,428,553	\$ 6,465,996	\$ 7,432,110	\$ 10,190,047	\$ 12,220,676	\$ 17,624,490
	5,359,241	6,431,278	7,503,421	8,575,674	9,648,030	10,720,497
	7,268,541	6,158,969	5,342,094	2,030,530	1,505,735	3,224,972
	69,309	156,159	124,896	168,267	175,352	355,076
	904,008	758,020	533,621	565,677	546,273	524,715
	-	16,900	-	-	-	-
	-	-	-	-	-	4,929,568
	119,007	67,205	37,392	318,881	172,310	192,145
	-	-	-	-	-	-
	1,258,000	1,294,968	1,097,207	-	-	-
	445,566	169,497	989,782	20,915	37,873	40,494
	2,178,268	1,585,298	1,516,675	1,177,099	1,506,696	-
	766,743	310,198	719,611	241,806	1,158,643	2,122,032
	31,244	-	40,262	47,157	-	15,000
	29,456,661	22,023,497	18,689,670	13,345,076	39,636,183	30,309,843
	<u>57,285,141</u>	<u>45,437,985</u>	<u>44,026,741</u>	<u>36,681,130</u>	<u>66,607,772</u>	<u>70,058,833</u>
	7,100	7,100	7,100	7,100	7,600	8,600
	264,872	398,090	1,709,716	1,540,382	1,285,740	1,088,109
	7,249	285	3,159	2,398	39,340	39,771
	23,234,194	14,763,436	4,443,300	2,730,889	1,154,542	1,463,863
	2,626,905	57,396	169,385	372,158	-	-
	478,344	1,349,810	1,576,952	2,030,092	1,168,312	884,959
	90,869	-	-	7,557	-	-
	-	28,240	374,708	398,283	464,708	479,079
	-	-	-	-	1,238	11,970
	26	170	189	280	73,868	79,483
	7,701,140	10,396,237	10,509,086	8,677,129	5,997,703	19,943,994
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>34,410,699</u>	<u>\$ 27,000,764</u>	<u>\$ 18,793,595</u>	<u>\$ 15,766,268</u>	<u>\$ 10,193,051</u>	<u>\$ 23,999,828</u>

Wayne County, North Carolina
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues				
Ad valorem taxes	\$ 57,083,132	\$ 57,928,863	\$ 57,149,804	\$ 58,611,538
Local option sales taxes	17,389,550	17,485,548	18,775,454	19,486,558
Other taxes and licenses	584,906	586,728	601,781	586,345
Unrestricted intergovernmental	794,455	795,501	3,675,237	799,519
Restricted intergovernmental	20,238,732	21,966,970	21,896,044	25,570,656
Permits and fees	1,709,077	1,813,760	1,982,384	2,115,803
Sales and services	4,511,955	4,055,767	3,741,525	3,882,954
Investment earnings	113,640	57,787	70,645	76,805
Miscellaneous	1,489,452	1,192,089	949,531	1,941,563
Client account income	-	-	-	-
Payments from other municipalities	-	-	195,988	190,955
Total revenues	<u>103,914,899</u>	<u>105,883,013</u>	<u>109,038,393</u>	<u>113,262,696</u>
Expenditures				
General government	11,378,957	11,858,726	11,414,481	12,029,395
Public safety	22,556,043	20,936,011	21,965,497	23,514,436
Transportation	382,381	455,646	294,890	223,495
Economic and physical development	1,794,229	3,180,155	3,915,820	1,772,339
Human services	31,194,221	29,772,137	30,983,424	30,398,607
Cultural and recreational	1,887,005	1,854,046	2,305,648	2,181,044
Intergovernmental: education	31,780,339	25,138,251	24,546,990	24,538,805
Capital outlay	1,730,005	7,227,501	44,065,315	20,461,562
Debt service:				
Principal	1,512,000	1,470,000	2,058,838	4,308,703
Interest and other charges	776,010	823,724	1,488,737	2,073,005
Total expenditures	<u>104,991,190</u>	<u>102,716,197</u>	<u>143,039,640</u>	<u>121,501,391</u>
Excess of revenues over (under) expenditures	(1,076,291)	3,166,816	(34,001,247)	(8,238,695)
Other Financing Sources (Uses)				
Proceeds from lease financing	-	-	-	-
Transfers from other funds	109,545	4,798,797	38,452,000	590,001
Transfers to other funds	(1,535,554)	(7,327,949)	28,260,732	(5,229,354)
Permanent fund donation	-	-	2,100	5,000
Issuance of debt	-	3,069,192	(30,743,580)	971,527
Sale of capital assets	27,934	82,917	690,687	414,351
Total other financing sources (uses)	<u>(1,398,075)</u>	<u>622,957</u>	<u>36,661,939</u>	<u>(3,248,475)</u>
Net change in fund balances	\$ <u>(2,474,366)</u>	\$ <u>3,789,773</u>	\$ <u>2,660,692</u>	\$ <u>(11,487,170)</u>
Debt service as a percentage of noncapital expenditures	2.2%	2.4%	3.6%	6.3%

Source: Annual audited financial statements of this entity.

Table 1-D

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	57,873,488	\$ 58,783,137	\$ 59,700,310	\$ 61,947,311	\$ 64,777,343	\$ 69,875,885
	20,985,491	21,107,894	25,299,702	25,265,261	28,663,508	32,104,621
	582,477	552,138	541,101	523,216	534,310	1,857,110
	642,827	595,438	461,815	657,955	1,533,607	2,226,188
	23,439,360	19,419,311	20,714,942	23,586,511	22,086,490	18,061,231
	2,260,700	2,241,981	2,305,821	2,739,881	3,029,219	1,995,270
	3,456,995	5,305,173	5,345,270	4,741,164	14,070,895	17,203,610
	157,371	650,832	1,014,569	664,534	80,092	107,671
	1,340,810	1,129,108	1,578,945	1,371,258	2,219,098	2,623,276
	-	-	-	-	225,411	284,602
	<u>210,656</u>	<u>210,366</u>	<u>210,077</u>	<u>59,444</u>	<u>63,981</u>	<u>20,635</u>
	110,950,175	109,995,378	117,172,552	121,556,535	137,283,954	146,360,099
	12,140,294	12,696,719	12,061,266	13,036,811	13,721,176	13,429,401
	26,539,211	26,649,302	28,220,163	28,773,357	41,221,937	42,876,594
	343,488	2,204,696	386,776	430,519	220,785	478,367
	1,510,719	1,947,853	4,369,580	7,474,373	2,456,432	2,782,884
	29,390,247	27,986,240	27,388,883	25,750,258	26,398,199	26,524,812
	2,388,494	2,427,910	2,537,030	2,368,228	2,480,640	2,701,527
	26,835,179	27,299,175	26,920,372	33,669,871	29,213,559	27,963,903
	5,558,304	8,419,620	10,551,952	9,318,264	5,893,797	2,433,337
	4,279,692	5,019,267	5,049,747	3,674,484	3,303,000	4,410,497
	<u>1,734,533</u>	<u>2,483,574</u>	<u>2,447,434</u>	<u>2,370,220</u>	<u>2,270,536</u>	<u>2,343,330</u>
	110,720,161	117,134,356	119,933,203	126,866,385	127,180,061	125,944,652
	230,014	(7,138,978)	(2,760,651)	(5,309,850)	10,103,893	20,415,447
	-	-	-	-	-	293,646
	7,001,682	6,568,119	641,673	13,414,433	15,784,044	28,445,641
	(11,057,292)	(18,963,786)	(7,551,133)	(18,640,744)	(17,215,892)	(30,429,668)
	-	-	-	-	500	1,000
	28,005,133	-	-	-	9,930,468	-
	<u>124,892</u>	<u>277,443</u>	<u>51,796</u>	<u>163,223</u>	<u>313,552</u>	<u>214,031</u>
	<u>24,074,415</u>	<u>(12,118,224)</u>	<u>(6,857,664)</u>	<u>(5,063,088)</u>	<u>8,812,672</u>	<u>(1,475,350)</u>
\$	<u>24,304,429</u>	\$ <u>(19,257,202)</u>	\$ <u>(9,618,315)</u>	\$ <u>(10,372,938)</u>	\$ <u>18,916,565</u>	\$ <u>18,940,097</u>
	5.7%	6.9%	7.1%	5.3%	4.6%	5.5%

