

**Annual Comprehensive
Financial Report
of the
County of Wayne
Goldsboro, North Carolina
For the Fiscal Year Ended
June 30, 2023**

**Chip Crumpler
County Manager**

**Angie Boswell
Finance Director**

Wayne County, North Carolina
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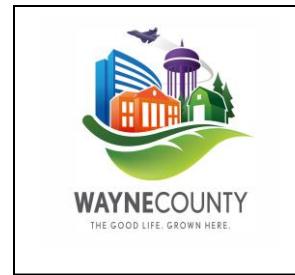
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Introductory Section

Letter of Transmittal

County of Wayne
Chip Crumpler
County Manager / Budget Officer

December 20, 2023



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, 2023, 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, 2023.

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 that the financial statements of Wayne County for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial 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, 2023, 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.

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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 to 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 a 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 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 the 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

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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 117,692 and a workforce of over 53,669 per 2023 Q3 JobsEQ report. The report indicated the September 2023 County unemployment rate was 3.6% and labor participation rate to be 64.1% which is higher than the state and national average. The strength of the County's economy rests on a diverse mixture of health care, manufacturing, military, government, and other service enterprises. According to the report, Health Care and Social Assistance industries are the largest private sector industry with an estimated 7,061 jobs with an average salary of \$51,882. Manufacturing industries provide the highest average annual wage at \$62,604 with an estimated 5,304 jobs. No one industry dominates the manufacturing base as indicated by the County's major manufacturing and distributing base which includes automotive, electronics, food and beverages, plastics, agriculture, wood products, and aerospace. 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 59 major local manufacturing and distribution industries.

In 2022, all industries produced a total of \$5.6 billion in GDP for Wayne County. Agriculture and Agribusiness is the #1 industry in the County with over a \$1 billion impact. The 2022 North Carolina Agricultural Statistics have Wayne County ranked #2 in turkeys, #4 in hogs, #4 in wheat, #7 in peanuts production. Current agriculture data has gross farm income totaling \$444 million. NC State University reported that forestry within Wayne County had a \$255 million impact.

In addition to private sector employment and local/state government employment, Seymour Johnson Air Force Base (SJAFB), 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 2022 equated to \$899 million. The annual civilian and military payroll for SJAFB was \$378,432,665. SJAFB is Wayne County's largest employer, with 5,340 military personnel (combined active duty and reservists) and 706 civilians. For 2022, their local expenditures totaled \$58,361,782 which was estimated to have created 9,299 local jobs and an employment impact of \$594,155,403. The base also supplies a highly trained and technically skilled labor pool, separating airmen, retirees, and spouses.

In 2020, Wayne County joined Greene and Lenoir Counties along with the NC Global TransPark to form The NC Global TransPark Economic Development Region (EDR). This regional approach to economic development, bringing these four entities in partnership to attract and retain business in Eastern

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NC has proven to be a successful partnership. Since forming the region Wayne County has had eight economic development announcements totaling \$131.5 million in capital investment and 783 new jobs.

WCDA is active in creating product as we move forward. Phase I of the Goldsboro Business Campus will be completed prior to the year's end. This project will bring seven 5-acre parcels with infrastructure, shared stormwater management, and all due diligence complete to the market. Additionally, two shell buildings will be completed in Q1 2024 bringing more product to market. The WCDA and the EDR continue to market our county's assets and be engaged with consultants and our allies to achieve economic success for Wayne County.

Major Initiatives

1. An agreement between Wayne County and Wayne County Development Alliance was entered into in February 2023 to construct two new shell buildings in Park East Industrial Park. Under the management of Wayne County Development Alliance (WCDA), Jackson Builders was awarded the contract. They are engaged to build 50,000 square feet and a 30,000 square foot shell industrial building. The buildings are funded by Wayne County ARPA Revenue Loss funds, proceeds from the sale of the Hosakowa building, and WCDA funds. These buildings are a useful marketing tool in a very competitive market with surrounding counties and states in the recruitment of new and expanding companies. In August 2023, the sales price for each building was established, \$3.9 million for the 50,000 sf and \$2.9 million for 30,000 sf.
2. Park East 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. Additional grant funding was awarded from Golden Leaf of \$300,000, NC Department of Commerce of \$500,000 and \$50,000 from the Duke Endowment Fund and Wayne County making up the difference. ST Wooten was awarded the road construction contract in June 2023 in the amount of \$1,459,201.53.
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" is designed as a business incubator park and according to the National Business Incubation Association, 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, City of Goldsboro, and the Wayne County Development Alliance partnered to develop and designate the different assets and shared costs for the Campus is in place. In September of 2022, the County exercised its options and purchased 108.6 acres of the Bryan Property for \$1,534,560. The County will cover the difference.
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

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for construction of phase one of the Goldsboro Business Campus infrastructure in July of 2022. The contractor anticipates completing phase one infrastructure by the end of 2023. The County has begun marketing phase one lots for sale. In August 2023, a formal application was made to Golden Leaf for a \$1.5 million site program grant to help develop phase two of the campus.