Wayne County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year Ended June 30,	Real Property	Personal Property	Less: Tax-Exempt Property	Subtotal Property	Public Service Property	Total Taxable Assessed Value	Total Direct Tax Rate
2013	\$ 6,382,770	\$ 1,326,749	\$ 641,208	\$ 7,068,311	\$ 641,208	\$ 7,709,519	\$ 0.664
2014	6,223,729	1,435,246	470,252	7,188,723	635,210	7,823,933	0.664
2015	6,267,862	633,307	472,242	6,428,927	642,458	7,071,385	0.664
2016	6,329,035	1,602,490	473,012	7,458,513	669,929	8,128,442	0.664
2017	6,383,407	1,669,376	473,849	7,578,934	653,525	8,232,459	0.664
2018	6,445,468	1,608,667	472,927	7,581,208	723,603	8,304,811	0.664
2019	6,513,018	1,663,347	472,927	7,703,438	721,099	8,424,537	0.664
2020	6,951,909	1,708,416	608,808	8,051,517	719,509	8,771,026	0.664
2021	7,043,074	1,878,188	608,680	8,312,582	791,188	9,103,770	0.664
2022	6,553,112	1,918,868	605,772	7,866,208	812,983	8,679,191	0.706

Source: Original levy as reported by the Tax Assessor for the entity.

Wayne County, North Carolina
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30,	2021	2021	2020	2019	2018	2017	2016	2015	2014	2013
Wayne County (Note 2)	0.708	0.708	0.664	0.664	0.664	0.664	0.664	0.664	0.664	0.664
Municipality Rates:										
City of Goldsboro	0.680	0.680	0.650	0.650	0.650	0.650	0.650	0.650	0.650	0.650
Town of Mount Olive	0.670	0.680	0.640	0.640	0.640	0.640	0.640	0.640	0.590	0.590
Town of Seven Springs	0.540	0.540	0.540	0.540	0.540	0.540	0.540	0.540	0.540	0.540
Town of Fremont	0.680	0.680	0.670	0.660	0.650	0.650	0.650	0.650	0.650	0.650
Town of Pikeville	0.690	0.690	0.690	0.690	0.690	0.690	0.600	0.600	0.600	0.600
Town of Eureka	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.700	0.700
Village of Walnut Creek	0.480	0.420	0.420	0.420	0.420	0.420	0.380	0.380	0.380	0.380
Fire Districts:										
Antioch Fire District	N/A	N/A	N/A	N/A	N/A	0.080	0.080	0.080	0.080	0.080
Arrington Fire District	0.076	0.076	0.076	0.076	0.076	0.076	0.076	0.076	0.076	0.076
Belfast Fire District	0.057	0.057	0.057	0.057	0.057	0.057	0.057	0.057	0.057	0.057
Boon Hill Fire District	0.080	0.080	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050
Dudley Fire District	0.063	0.063	0.063	0.063	0.063	0.063	0.063	0.063	0.063	0.063
East Wayne Fire District	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.080	0.080
Elroy Fire District	0.060	0.060	0.063	0.063	0.063	0.063	0.063	0.063	0.065	0.065
Eureka Fire District	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.080	0.080
Faro Fire District	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.080	0.080
Grantham Fire District	0.069	0.069	0.069	0.069	0.069	0.069	0.069	0.069	0.069	0.069
Indian Springs Fire District	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060
Jordan Chapel Fire District	0.060	0.060	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061
Little River Fire District	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080
Mar Mac Fire District	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060
Moseley Hall Fire District	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040
Nahunta Fire District	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070
New Hope Fire District	0.075	0.075	0.075	0.075	0.075	0.075	0.063	0.063	0.063	0.060
Northeast Wayne Fire District	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080	N/A
Northern Wayne Fire District	0.070	0.070	0.070	0.053	0.053	0.053	0.053	0.053	0.053	0.053
Oakland Fire District	0.063	0.063	0.063	0.063	0.063	0.063	0.063	0.063	0.063	0.063
Patetown Fire District	0.063	0.063	0.063	0.063	0.063	0.063	0.070	0.063	0.050	0.050
Pinewood Fire District	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.070	0.070
Pleasant Grove Fire District	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070
Polly Watson Fire District	0.080	0.080	0.080	0.080	0.060	0.060	0.060	0.060	0.060	0.060
Pricetown Fire District	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053	0.053
Rosewood Fire District	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055	0.055
Saulston Fire District	0.075	0.075	0.075	0.075	0.075	0.060	0.060	0.055	0.055	0.055
Seven Springs Fire District	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040
Smith Chapel Fire District	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070	0.070
Thoroughfare Fire District	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075
Waylin Fire District	0.070	0.070	0.070	0.070	0.070	0.045	0.045	0.045	0.045	0.045
Downtown Special Service District	0.235	0.235	0.235	0.235	0.235	0.235	0.235	0.235	0.235	0.235

Note: Tax rates are based on \$100 per assessed valuation for Wayne County and all overlapping governments.

Note 2: Wayne County does not allocate any of the total direct rate to any special funds.

Source: Tax Assessor of Wayne County.

Wayne County, North Carolina
Principal Property Taxpayers
Current Year and Nine Years Ago

Name of Taxpayer	Type of Business	2022			2013		
		Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Duke Progress Energy	Electric/Utility	\$ 673,110,758	1	9.15%	\$ 228,292,549	1	4.05%
Mount Olive Pickle, Inc.	Pickle Processing	76,940,085	2	1.05%	18,526,932	8	0.33%
Case Farms Processing, Inc.	Poultry Prod/Processing	66,727,987	3	0.91%			
Georgia Pacific Corporation	Wood Processing	53,635,917	4	0.73%	24,882,209	3	0.44%
Piedmont Natural Gas	Gas/Utility	42,638,086	5	0.58%			
Walmart Stores East LP	Retail Stores	33,520,122	6	0.46%			
Tri-County EMC	Electric/Utility	30,126,522	7	0.41%	17,501,209	10	0.31%
Butterball, LLC	Poultry Prod/Processing	28,179,940	8	0.38%			
Time Warner Cable	Electric/Utility	25,527,998	9	0.35%			
Bobby Denning Properties, LLC	Real Estate	24,776,930	10	0.34%			
BellSouth Telephone Company	Telephone/Utility				45,641,880	2	0.81%
Cooper-Standard Automotive, Inc.	Auto Parts Manufacturer				24,403,290	4	0.43%
Berkeley Mall, LLC	Shopping Mall				22,597,120	5	0.40%
Sonoco Products	Plastic Bags Manufacturer				21,033,353	6	0.37%
Franklin Baking	Baking Manufacturer				19,228,859	7	0.40%
Sleepy Creek Farms	Poultry Farm				17,566,427	9	0.31%
Total		<u>\$ 1,055,184,345</u>		<u>14.34%</u>	<u>\$ 439,673,828</u>		<u>7.85%</u>

Source: Tax Assessor of Wayne County.

Wayne County , North Carolina
Property Tax Levy and Collections
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2013	54,190	51,895	95.76%	2,044	53,939	99.54%
2014	49,691	48,127	96.85%	2,141	50,268	101.16%
2015	47,173	46,210	97.96%	1,741	47,951	101.65%
2016	47,820	46,754	97.77%	1,165	47,919	100.21%
2017	48,159	47,059	97.72%	1,163	48,222	100.13%
2018	48,928	47,997	98.10%	1,019	49,016	100.18%
2019	49,455	48,516	98.10%	1,026	49,542	100.18%
2020	51,668	50,665	98.06%	940	51,605	99.88%
2021	52,931	52,076	98.38%	948	53,024	100.18%
2022	57,533	56,643	98.45%	913	57,556	100.04%

Source: Original levy as reported by the Tax Assessor for the entity.

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Wayne County, North Carolina
Taxable Sales by Category
Last Ten Fiscal Years
(in thousands of dollars)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Apparel stores	\$ 37,609	\$ 37,391	\$ 41,369	\$ 45,938	\$ 47,334	\$ 47,569	\$ 51,624	\$ 49,391	\$ 68,167	\$ 73,180
Automotive	74,036	75,410	82,502	91,737	98,760	95,839	100,684	106,059	116,625	124,368
Food	183,609	187,338	199,681	215,165	214,756	219,211	234,088	232,880	257,750	282,292
Furniture	29,855	34,727	38,087	38,649	40,616	43,656	54,660	52,541	48,364	49,379
General merchandise	312,264	312,997	334,453	352,116	380,903	362,419	388,098	414,840	505,709	524,084
Lumber and building material	100,931	92,697	106,667	103,803	114,143	120,676	134,567	148,613	155,674	167,394
Unclassified	234,012	231,063	241,149	244,945	265,501	275,256	298,311	325,442	369,497	416,052
Total	972,316	971,623	1,043,908	1,092,353	1,162,013	1,164,626	1,262,032	1,329,766	1,521,786	1,636,749
1% Tax	-	-	-	-	-	-	-	-	-	-
2%, 2.5%, 3%, 4.75% Tax	4,558	5,564	5,538	7,035	6,975	9,148	10,176	13,759	15,439	20,132
Total Taxable Sales	\$ 976,874	\$ 977,187	\$ 1,049,446	\$ 1,099,388	\$ 1,168,988	\$ 1,173,774	\$ 1,272,208	\$ 1,343,525	\$ 1,537,225	\$ 1,656,881
County direct sales tax rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Wayne County, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Governmental Activities				
	General Obligation Bonds	Limited Obligation Bonds	Certificates of Participation	Installment Purchase Contracts	Promissory Notes Payable
2013	-	-	-	22,981	-
2014	-	-	-	21,511	3,069
2015	-	-	-	58,518	2,455
2016	-	-	-	56,614	1,842
2017	-	24,945	-	52,948	1,228
2018	-	21,615	-	49,502	614
2019	-	20,555	-	46,126	-
2020	-	19,720	-	43,837	-
2021	-	18,340	-	51,914	-
2022	-	16,965	-	49,061	-

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

Table 3-A

Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
Limited Obligation Bonds	Installment Purchase Contracts	Promissory Notes Payable			
-	-	-	22,981	0.80%	185
-	-	-	24,580	0.80%	197
-	-	-	60,973	1.21%	489
-	699	-	59,155	1.17%	473
11,000	528	-	90,649	1.92%	708
12,820	2,480	-	87,031	1.90%	701
12,270	2,073	-	81,024	1.77%	657
11,200	1,662	-	76,419	1.61%	620
10,680	1,430	-	82,364	1.72%	669
10,160	1,198	-	77,384	1.54%	661

Wayne County, North Carolina
Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years
(amounts expressed in thousands)

	2013	2014	2015	2016
General bonded debt outstanding				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Total	-	-	-	-
Assessed value	7,709,519	7,823,933	7,071,385	8,128,442
Percentage of estimated actual property value	0.000%	0.000%	0.000%	0.000%
Per capita	0.00	0.00	0.00	0.00
Less: Amounts set aside to repay general debt	-	-	-	-
Total net debt applicable to debt limit	-	-	-	-
Legal debt limit - eight percent (8%) of assessed valuation	616,762	625,915	565,711	650,275
Legal debt margin	\$ 616,762	\$ 625,915	\$ 565,711	\$ 650,275
Legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%

Source: Annual audited financial statements of this entity.

Table 3-B

2017	2018	2019	2020	2021	2022
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
-	-	-	-	-	-
8,232,459	8,304,811	8,424,537	8,771,026	9,103,769	9,276,833
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
0.00	0.00	0.00	0.00	0.00	0.00
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>658,597</u>	<u>664,385</u>	<u>673,963</u>	<u>701,682</u>	<u>728,302</u>	<u>742,147</u>
\$ <u><u>658,597</u></u>	\$ <u><u>664,385</u></u>	\$ <u><u>673,963</u></u>	\$ <u><u>701,682</u></u>	\$ <u><u>728,302</u></u>	\$ <u><u>742,147</u></u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Wayne County, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2022
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Direct Bonded Debt			
Wayne County	\$ -	100%	\$ -
Overlapping Bonded Debt			
Goldsboro	49,742	100%	49,742
Eureka	-	100%	-
Fremont	590	100%	590
Town of Mount Olive	6,477	100%	6,477
Pikeville	2,315	100%	2,315
Subtotal, overlapping debt			59,124
Other debt			
Limited Obligation Bonds	27,125	100%	27,125
Installment Purchase Contracts	50,259	100%	50,259
Promissory Notes Payable	-	100%	-
Total direct and overlapping debt			\$ 136,508

Source: Assessed value data used to estimate applicable percentages provided by Wayne County and Assessment Debt outstanding data provided by each governmental unit.