5. 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. On April 4, 2023, the Board of Commissioners accepted by resolution additional funds of \$150,000 from the NC Dept. of Environmental Quality State Reserve Grant to perform an Asset Inventory and Assessment study. Also, on September 19, 2023, the county decided to move forward with a formal application for a NC Division of Water Infrastructure Merger/Regionalization Feasibility Study Grant.
6. The County selected RSM Harris Associates, LLC as the CDBG Consultant to administer the Community Development Block Grant-Disaster Recovery for \$25,414,784. This grant is allocated to offset some of the effects of Hurricane Matthew. The State executed a grant agreement for \$16,940,000 of the allocation. This is an ongoing 6-year grant program for disaster recovery. The only activity authorized by the State for the County to administer was the CDBG-DR Application In-take Center, which was managed by the County's CDBG consultant. Some costs have been incurred by the County; however, the State has closed the County's In-Take Center, opened a State In-Take Center, and is now (through its "State-Centric" model) managing all hurricane recovery activities in Wayne County, just as it is doing in all Hurricane Matthew impacted counties.
7. The County selected RSM Harris Associates, LLC as the consultant/administrator to administer the Hazard Mitigation Grant Program (HMGP) \$7,872,590 grant for the acquisition of 84 properties flooded by Hurricane Matthew. A total of 65 properties have been acquired and houses demolished. The other 19 properties have been withdrawn. The County is working with the State on reimbursement of costs incurred by the County.
8. 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 Associates, LLC was approved at the May 17, 2022, Board meeting to handle the grant administration services for this project. On October 17, 2023, the project start-up items were reviewed by CDBG-NR Project Manager, David Harris, and approved by Board of Commissioners. RSM Harris Associates is working with the State on the authorization to incur costs and implement the project activities.
9. 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

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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.

10. The Apron Pavement Rehabilitation (Construction) project is needed to perform the design and prepare the bid documents for the asphalt pavement reconstruction of 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.
11. 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.
12. 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.
13. 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 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.
14. The Parking Lot Drainage Improvements project will replace an existing failing parking lot pavement while improving the stormwater water quality by installing a permeable pavement infiltration system. The project will also correct existing stormwater drainage issues and provide better vehicle access and safety maneuverability for emergency vehicles. This project is being funded with state ARPA funds.
15. The Pump Station Improvement project will evaluate and determine the condition of the airport’s on-site pump station, provide recommendations on if rehabilitation, replacement, or a combination of rehabilitation and replacement is warranted, and design the appropriate solution. The airport’s existing sanitary sewer will also be assessed to determine if rehabilitation and/or replacement will be necessary. This project is being funded with state ARPA funds.
16. The Airfield Drainage Analysis project will analyze and document the existing drainage conditions for the overall airfield and identify additional drainage improvements that may be needed. A map of the airfield’s overall drainage system will also be developed. As part of this project, the airport’s Stormwater Pollution Prevention Plan (SWPPP) and Spill Prevention Control & Countermeasure Plan (SPCC) will be updated to comply with current requirements and will include training for airport staff. This project will be funded 90% by FAA Non-Primary Entitlement (NPE) funds, with a 10% local match supplied by the County.

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17. 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. After considering several 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. In August 2022, Moseley began work of full construction plans as recommended and the following month, CDM Smith was contracted for the commissioning services. After receiving installment financing proposals from five banks, a resolution was adopted March 7, 2023, to select Truist Bank as the lender for a 20-year term. In April 2023, the Board approved a GMP of \$30,034,486 with TA Loving for the construction of the Health and Human Services building. On August 15, 2023, a groundbreaking ceremony was hosted to commemorate the start of construction. The County anticipates the project to be completed in late fall of 2024.
18. 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 were expected back in December 2022. In August 2022, CDM Smith was selected as the commissioning agent followed by the selection of prequalified contractors in October 2022. On December 13, 2022, TA Loving was selected as the contractor for the project. After receiving proposals for installment financing, a resolution was adopted January 17, 2023, to select Truist Bank as the lender for a 20-year term. The County anticipates the project to be completed in late 2024 or early 2025.
19. 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 if 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 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,

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2022. In May of 2023, KBS was awarded the contract to construct a sewer pump station for \$465,480 which will be funded with ARPA funds received by the county.

20. On March 11, 2021, a \$1.9 trillion stimulus package was signed into law. The federal American Rescue Plan Act (ARPA) 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 ARPA revenues and expenditures. The County has obligated some of the ARPA money to various projects, to include but not limited to, the purchase of several Emergency Management Service ambulances, defibrillators, Sheriff's Office vehicles and equipment, phone system upgrades and assistance with Wayne Community College's Center for Industrial Technology and Engineering (CITE) building construction, and a match for Growing Rural Economies with Access to Technology (GREAT) grant to help facilitate deployment of broadband. 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.
21. 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 with an estimated completion date of early Fall 2024
22. 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 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. At the March 7, 2023, Board of Commissioners' meeting, another resolution was passed approving a supplemental agreement for additional settlement of opioid funds. This supplemental agreement was a result of settlements with distribution companies and pharmacies throughout the country. The County will receive an additional \$5.05 million in opioid settlement funds. The new funds will be paid in varying annual amounts over the next 12 years.
23. 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

Letter of Transmittal

a new Rosewood Middle School. The schools have selected Davis Kane as the architect for this project and are currently working with them to finalize the contract for services. Construction Manager At Risk (CMAR) approach will be used. Additional funding was also appropriated in the 23-24 State budget of \$7 million.

24. On June 7, 2022, the Board of Commissioners voted to transition the County's payroll schedule from once per month to bi-weekly. The County successfully transitioned to the new pay schedule in April of 2023. This change allows employees to be paid on a real-time pay period rather than paying in advance of time worked. Additionally, there are fewer adjustments of vacation, sick and comp time accruals which must be made. Consistent timesheets were 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 provided less time between paychecks for employees, giving them income throughout the month.
25. On May 2, 2023, the Wayne County Board of Commissioners voted to create a consolidated human services agency and, under NCGS-153A-77, establish an Advisory Board. As a result, the Board of Health and the Board of Social Services were abolished at midnight on June 30, 2023, and the Board of Commissioners appointed an advisory board effective July 1, 2023. This change was part of our ongoing efforts to improve healthcare and social assistance to Wayne County's citizens. Creating a consolidated agency will help us achieve this goal.

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 2023, 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, 2022. The 2022 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-six (26) years. We believe the report for fiscal year 2023 continues to substantially conform to those standards and this report is being submitted to GFOA for the certificate program.

The Maxwell Center, a premier convention and meeting venue in Wayne County, is thrilled to announce that it has been honored with the prestigious Convention South Readers' Choice award for 2023. With an impressive participation of over 8,000 voters and the highest social media engagement to date, this year's selection process has been the most successful and engaging yet. The Maxwell Center is proud to have received this esteemed award for the sixth time since its establishment in 2018, further solidifying its reputation as a top-notch venue.

Letter of Transmittal

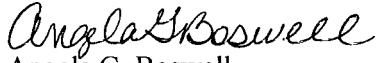
We appreciate the assistance and dedication of the Finance Department staff throughout the year, especially during the preparation of the ACFR. We would like to thank all members of the Department who contributed to its preparation and the County's independent certified public accountants, Nunn, Brashear 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



Angela G. Boswell
Finance Director



County Commissioners



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



Chris Gurley
Vice-Chairman
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For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Monell