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

Wayne County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (thousands)	Per Capita Income (1)	School Enrollment (2)	Unemployment Rate (3)	County Gross Retail Sales (thousands)
2013	122,623	N/A	N/A	18,837	9.2%	976,875
2014	124,246	N/A	N/A	19,373	6.6%	977,188
2015	124,583	N/A	N/A	19,021	6.5%	1,049,446
2016	124,775	N/A	36,950	18,713	5.6%	1,099,388
2017	124,984	N/A	N/A	18,460	4.8%	1,168,988
2018	128,020	N/A	N/A	18,460	4.5%	1,173,773
2019	124,172	N/A	37,126	18,223	4.7%	1,272,208
2020	123,248	N/A	38,472	18,037	8.2%	1,343,525
2021	123,131	N/A	38,894	17,352	6.3%	1,537,225
2022	116,989	N/A	42,882	17,402	3.8%	1,656,881

(1) US Census Bureau and Bureau of Economic Analysis

(2) NC Dept of Public Instruction, Statistical Research & Data

(3) Employment Security Commission

N/A -Not Available

Wayne County, North Carolina
Principal Employers
Current Year and Nine Years Ago

Name of Taxpayer	Type of Business	2022			2013		
		Number of Employees	Rank	% of Total County Employment	Number of Employees	Rank	% of Total County Employment
Seymour Johnson Air Force Base	Military Base	11,516	1	15.00%	6,482	1	12.69%
Wayne UNC Healthcare	Health Care	2,925	2	5.94%	1,755	3	3.44%
Wayne County Public Schools	Public Education	2,452	3	4.98%	3,080	2	6.03%
County of Wayne	Local Government (full & part-time)	1,100	4	2.23%	1,232	4	2.41%
O'Berry Center	State Center for Handicapped	642	5	1.30%	892	7	1.75%
Cherry Hospital	State Psychiatric Hospital	600	6	1.22%	968	6	1.90%
City of Goldsboro	Local Government (full & part-time)	475	7	0.96%			
Wayne Community College	Higher Education	471	8	0.96%			
Neuse Correctional Institute	Correctional Institution	314	9	0.64%			
Wal-Mart Associates Inc.	Department Store	300	10	0.61%			
Case Farms Processing, Inc.	Poultry Processing				989	5	1.94%
Goldsboro Milling Company	Turkey Feed Products				800	8	1.57%
Cooper Standard Automotive Co.	Auto Parts Manufacturer				679	9	1.33%
Mount Olive Pickle Company, Inc.	Pickle Production (seasonal)				601	10	1.18%
Total		20,795		33.84%	17,478		34.23%
Total County Employment		49,243			51,066		

Wayne County, North Carolina
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Board of commissioners	7	7	7	7	7	7	7	7	7	7
County manager	3	3	4	4	5	4	4	4	4	4
Finance	6	8	8	9	9	9	9	10	12	11
Human resources	4	3	3	4	4	4	4	4	4	4
Tax administration	17	16	15	15	15	16	15	14	15	14
GIS	2	2	2	2	2	2	2	2	2	2
County attorney	1	1	1	1	1	2	2	3	3	3
Court facility	1	-	1	2	2	2	4	4	3	0
Public affairs	-	2	2	2	2	3	3	3	3	2
Board of elections	7	7	5	5	5	4	4	4	5	7
Register of deeds	9	8	8	8	8	8	7	8	9	7
Central services	5	2	2	2	2	2	2	2	1	2
IT department	9	10	9	10	10	11	14	14	16	14
Building and grounds	33	35	35	37	38	39	40	40	42	38
Public safety										
Sheriff	125	106	100	119	127	128	151	120	132	124
Detention center	67	67	64	80	94	103	103	99	107	98
Day reporting	2	6	6	6	6	6	6	6	7	5
NC school resource officers	7	9	11	12	12	11	16	17	18	18
Emergency management	30	34	34	38	38	38	32	33	26	32
Inspections	7	7	7	7	7	7	7	7	8	7
Animal control	13	13	13	13	14	15	15	15	13	12
EM telephone	5	1	1	1	1	-	-	-	-	3
622 EMS	76	100	97	107	108	110	110	106	124	120
Wayne Net	26	24	22	26	50	49	40	30	3	0
Transportation										
Goldsboro Wayne Airport	4	3	3	3	3	3	3	2	3	2
Goldsboro/Wayne Transp. Authority	1	1	1	-	-	-	1	1	1	1
Economic and physical development										
Economic development	4	4	4	3	3	4	4	4	2	0
Cooperative extension	3	1	2	2	3	3	2	2	3	3
Soil and water conservation	4	4	4	4	4	4	4	4	3	4
Environmental protection										
Planning	5	4	4	3	4	5	5	5	5	4

Wayne County, North Carolina
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Education										
Library	45	28	33	34	36	36	36	35	36	34
Literacy connection	3	3	3	3	3	3	3	3	3	3
Human services										
Smart start-PAT	5	2	2	-	-	-	-	-	-	-
4-H	21	9	7	10	10	5	3	3	-	1
Veterans	2	2	2	3	3	3	3	3	3	3
Senior citizens	38	17	16	15	16	17	16	16	17	16
Social services	193	204	210	201	232	218	194	207	215	165
Health	129	123	121	117	117	114	111	106	110	88
Utilities										
Solid waste	53	46	46	45	45	45	45	47	51	44
Genoa sewer	-	1	1	1	1	1	1	1	-	-
Convention Center										
Maxwell	-	-	-	-	3	3	5	7	7	6
Internal Service Fund										
Fleet Management	-	-	-	2	2	2	2	3	3	3

Source: County payroll department. Transportation information provided by each entity.

N/A = Not Available

Wayne County, North Carolina
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inspections department										
Building permits issued	429	478	443	548	622	543	587	873	886	1,005
Building inspections conducted	4,167	3,346	3,101	3,836	7,101	6,721	6,742	9,603	8,764	9,456
Sheriff										
Arrests	1,365	3,641	3,862	4,560	5,041	4,503	4,793	4,335	3,973	4,503
Citations	1,111	3,947	5,020	7,502	5,225	3,420	2,787	2,396	1,248	1,163
Fire										
Inspections	154	163	175	174	92	91	104	110	113	101
Permits	120	115	112	110	110	107	124	135	92	82
EMS										
Calls	16,818	16,613	17,690	18,391	18,725	19,520	20,084	20,074	21,328	21,731
EMS Non-emergency										
Calls	N/A	6,524	5,774	6,514	12,832	11,916	20,262	6,198	N/A	N/A
Solid waste disposal										
MSW (tons)	65,229.10	67,867.91	70,312.17	67,161.82	77,780.31	75,427.14	82,805.84	91,377.35	97,144.61	97,561.34
C&D (tons)	21,018.06	16,944.54	20,732.16	17,370.40	21,291.25	22,230.89	34,458.59	35,802.03	29,949.40	27,468.79
Storm debris (tons)	-	-	-	-	12,526.36	2.93	5,770.15	2.39	19.57	21.25
Recycle (tons)	4,493.31	3,824.44	5,751.74	5,710.13	6,174.14	5,111.46	4,152.12	4,426.98	5,012.44	5,154.54
Tires (count)	1,849	2,211	1,943	1,971	2,145	2,163	2,222	2,403	2,444	2,458
Oil (gallons)	17,495	22,820	14,965	16,750	16,250	24,500	22,500	18,192	18,850	19,247
Batteries (count)	287	207	72	0	0	0	2	2	2	6
Jail										
Inmates admitted (average)	507	552	561	579	545	538	4,300	3,643	2,642	7,428
Inmates (daily average)	225	223	214	220	395	363	370	363	313	356
Department of social services										
Adult medicaid (active cases)	39,777	40,111	40,477	100,551	140,143	145,302	138,255	136,059	131,791	131,780
Family and childrens medicaid (active cases)	161,496	122,788	127,779	255,350	331,271	347,251	294,236	313,435	274,117	260,400
Food stamps (active cases)	24,101	11,843	129,560	143,720	163,359	133,931	129,365	121,385	141,394	153,123
Children in foster care (avg per month)	61	71	40	38	56	72	64	57	40	32
Children in DSS custody (avg per month)	79	72	72	89	124	118	107	88	64	63
Day care (children served)	15,479	15,285	14,863	13,532	12,898	12,898	13,125	11,419	10,816	11,135
Child support (collections)	\$13,994,979	\$13,804,748	\$13,979,704	\$13,433,177	\$12,763,225	\$12,381,435	\$12,869,734	\$13,232,881	\$13,565,475	N/A
Work first (active cases)	5,533	3,911	4,664	2,858	3,506	3,690	3,278	2,565	2,221	1,911
Reception services (clients seen)	64,366	41,455	41,015	52,173	52,081	54,640	47,140	32,650	13,815	14,459
Health department										
TB (clients seen)	1,202	576	475	340	385	552	815	927	195	1,182
Communicable disease/STD (client visits)	5,139	3,874	3,421	3,508	3,143	2,573	2,721	2,271	400	1,069
Pharmacy (prescriptions filled)	9,011	8,030	5,464	4,189	4,448	4,496	3,384	3,678	2,676	3,688
BCCCP (client visits)	308	358	351	274	293	182	216	143	155	237
Wisewoman (client visits)	212	55	171	129	134	81	26	36	30	N/A
HIV/AIDS (tests)	4,622	4,386	2,425	2,181	3,780	1,723	3,448	2,539	1,943	2,466
Dental (client visits)	2,105	2,583	2,331	1,860	517	801	338	527	636	0
Immunizations (administered)	3,905	4,694	4,503	4,381	4,672	4,182	5,078	3,688	1,894	1,847
Lab (tests)	51,115	50,708	45,611	39,979	43,008	43,297	40,197	30,648	22,164	31,273
Environmental health (onsite inspections)	1,261	674	890	1,235	1,169	1,289	1,920	2,047	2,225	2,383
Environmental health (restaurant inspections)	1,532	1,615	1,531	1,231	1,081	1,227	1,380	776	1,456	1,620
WIC (caseloads)	4,315	4,373	4,373	4,387	4,152	3,916	3,952	4,207	4,118	4,118
Total prenatal visits	6,288	6,204	6,723	6,634	5,936	6,286	6,810	6,698	5,369	6,948

Wayne County, North Carolina
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Health department, continued										
Post partum home assessments	440	476	432	387	280	391	261	171	407	510
Family planning visits	6,139	11,368	5,345	2,658	5,184	5,083	3,828	4,088	3,808	3,711
Health Education/H.P. (persons reached)	12,974	9,704	17,036	20,992	11,432	2,312	2,990	3,016	1,091	1,204
4-H										
Elementary afterschool enrollment	235	235	185	238	60	158	133	191	0	0
Middle school afterschool enrollment	60	53	92	126	50	45	0	0	0	0
Elementary afterschool sites	9	10	9	9	6	8	4	4	0	0
Middle school afterschool sites	1	1	3	2	1	1	0	0	0	0
4H volunteer hours	8,745	8,354	3,000	4,400	4,819	4,818	1,406	0	0	0
Youth workshop attendance	8,010	10,196	1,050	1,440	1,052	2,849	1,247	0	0	0
Cooperative extension										
Workshop attendance	31,682	3,519	27,965	16,738	32,737	13,069	15,312	14,137	23,385	12,731
Extension training (farmers)	1,702	45	3,483	3,550	4,162	2,968	2,591	3,137	928	2,273
Home horticulture class attendance	1,248	877	2,479	2,071	2,099	1,177	2,466	2,461	380	541
Master gardeners volunteer hours	2,403	2,225	2,009	2,372	2,199	2,401	2,591	2,818	552	1,195
Equine training participants	65	50	-	-	-	-	-	-	-	-
Family and consumer science nutrition and wellness training attendance	8,903	7,037	5,644	1,215	2,721	794	2,241	1,936	1,645	3,533
Extension and community association volunteer hours	11,249	9,560	9,378	9,000	9,800	7,856	9,259	4,874	998	1,432
Tax										
% of collections	97.19%	97.27%	97.93%	97.77%	97.78%	98.10%	98.10%	98.06%	98.38%	98.45%
Real estate parcels	60,199	60,396	60,649	65,721	61,080	66,308	66,494	66,909	67,917	67,785
Real property value	5,717,010,929	5,753,477,381	5,795,619,962	5,880,791,751	5,922,885,319	5,972,540,856	6,040,090,705	6,343,100,365	6,434,393,407	6,544,981,743
Personal property value	1,214,588,634	1,210,261,595	1,295,625,527	1,360,313,955	1,326,370,989	1,608,666,874	687,656,540	718,204,126	746,177,941	766,323,296
Licensed vehicles value (Old DMV System)	822,446,832	486,234,509	-	-	-	-	-	-	-	-
Licensed vehicles value (New VTS System)		621,028,507	867,399,464	907,481,124	942,708,042	723,602,774	982,644,768	993,593,045	1,135,368,258	116,785,965
Airport										
Gallons-Aviation gas sold (yearly)	35,723	39,118	39,401	50,782	55,182	64,691	63,577	45,340	57,107	50,777
Gallons-Jet A fuel sold (yearly)	80,320	74,466	51,319	48,825	76,694	90,910	81,685	61,069	64,105	74,081
Total transient flights (yearly)	1,314	1,236	698	627	482	563	357	1,104	557	576
Library										
Number of branches	4	4	4	4	4	4	4	4	4	3
Number of hours open to public	8,061	8,063	8,044	8,122	8,122	8,104	8,128	6,185	8,260	8,148
Total book & serial volumes	190,698	201,416	151,321	137,849	133,083	129,310	133,465	142,072	144,348	122,461
Total circulation	314,195	263,761	300,075	288,742	264,274	253,177	242,214	163,011	193,727	203,735
Number of persons entering library	316,379	290,049	295,405	280,344	260,598	235,677	211,057	136,557	95,555	114,113
Total childrens program attendance	17,103	13,693	15,537	16,704	20,521	24,368	20,572	10,133	3,381	10,038
Total adult program attendance	2,817	1,423	4,414	3,827	4,019	3,632	3,543	1,964	1,860	4,310

Sources: Various county departments
N/A = Not Available

County of Wayne, North Carolina
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Buildings and grounds										
Building values	\$ 78,943,571	\$ 74,432,440	\$ 72,778,938	\$ 97,884,728	\$ 107,334,228	\$ 106,062,118	\$ 105,760,268	\$ 115,373,265	\$ 124,462,836	\$ 139,580,240
Contents value	\$ 14,834,307	\$ 13,302,770	\$ 14,867,499	\$ 17,473,912	\$ 25,384,499	\$ 27,896,313	\$ 28,062,313	\$ 27,771,313	\$ 43,719,070	\$ 44,375,130
Sheriff										
Patrol units	114	114	124	135	138	148	148	150	150	150
Canine units	4	4	4	5	5	6	6	7	7	7
Boats	1	1	2	2	2	2	2	2	2	2
Helicopters	2	2	2	2	2	2	2	2	2	2
EMS										
Stations	9	9	9	9	9	10	10	11	11	11
Ambulances	18	18	18	16	18	16	16	17	21	19
Difibrillator	22	12	12	16	11	9	13	17	14	17
WayneNet										
Stations	1	1	1	3	3	2	2	1	-	-
Ambulances	6	5	4	8	8	11	16	12	-	-
Difibrillator	5	-	1	1	1	2	13	1	-	-
Wastewater										
Sanitary sewers (miles)	9.0	9.0	9.0	9.0	4.3	4.3	4.3	4.3	4.3	4.3
Treatment capacity (gal)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Avg daily containment	160,000	1,000,000	23,000	23,000	10,000	10,000	10,000	10,000	10,000	10,000
Pump stations	2	2	2	2	1	1	1	1	1	1
Solid Waste Disposal										
Sanitation trucks	5	5	5	5	4	4	4	4	4	6
Department of Social Services										
Vehicles	7	7	8	8	11	10	10	10	10	11
Info Technology Services										
Servers	39	39	43	52	66	48	48	48	53	55
Computers	442	477	497	427	401	559	901	1,136	1,174	1,184
Laptops	185	258	268	260	131	184	288	354	416	487
Thin Clients	650	552	658	470	469	598	542	323	-	-
4-H										
Vehicles	3	3	3	3	3	2	3	3	3	3
Airport										
Vehicles	3	3	3	3	3	3	2	3	3	3