Executive Director/CEO

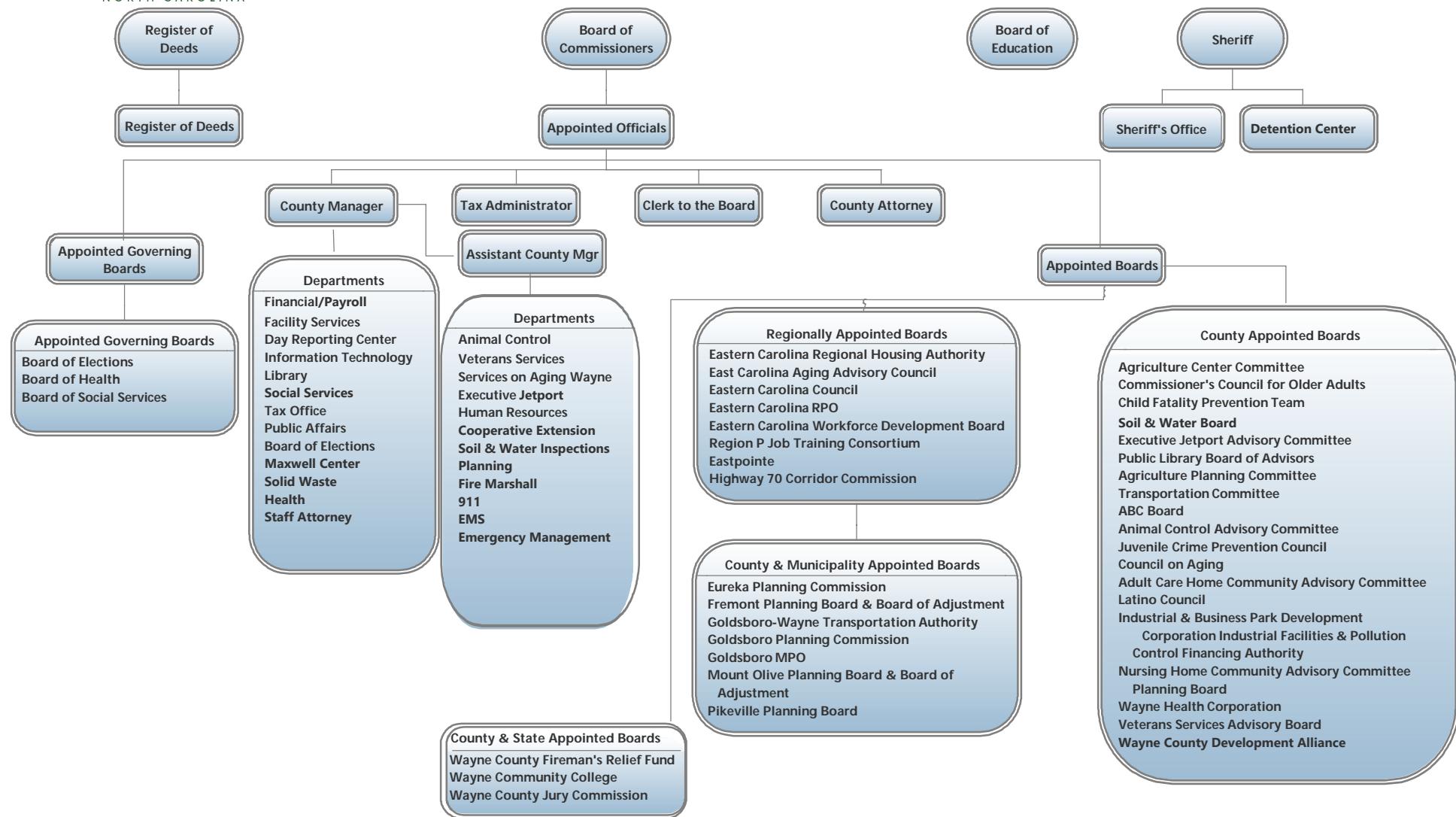


WAYNE COUNTY

NORTH CAROLINA

Citizens of Wayne County

Wayne County Government Organizational Chart 2022-2023



As of April 23, 2022

Financial Section

NUNN, BRASHEAR & UZZELL, P.A.
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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, 2023, 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, 2023, 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, 97.7 percent, and 98.3 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, 2.3 percent and 1.7 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.

MEMBERS

AMERICAN INSTITUTE OF CPA'S

N.C. ASSOCIATION OF CPA'S

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, 129 through 130, 131 through 134, 135 through 138, and 139 through 140, 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 of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements 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 December 20, 2023 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, Brashears, & Uzzell, P.A.

Goldsboro, North Carolina

December 20, 2023

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, 2023. 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

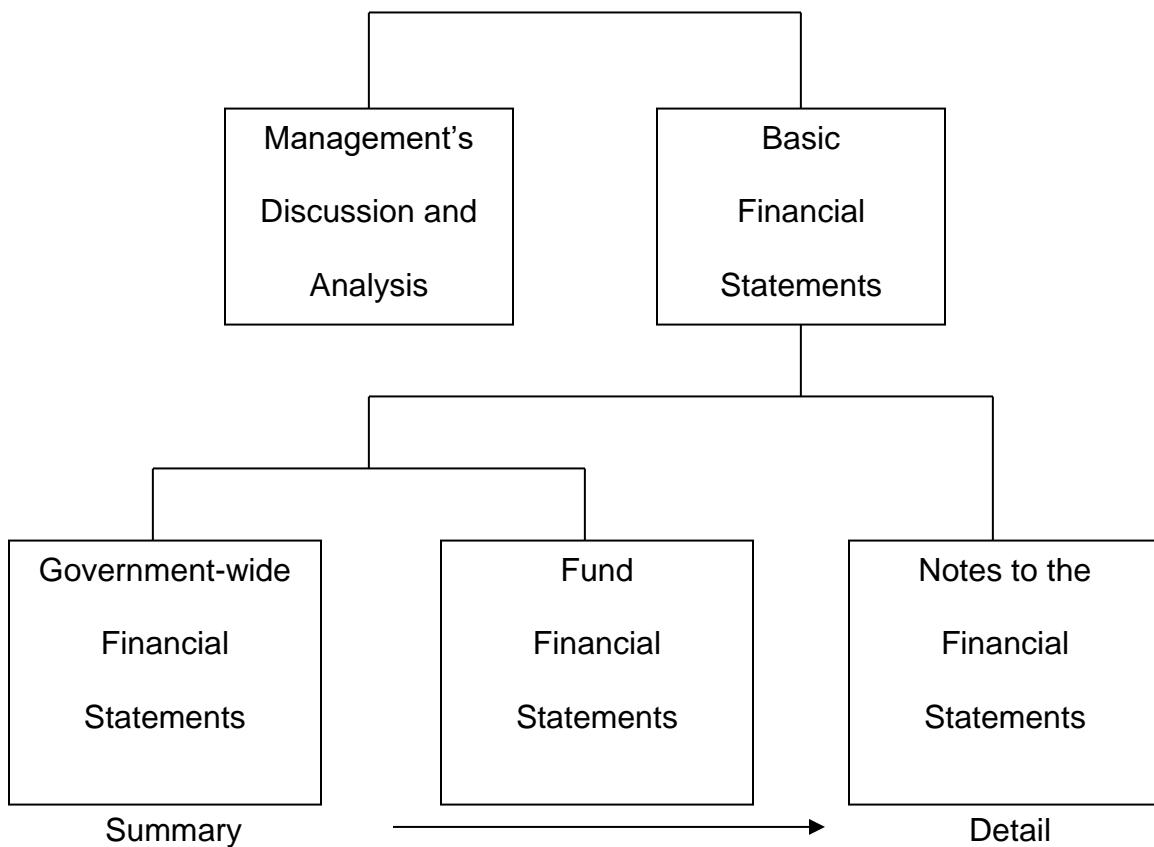
- The assets of Wayne County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$247,413,771 (*net position*).
- Deferred outflows of resources ended at \$24,888,969 an increase of \$4,050,791 over last year. Deferred inflows of resources ended at \$11,463,682, a decrease of \$5,442,433 over last year. The County's participation in the N.C. Local Government Retirement System (LGERS) created a significant changes in the deferred outflows and inflows of pension resources. See further discussion in note B. 2. a.
- The total government and business-type total net position increased by \$46,977,141 and \$1,694,375, respectively. This increase is primarily due to increased property and sales tax revenues and grant revenues. In addition, a prior period adjustment of \$9,607,869 was recorded to recognize \$9,480,722 from the Opioid Settlement Funds and \$127,147 from the move of an internal service fund, fleet management, to the General Fund. See page 128 for more information.
- As of the close of the current fiscal year, Wayne County's governmental funds reported combined ending fund balances of \$191,034,580, an increase of \$96,975,920, in comparison with the prior year. Approximately 76.99 percent of this total amount, or \$149,379,900, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$20,982,580 or 15.59 percent of total general fund expenditures for the fiscal year.
- Wayne County's total long-term debt increased by \$89,673,123 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 two activities – health insurance benefits and workman's compensation. 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 129 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 \$247,413,771 as of June 30, 2023. The County's net position increased by \$48,671,516 for the fiscal year ended June 30, 2023. One of the largest portions \$99,603,571, 40.26%, 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 large portion of Wayne County's net position \$149,007,153, 60.23%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$1,196,953), (0.49%), is unrestricted.

Wayne County's Net Position
Figure 2

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current assets	\$ 240,854,832	\$ 135,710,614	\$ 17,658,153	\$ 16,828,184	\$ 258,512,985	\$ 152,538,798
Noncurrent assets	11,906,839	11,067,788	-	-	11,906,839	11,067,788
Capital assets	<u>203,350,374</u>	<u>158,654,991</u>	<u>59,063,063</u>	<u>58,783,435</u>	<u>262,413,437</u>	<u>217,438,426</u>
Total assets	<u>456,112,045</u>	<u>305,433,393</u>	<u>76,721,216</u>	<u>75,611,619</u>	<u>532,833,261</u>	<u>381,045,012</u>
Total deferred outflows of resources	23,586,968	19,934,938	1,302,001	903,240	24,888,969	20,838,178
Long-term liabilities	214,982,859	119,097,293	21,530,604	20,614,146	236,513,463	139,711,439
Other liabilities	60,549,957	53,819,610	1,822,931	2,331,637	62,372,888	56,151,247
Total liabilities	<u>275,532,816</u>	<u>172,916,903</u>	<u>23,353,535</u>	<u>22,945,783</u>	<u>298,886,351</u>	<u>195,862,686</u>
Total deferred inflows of resources	10,804,354	15,674,595	659,328	1,211,520	11,463,682	16,886,115
Net position:						
Net investment in capital assets	51,033,241	97,579,730	48,570,330	47,454,577	99,603,571	145,034,307
Restricted	149,007,153	41,429,433	-	-	149,007,153	41,429,433
Unrestricted	(6,678,551)	(2,232,330)	5,481,598	4,902,976	(1,196,953)	2,670,646
Total net position	<u>\$ 193,361,843</u>	<u>\$ 136,776,833</u>	<u>\$ 54,051,928</u>	<u>\$ 52,357,553</u>	<u>\$ 247,413,771</u>	<u>\$ 189,134,386</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 participation in the North Carolina Local Government Retirement System (LGERS) created a significant change in the liability for the fiscal year. The liability increased 264.04% from the prior year. More information on the LGERS valuation can be found in the note disclosures, B., 2, a.
 - 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 Health, Solid Waste, Jetport and Maxwell Center Departments.

- Continued diligence in the collection of property taxes by maintaining a high collection percentage of 98.68%.
- Planning and management of revenues and expenditures through the use of financial models for the capital, debt service, and various operating budgets.
- Continued growth in sales tax due to higher inflation, strong consumer spending, and state investment growth attributable to higher interest rates.