Source: Various county departments

N/A = Not Available

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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 Commissioners
And Management of Wayne County
Goldsboro, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the 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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Wayne County, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprises the Wayne County's basic financial statements, and have issued our report thereon dated November 28, 2022. Our report includes a reference to other auditors who audited the financial statements of the Wayne County ABC Board and our audit as a separate engagement of the Wayne County Tourism Development Authority, as described in our report on the Wayne County's financial statements. This report does not include the results of the other auditors' or our separate engagement's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Wayne County ABC Board and the Wayne County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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.

Nunn, Brashear, & Uzzell, P.A.

Goldsboro, North Carolina

November 28, 2022

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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 Commissioners
and Management of Wayne County
Goldsboro, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Responsibility 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 Wayne County's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Wayne 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 generally accepted auditing standards, 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 Wayne County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, 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 Wayne 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 Wayne 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 Wayne 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

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

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

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

Nunn, Brashear & Uzzell, PA

Goldsboro, North Carolina
November 28, 2022

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Report On Compliance With Requirements Applicable To Each Major State Program And Internal Control Over Compliance In Accordance With Applicable Sections of OMB Uniform Guidance and the State Single Audit Implementation Act

Independent Auditors' Report

To the Board of Commissioners
and Management of Wayne County
Goldsboro, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Wayne County, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major state programs for the year ended June 30, 2022. Wayne County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Wayne 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.² 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 Wayne 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 the Wayne 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 Wayne County State programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Nunn, Brashear & Uzzell, PA

Goldsboro, North Carolina
November 28, 2022

Wayne County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness identified?	_____ Yes	___ X ___ No
Significant Deficiency identified that is not considered to be material weaknesses	_____ Yes	___ X ___ none reported

Noncompliance material to financial statements noted	_____ Yes	___ X ___ No
------------------------------------------------------	-----------	---------------------

Federal Awards

Internal control over major federal programs:

Material weakness identified?	_____ Yes	___ X ___ No
Significant Deficiencies identified that are not considered to be material weaknesses	_____ Yes	___ X ___ None reported

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

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

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
10.551	Food and Nutrition Services Administrative Matching Grants
10.557	Special Supplemental Nutrition Program for Women, Infant, & Children
16.838	Comprehensive Opioid, Stimulus, and Substance Abuse
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases
93.568	Low-Income Energy Assistance/Crisis Intervention Program
97.036	Public Assistance Program
93.778	Medical Assistance Program - Administrative Funds
	DSS Crosscutting Requirements

Dollar threshold used to distinguish between Type A and Type B Programs	\$750,000
Auditee qualified as low-risk auditee?	_____ Yes ___ X ___ No

Wayne County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

State Awards

Internal control over major State programs:

Material weakness identified? ☐ Yes ☒ No

Significant Deficiency(s) identified that are not considered to be material weaknesses ☐ Yes ☒ None reported

Noncompliance material to State awards ☐ Yes ☒ No

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act ☐ Yes ☒ No

Identification of major State programs:

Program Name

Juvenile Crime Prevention Programs

Rural Building Reuse Program

State Aid to Airports Program

Wayne County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

II. Findings Related to the Audit of the Basic Financial Statements of Wayne County

None Noted

III. Federal Awards Findings and Questioned Costs

Finding 2022-001

N.C. Dept. of Health and Human Services:
Division of Social Services

Program Name: DSS Crosscutting Requirements

Nonmaterial Noncompliance

Financial Reporting

Criteria: Information reported for reimbursement on the DSS-1571 must agree with the County general ledger.

Condition: The August 2021 DSS-1571 overcharged expenditures due to a formula error in the spreadsheet used to compile the financial information.

Questioned Costs: \$80,986.59; corrected by adjusting the October, 2022.

Context: The amount over charged was discovered during the DSS Crosscutting compliance testing.

Effect: The County received excess funding of indirect costs.

Cause: The part II expenditures were overstated due to a formula error in the spreadsheet.

Recommendation: Wayne County DSS finance office and the Wayne County finance office should reconcile the amounts monthly. All parties involved should be trained on how to review of the DSS-1571.

Views of responsible officials and planned corrective actions: The County agrees with this finding and will implement adequate checks and balances to ensure that this problem does not reoccur.

IV. State Awards Findings and Questioned Costs

None Noted

Wayne County, North Carolina
Corrective Action Plan
For the Fiscal Year Ended June 30, 2022

II. Basic Financial Statement Findings and Questioned Costs

None Noted

III. Federal Awards Findings and Questioned Costs

See Page 234

IV. State Awards Findings and Questioned Costs

None Noted

Wayne County, North Carolina
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2022

Finding: 2021-001

Status: Corrected

Finding: 2021-002

Status: Corrected



Wayne County Department of Social Services

301 N. Herman Street, Box HH, Goldsboro, NC 27530

Phone: (919) 580-4034 - Fax: (919) 731-1293

State Courier#: 01-15-33

November 21, 2022

FINDING: 2022-01

Name of Contact Person: Vicky Hill, Business Officer, Wayne County Social Services

Corrective Action Plan:

Adjusting entries were entered on the October 2022 service month 1571 report to subtract \$80,986.59. The purpose of these entries was to correct overcharged expenditures due to a formula error in the spreadsheet used to compile the financial information.

The following correcting entries were made on the 1571 service month report listed below:

August 2021 Test Month	Codes	Correct	Date of Correction and submission to the State through NCCorels
	310	(\$14,750.23)	November 15, 2022 for October 2022 service month
	349	(\$66,519.60)	November 15, 2022 for October 2022 service month
	359	(\$ 76.00)	November 15, 2022 for October 2022 service month
	383	\$ 359.24	June 15, 2022 for May, 2022 service month

The State fiscal consultant has been scheduled to provide onsite training and updated information on the 1571 process. This training will held on January 24-25, 2023.

Proposed Completion Date:

The correcting entries for the overcharged expenditures were submitted on November 15, 2022 via the October 2022 service month report.

The onsite training for the updated training for the 1571 will be completed on January 24-25, 2023.

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

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
Federal Awards:						
<u>U.S. Dept. of Agriculture</u>						
<u>Food and Nutrition Service</u>						
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Social Services:						
Administration:						
<u>Supplemental Nutrition Assistance Program (SNAP) (Note 5):</u>						
SNAP Administrative	10.561		\$ 751,976	\$ -	\$ -	\$ 751,976
ARPA-FNS Funds			178,670	-	-	-
SNAP Fraud Administration	10.561		88,436	-	-	88,436
ARPA-FNS Funds (Public Health)	10.561		89,335	-	-	-
Total SNAP			<u>1,108,417</u>	<u>-</u>	<u>-</u>	<u>840,412</u>
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Public Health:						
Administration:						
Special Supplemental Nutrition Program for Women, Infants, & Children (Note 5)	10.557		764,800	-	-	580
Total U.S. Dept. of Agriculture			<u>1,873,217</u>	<u>-</u>	<u>-</u>	<u>840,992</u>
<u>U.S. Environmental Protection Agency</u>						
Passed-through the N.C. Division of Soil and Water						
Soil Conservation		566001520 01	27,631	-	-	135,997
Soil Conservation - State Matching Funds		566001520 02	-	3,600	-	-
Total U. S. Election Assistance Commission			<u>27,631</u>	<u>3,600</u>	<u>-</u>	<u>135,997</u>
<u>U.S. Dept. of Justice</u>						
<u>Office of Justice Programs</u>						
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034		42,813	-	-	-
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	2020-AR-BX-0075	235,516	-	-	-
Passed-through N.C. Governor's Office						
Byrne JAG Program Grant	16.738		54,904	-	-	-
Total U. S. Department of Justice			<u>333,233</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>U. S. Department of Homeland Security</u>						
Passed-through N.C. Dept. of Public Safety:						
Division of Emergency Management						
Public Assistance Program	97.036	EMPG-2120096	69,759	-	-	1,025,076
FEMA - Hurricane Assistance	97.036		24,428	-	-	-
COVID-19 - FEMA - Public Assistance Program	97.036		1,714,081	-	-	-
Hazard Mitigation Grant Program	97.039	B2769-4285	87,657	-	-	374,864
State Acquisition and Relocation (SARF)		5369DR096	-	38,275	-	38,275
Total U. S. Department of Homeland Security			<u>\$ 1,895,925</u>	<u>\$ 38,275</u>	<u>\$ -</u>	<u>\$ 1,438,215</u>

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

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
<u>U.S. Institute of Museum and Library Services</u>						
Passed-through the N.C. Dept. of Cultural Resources						
Library Services & Technology Act - Various Grants	45.310		\$ 27,812	\$ -	\$ -	\$ 142,558
COVID-19-Library Services & Technology Act - Various Grants	45.310		3,000	-	-	-
ARPA-Library Services & Technology Act - Various Grants	45.310		139,809	-	-	-
Total U.S. Institute of Museum and Library Services			<u>170,621</u>	<u>-</u>	<u>-</u>	<u>142,558</u>
<u>U.S. Dept. of Health & Human Services</u>						
<u>Administration on Aging</u>						
<u>Division of Aging and Adult Services</u>						
Passed-through Eastern Carolina Council:						
<u>Aging Cluster:</u>						
Title III Preventive Health - Title III-D	93.043		7,248	426	-	853
Special Programs for the Aging - Title III B:						
Access	93.044		138,708	8,159	-	16,319
In-Home	93.044		148,807	263,204	-	45,866
Special Programs for the Aging - Title III C:						
Congregate Nutrition C-1	93.045		88,823	5,225	102,799	8,751
Home Delivered Meals C-2	93.045		220,345	52,705	303,705	30,655
NSIP - Nutrition	93.053		60,428	-	60,428	-
Total Aging Cluster			<u>664,359</u>	<u>329,719</u>	<u>466,932</u>	<u>102,444</u>
Social Services Block Grant - In-Home Services	93.667					
Family Caregiver Support	93.052		32,106	2,140	-	-
Total Eastern Carolina Council			<u>696,465</u>	<u>331,859</u>	<u>466,932</u>	<u>102,444</u>
<u>Administration for Children and Families</u>						
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Social Services:						
<u>Foster Care and Adoption</u>						
Title IV-E CPS	93.658		116,454	54,346	-	62,248
COVID-19 - APS/CPS Care	93.658		-	(75)	-	-
Title IV-E Foster Care Training	93.658		11,828	-	-	3,943
Title IV-E Foster Care/Off Trn	93.658		86,169	-	-	86,169
Title IV-E Adoption/Off Trn	93.659		6,535	-	-	6,535
Title IV-E Admin County Paid to CCI	93.658		16,305	8,153	-	8,153
Total Foster Care and Adoption			<u>237,291</u>	<u>62,424</u>	<u>-</u>	<u>167,048</u>
<u>Temporary Assistance for Needy</u>						
Families (TANF/Work First) - Administration	93.558		104,506	-	-	105,089
Division of Public Health: TANF	93.558		22,048	-	-	-
Total Temporary Assistance for Needy			<u>\$ 126,554</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,089</u>

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

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
N.C. Child Support Enforcement Section						
Title IV-D Administration	93.563		\$ 940,555	\$ -	\$ -	\$ 484,528
Title IV-D Offset Fees	93.563		11,335	-	-	5,839
Low-Income Home Energy Assistance Block Grant:						
Administration	93.568		108,715	-	-	-
ARPA - Low-Income Energy Assistance	93.568		1,045,447	-	-	-
ARPA - Low-Income Energy Assistance - Administration	93.568		9,430	-	-	-
Energy Assistance Payments	93.568		919,792	-	-	-
Crisis Intervention Program	93.568		597,799	-	-	-
Total Energy Assistance			<u>2,681,183</u>	<u>-</u>	<u>-</u>	<u>-</u>
Child Welfare Services - State Grants						
- Permanency Planning - Families for Kids-Special	93.645		28,766	-	-	9,588
AFDC Payments and Penalties	93.560					
SSBG - TANF to SSBG	93.667		237,066	-	-	
SSBG - Other Service and Training	93.667		523,772	-	-	174,590
Adult Protective Services	93.674		11,878	-	-	
Independent Living Grant	93.674		15,110	3,777	-	4,134
Division of Public Health:						
Maternal and Child Health Services Block Grant	93.994		130,682	6,186	-	323,182
Division of Aging and Adult Services:						
Division of Social Services:						
SSBG - In Home Service Fund Over 60	93.667		10,995	-	-	1,571
Division of Child Development:						
<u>Child Care Development Fund:</u>						
Division of Social Services:						
Child Care Development Fund-Administration	93.596		216,571	-	-	-
Smart Start			-	27,294	-	-
Total Child Care Development			<u>216,571</u>	<u>27,294</u>	<u>-</u>	<u>-</u>
Passed-through Eastpointe						
Division of Public Health						
Child Substance Abuse Prevention	93.959		78,052	-	-	3,402
Substance Abuse and Treatment Block Grant	93.959		74,860	-	-	-
Total Substance Abuse Grants			<u>152,912</u>	<u>-</u>	<u>-</u>	<u>3,402</u>
<u>Centers for Medicare and Medicaid Services</u>						
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Medical Assistance (Note 5):						
Medical Assistance Program (Public Health)						
CMHRP/CMARC Funds	93.778		\$ 320,929	\$ -	\$ -	\$ -