Wayne County's Changes in Net Position Figure 3

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 24,481,752	\$ 21,566,878	\$ 9,201,224	\$ 7,999,215	\$ 33,682,976	\$ 29,566,093
Grants/contributions	53,771,646	19,195,634	2,124,823	1,232,581	55,896,469	20,428,215
General revenues:						
Property taxes	74,626,242	69,848,719	-	-	74,626,242	69,848,719
Local option sales tax	33,959,995	32,096,039	-	-	33,959,995	32,096,039
Other taxes	276,074	240,400	-	-	276,074	240,400
Other	3,215,782	626,159	252,787	22,370	3,468,569	648,529
Total revenue	190,331,491	143,573,829	11,578,834	9,254,166	201,910,325	152,827,995
Expenses:						
General government	19,274,069	16,004,509	-	-	19,274,069	16,004,509
Public safety	53,378,556	42,768,130	-	-	53,378,556	42,768,130
Transportation	493,520	487,403	-	-	493,520	487,403
Environmental protection	213,988	10,659	-	-	213,988	10,659
Economic & physical dev.	2,973,234	2,913,894	-	-	2,973,234	2,913,894
Human services	29,528,780	25,552,599	-	-	29,528,780	25,552,599
Cultural and recreation	2,952,180	2,574,396	-	-	2,952,180	2,574,396
Education	30,220,630	28,377,205	-	-	30,220,630	28,377,205
Interest on long-term debt	2,223,525	2,367,500	-	-	2,223,525	2,367,500
Solid Waste Disposal	-	-	6,255,215	5,130,774	6,255,215	5,130,774
Sewer	-	-	963,882	807,738	963,882	807,738
Airport	-	-	1,903,753	1,360,647	1,903,753	1,360,647
Maxwell Center	-	-	2,857,477	2,629,271	2,857,477	2,629,271
Total expenses	141,258,482	121,056,295	11,980,327	9,928,430	153,238,809	130,984,725
Increase (decrease) in net position before transfers						
	49,073,009	22,517,534	(401,493)	(674,264)	48,671,516	21,843,270
Transfers	(2,095,868)	(2,058,556)	2,095,868	2,058,556	-	-
Increase (decrease) in net position						
	46,977,141	20,458,978	1,694,375	1,384,292	48,671,516	21,843,270
Net position, July 1	136,776,833	114,882,657	52,357,553	50,973,261	189,134,386	165,855,918
Restatement	9,607,869	1,435,198	-	-	9,607,869	1,435,198
Net position, restated	146,384,702	116,317,855	52,357,553	50,973,261	198,742,255	167,291,116
Net position, June 30	\$ 193,361,843	\$ 136,776,833	\$ 54,051,928	\$ 52,357,553	\$ 247,413,771	\$ 189,134,386

Governmental activities: Governmental activities increased the County's net position by \$46,977,141, before restatement, thereby accounting for the total increase in the net position of Wayne County. The note disclosures provide more information on this restatement. Key elements of this increase are as follows:

- Receipt of NC Lottery funds for the construction of Fremont Elementary school.

- Property tax collections increased due to an excellent collection rate.
- Sales tax collections continued to exceed the county's anticipated collections.
- A significant amount of lapsed salaries from vacant positions resulted in a budget surplus.
- Investment earnings saw a favorable increase due to the market.

Business-type activities: Proprietary activities increased the County's net position by \$1,694,375. Key elements of this increase are as follows:

- Jetport fuel sales and grant revenues were higher than the previous year.
- Solid Waste Department experienced an increase in fee collections which helped fund an increase in salaries due to salary study and in hours of operation.
- Maxwell Center increased events from previous year which resulted in more facility revenues. Finally, the General Fund slightly decreased its budgeted transfers to the Maxwell Center because of increased rental revenue.
- Sewer fund had lower wastewater treatment expenses.
- 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.

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 \$20,982,580, while total fund balance was \$73,179,231. Fund balance available in the General Fund decreased from the prior year by \$9,327,263. The majority of the decrease is due to advancing funds for debt financed Jail and DSS/Health construction projects. The Governing Body of Wayne County has determined that the County should maintain a working fund balance policy 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. See note disclosure V. D. for a detail schedule. The County currently has an available fund balance of 15.59% of general fund expenditures, while General Fund balance represents 54.39% of that same amount.

At June 30, 2023, the governmental funds of Wayne County reported a combined fund balance of \$191,034,580, a 22.47% increase over last year. The largest increases were due to the reasons explained above as well as lottery funding for Fremont school project fund.

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 \$51.2 million or approximately 26%. \$18.6 million of General Fund was moved to temporarily cover construction of Fremont Elementary School until sales tax refund from NCDOR and lottery funds are received. Transfers of \$6.9 million were moved to the General Fund from Capital Reserve Funds as pay-go for certain capital expenditures. \$32 million accounts for anticipated increases in revenues from grants. Of that amount, \$1.3 million is the NC Farmland Preservation grant funds, \$1.63 million is economic development grants, \$16.3 million is related to the CDBG-DR grants, and \$8.5 million is from the HMGP and SARF 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 \$17.3 million or 9% also occurred. A large portion of this appropriation (\$18 million) was for advancing funds to capital project funds for a new Fremont Elementary School until lottery funds can be reimbursed. These projects are described in the Transmittal Letter under Major Initiatives. An appropriation of \$1.8 million was used to purchase land for economic purposes. Other appropriations to fund balance included carrying forward unspent balances for grants as well as economic development projects. Fund balance was reimbursed \$3.4 million from debt proceeds for the DSS/Health and Detention 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 \$22.6 million, a 15% variance from final budget, reflecting grant revenue budgeted but not received which included, restricted intergovernmental federal and state grants, economic development grant incentives, Hazard Mitigation and Farmland Preservation. 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. The under-collection of revenues was mitigated by an unanticipated overcollection of property and sales taxes and charges for services.

General Fund expenditures were under budget \$48.5 million, a variance of 36% from the final budget, (\$22 million) in economic development of which represented HMGP and CDBG-DR and other grant funds that were not spent in their entirety at year-end, (\$5 million) of which was in capital outlay line items that had not been expended in the current fiscal year, (\$9.8 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 \$728 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 \$1.1 million was not spent within public assistance programs and other direct allocation services.

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 \$5,651,523. The total increase in net position for the Solid Waste Disposal Fund was \$378,456. The Maxwell Center increased net position by \$208,607. Increase in net position of the Jetport Fund, non-major fund, was \$1,210,010. The Sewer Fund, non-major fund, decreased net

position by (\$96,794). 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, 2023, totals \$261,740,607 (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	
	2023	2022	2023	2022	2023	2022
Land	\$ 23,918,729	\$ 21,252,207	\$ 14,329,506	\$ 14,329,506	\$ 38,248,235	\$ 35,581,713
Buildings and improvements	162,398,638	122,514,392	36,183,979	35,790,030	198,582,617	158,304,422
Infrastructure	2,350,271	2,542,437	3,551,861	3,419,806	5,902,132	5,962,243
Furniture & equipment	9,215,813	8,930,997	2,009,237	2,223,142	11,225,050	11,154,139
Intangibles	672,511	792,486	57,450	64,399	729,961	856,885
Vehicles	4,121,582	2,622,472	2,931,030	2,956,552	7,052,612	5,579,024
Total	\$ 202,677,544	\$ 158,654,991	\$ 59,063,063	\$ 58,783,435	\$ 261,740,607	\$ 217,438,426
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Right to use asset, leases	\$ 26,103	\$ 110,999	-	-	\$ 26,103	\$ 110,999
Right to use asset, SBITA	646,727	-	41,574	-	688,301	-
Total	\$ 672,830	\$ 110,999	\$ 41,574	-	\$ 714,404	\$ 110,999

Major capital asset transactions during the fiscal year include:

- Purchase of Sheriff's Mobile Command Vehicle and ambulance remount for Emergency Medical Services
- Finalization of EnerGov inspections and permitting software
- Purchase of major contractor equipment for Solid Waste
- Progress on the Jetport Apron Pavement Rehab & Stormwater Improvement projects
- Completed purchases of several HMGP properties
- Began construction of new DSS/Health facility & expansion of Detention Center
- Progress on new Fremont Elementary School
- Construction started on two shell buildings for economic development
- Acquisition of 15 acres to be utilized by multiple county departments
- Purchase and renovation of EMS station

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, 2023, Wayne County had limited obligation bonds, promissory notes, and installment purchase contracts of \$167,057,153 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		Total	
	2023	2022	2023	2022	2023	2022
Limited obligation bonds	\$ 15.595	\$ 16.965	\$ 9.640	\$ 10.160	\$ 25.235	\$ 27.125
Installment purchase contract	140.856	49.061	0.966	1.198	141.822	50.259
Total	\$ 156.451	\$ 66.026	\$ 10.606	\$ 11.358	\$ 167.057	\$ 77.384

Wayne County's total long-term debt increased by \$89,673,123, 115.88%, during the current 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 \$757,421,566. The County has no bonds unissued at June 30, 2023.

Additional information regarding Wayne County's long-term debt and lease liability can be found in Note 7 beginning on page 109 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.

- In June 2023, not seasonally adjusted, unemployment rate for Wayne County was 3.9%, which was lower than the June 2022 rate of 4.4%. The State's not seasonally adjusted unemployment rate as of June 2023 was 3.3% which is a decrease from the June 2022 rate of 4.1%.
- As of 2022, the per capita income for Wayne County was \$30,540, which is lower than the State average of \$37,641. Wayne County's median household income is \$54,323, which is lower than the State's median household income of \$66,186.
- Sales taxes continued to maintain a healthy increase as consumer spending remains strong. These revenues were conservatively increased for a second year in a row.

All of these factors were considered in preparing Wayne County's budget for Fiscal Year 2023-2024.