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

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
Division of Social Services:						
Medical Assistance Program/Administration:						
Adult Care Home Case Mgmt/Spec	93.778		\$ 199,781	\$ 17,808	\$ -	\$ 181,972
Medical Assistance Administration	93.778		2,873,853	-	-	958,016
Medical Transportation Administration	93.778		130,009	-	-	130,009
State County Special Assistance	93.778		141,028	-	-	47,009
State Children's Ins. Program - N.C. Health Choice (Note 5)	93.767		41,729	3,016	-	6,358
<u>Office of Population Affairs</u>						
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Public Health						
Family Planning Services	93.217		79,393	-	-	355,074
<u>Centers for Disease Control</u>						
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Public Health:						
Hospital Preparedness Program and Public Health						
Public Health Emergency Preparedness	93.069		5,967	-	-	4,929
COVID-19 - Epidemiology and Laboratory Capacity for						
Infectious Diseases (ELC)	93.323		550,166	-	-	
Project Grants and Cooperative Agreements for						
Tuberculosis Control Program	93.116		20,788	-	-	84,911
Immunization Grants	93.268		36,536	-	-	-
COVID-19 - Immunization Cooperation Agreements	93.268		171,982	-	-	-
Preventive Health and Health Services Block Grant	93.991		23,715	-	-	-
Cancer Prevention and Control Programs for State	93.898		41,925	-	-	115,318
Preventive Health Services-STD Control Grants	93.977		100	-	-	12,698
Total U.S. Dept. of Health and Human Services			10,659,036	452,364	466,932	3,277,709
Total federal awards			\$ 14,959,663	\$ 494,239	\$ 466,932	\$ 5,835,471
State Awards:						
<u>N.C. Administrative Office of the Courts</u>						
NC Court Pilot Program Grant			\$ -	\$ 67,092	\$ -	\$ -
Total N. C. Dept. of Commerce			-	67,092	-	-
<u>N.C. Dept. of Commerce:</u>						
One NC Fund			-	-	-	-
Building Reuse			-	551,626	551,626	123,864
Total N. C. Dept. of Commerce			-	551,626	551,626	123,864
<u>N.C. Dept. of Military & Veteran Affairs</u>						
Veteran Services			-	2,109	-	179,780
Total N.C. Dept. of Military & Veteran Affairs			\$ -	\$ 2,109	\$ -	\$ 179,780

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

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
<u>N.C. Department of Natural and Cultural Resources:</u>						
State Library of North Carolina						
Library State Aid Grant			\$ -	\$ 157,529	\$ -	\$ -
NC Humanities Grant			-	15,000	-	-
Total N.C. Department of Cultural Resources			-	172,529	-	-
<u>N.C. Department of Environmental Quality</u>						
Division of Environmental Health						
Electronics Management			-		-	
Scrap Tire Disposal Grant			-	14,646	-	253,927
Total N.C. Dept. of Environmental and Natural Resources			-	14,646	-	253,927
<u>N.C. Dept. of Health and Human Services</u>						
Division of Aging and Adult Services						
Passed through Eastern Carolina Council:						
Operation Fan			-	657	-	-
Senior Center General Purpose			-	8,020	-	2,673
Total Eastern Carolina Council			-	8,677	-	2,673
Division of Social Services						
Energy Assist Private Grants			-	19,168	-	-
Non-Allocating County Cost			-	-	-	26,707
County Funded Programs			-	-	-	1,470,257
SFHF Maximization			-	74,941	-	74,941
Foster Care at Risk Maximization			-	73,455	-	1,275
AFDC Incentive/Prog Integrity			-	-	-	-
State Foster Home			-	94,022	-	86,872
Total Division of Social Service			-	261,586	-	1,660,052
Division of Public Health						
Public Health Capacity Building			-	118,711	-	563,814
Food and Lodging Fees			-	23,000	-	296,521
General Communicable Disease Control			-	948	-	-
Heathly Community Activities			-	2,556	-	-
School Nurse Funding Initiative			-	250,000	-	472
Family Planning - State			-	48,507	-	-
Breast and Cervical Cancer Program			-	23,695	-	-
Child Health			-	42,413	-	-
Women's Health Service Fund			-	14,572	-	-
HIV/STD State			-	6,976	-	-
TB Control			-	58,501	-	-
Total Division of Public Health			-	589,879	-	860,807
Total N. C. Department of Health and Human Services			\$ -	\$ 860,142	\$ -	\$ 2,523,532

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

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-through to Subrecipients</u>	<u>Local Expenditures</u>
<u>N.C. Dept. of State Budget and Management</u>						
Board of Elections Grant			\$ -	\$ 2,000	\$ -	\$ -
Total N. C. Dept. of State Budget and Management			-	2,000	-	-
<u>N.C. Dept. of Transportation</u>						
State Aid to Airports Program		DOT-8	-	879,887	-	97,311
NC DOT Cluster ROAP/SMAP						
- ROAP Elderly and Disabled Transportation Assistance Program		DOT-16CL	-	98,349	98,349	-
- ROAP Employment		DOT-16CL	-	31,694	31,694	-
- ROAP Rural General Public Program		DOT-16CL	-	99,865	99,865	-
Total ROAP Cluster			-	1,109,795	229,908	97,311
<u>N.C. Dept. of Public Instruction:</u>						
Public School Building Capital Fund		LEA 960/2019-20	-	-	-	-
N.C. School Resource Officer Grant		488015683	-	709,756	-	638,219
Total N. C. Dept. of Public Instruction			-	709,756	-	638,219
<u>N.C. Dept. of Public Safety</u>						
Juvenile Crime Prevention Programs		536301	-	533,766	533,766	-
Total Dept. of Public Safety			-	533,766	533,766	-
<u>Wayne County Partnership for Children</u>						
Raising a Reader			-	64,379	-	-
Smart Start - Health Service Team			-	64,489	-	-
Total Wayne County Partnership for Children			-	128,868	-	-
Total State awards			-	4,152,329	1,315,300	3,816,633
Total federal and State awards			\$ 14,959,663	\$ 4,646,568	\$ 1,782,232	\$ 9,652,104

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

Grantor/Pass-through
Grantor/Program Title

**Federal
Assistance
Listing No.**

**State/
Pass-through
Grantor's
Number**

**Fed. (Direct &
Pass-through)
Expenditures**

**State
Expenditures**

**Pass-through
to
Subrecipients**

**Local
Expenditures**

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

1. Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of Wayne 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 SEFSA presents only a selected portion of the operations of Wayne County, it is not intended to and does not present the financial position, changes in net position or cash flows of Wayne County.

2. Summary of Significant Accounting Policies

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

3. Indirect Cost Rate

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

4. Cluster of Programs

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

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, primary 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>
Special Supplemental Nutrition Program for WIC	10.557	3,918,328	-
Supplemental Nutrition Assistance Program	10.551	75,499,932	-
Temporary Assistance for Needy Families	93.558	1,304,948	-
Pandemic Fund	93.558	203,000	-
Family Preservation	93.556	34,189	-
Refugee Assistance	93.566	879	-
Foster Care - Title IV-E/Adoption Subsidy	93.658	1,052,418	198,709
Medical Assistance Program	93.778	200,308,953	75,172,006
Children's Health Insurance Program	93.767	1,924,787	431,190
Child Welfare Services Adoption	93.558	28,435	444,692
State/County Special Assistance Program		-	720,382

6. Opioid Settlement Fund

The NC Department of Justice does not consider Opioid Settlement Funds either Federal or State Financial assistance since they are from a settlement with private major drug companies. During the fiscal year ending June 30, 2022, Wayne County did not expend any of their proceeds and, therefore, are not reporting them as "Other Financial Assistance" until funds have been expended.

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