Budget Highlights for the Fiscal Year Ending June 30, 2024

Governmental Activities:

- The property tax rate remains at \$.07425 per \$100 of assessed valuation. Valuation estimated to remain neutral due to equalization of public service values.
- The County approved an original budget of \$224,277,230 for the fiscal year 2023.
- Pay studies continued for the next third of county staff. The market adjustments from the pay studies were implemented. A 2% cost-of-living increase was also given to all the employees not receiving a market adjustment.
- The budget included a 6% increase in motor vehicle collections. With a 100% collection rate, historical collections continue to rise.
- Included a 3% increase in the County's portion of medical insurance premiums for the PPO plan with no plan changes. Also, increased Workers' Compensation by 5% per employee per month.
- As mandated by the North Carolina Local Government Retirement System, all county employers were required to increase their Local Government Retirement Employer contribution by .75% and the Law Enforcement contribution by 1%, an increase to payroll of \$332,000.
- Anticipated use of General Fund Balance was budgeted for approximately \$4.0 million. This amount is around \$468,000 more than the previous year. Most of the Fund Balance is planned to fund one-time capital projects for various departments on a pay-go basis.
- The NC General Assembly's 2021 Session established the Public School Building Repair and Renovation Fund (PSBRRF) to help counties address public school building repair and renovation needs. This fund is part of S.L. 2021-80 which provides that the source of revenue for the PSBRRF is the NC Education Lottery and the amounts allocated for this fund are \$30 million for 2021-2022 and \$50 million for 2022-2023. NC counties will receive an equal amount of the share of allocated dollars annually. Lottery revenue is distributed approximately four times each year, and the amount distributed in the County's account at time of budget was \$592,982.
- Approximately \$1.05 million in ARPA funding will be used for allowable capital expenditures and approximately \$1.96 million from our unassigned fund balance.

Business – type Activities: Wayne County has four business type activity funds. Solid Waste increased its tipping fees as did the sewer in system fees. The Jetport fuel sales projections are increased for the upcoming year. The Maxwell Center also increased their fees by 5% due to rising cost of operation. Anticipating the Jetport will continue to have additional grants revenues and expenditures appropriated throughout the year as they are awarded.

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

Wayne County, North Carolina
Statement of Net Position
June 30, 2023

	Primary Government			Component Unit	
	Governmental Activities		Business-type Activities	Total	WC Tourism Development Authority
	Governmental Activities	Business-type Activities	Total		
Assets					
Current assets:					
Cash and cash equivalents	\$ 40,090,273	\$ 16,014,485	\$ 56,104,758	\$ 128,985	\$ 5,430,452
Restricted cash and cash equivalents	145,172,298	29,730	145,202,028	-	-
Receivables, net	4,643,551	1,455,849	6,099,400	25,442	-
Restricted opioid receivables, net	9,480,722	-	9,480,722	-	-
Due from other governments	40,958,611	104,989	41,063,600	-	-
Due from other funds	467,298	(467,298)	-	-	-
Inventories	42,079	53,100	95,179	-	1,176,683
Total current assets	240,854,832	17,190,855	258,045,687	154,427	6,607,135
Noncurrent Assets:					
Investments, long-term restricted cash	11,793,069	-	11,793,069	-	-
Net pension asset - ROD	113,770	-	113,770	-	-
Land, improvements	23,918,729	14,329,506	38,248,235	-	708,108
Other Capital Assets, net depreciation	178,758,815	44,733,557	223,492,372	-	1,428,174
Total noncurrent assets	214,584,383	59,063,063	273,647,446	-	2,136,282
Lease and SBITA Capital Assets					
Right to use asset, net amortization	672,830	41,574	714,404	-	117,110
Total Assets	456,112,045	76,295,492	532,407,537	154,427	8,860,527
Deferred Outflows of Resources					
	23,586,968	1,302,001	24,888,969	-	552,980
Liabilities					
Current liabilities:					
Accounts payable	6,160,001	340,023	6,500,024	-	1,495,568
Due to other governments	45,883	-	45,883	-	-
Accrued wages and benefits	1,607,439	87,403	1,694,842	-	-
Unearned revenues	39,173,069	-	39,173,069	-	-
Accrued interest payable	1,740,663	32,675	1,773,338	-	-
Due within one year	11,822,902	895,532	12,718,434	-	-
Total current liabilities	60,549,957	1,355,633	61,905,590	-	1,495,568
Long Term liabilities:					
Due in more than one year	148,003,491	18,640,846	166,644,337	-	354,054
Net other post employment liability	36,329,208	1,143,869	37,473,077	-	598,582
Net pension liability - LGERS	26,632,750	1,745,889	28,378,639	-	175,137
Net pension liability - LEOSSA	4,017,410	-	4,017,410	-	-
Total noncurrent liabilities	214,982,859	21,530,604	236,513,463	-	1,127,773
Total liabilities	275,532,816	22,886,237	298,419,053	-	2,623,341
Deferred Inflows of Resources					
	10,804,354	659,328	11,463,682	-	255,734
Net Position					
Net investment in capital assets	51,033,241	48,570,330	99,603,571	-	2,136,282
Restricted for (expendable):					
General government	88,721,561	-	88,721,561	-	-
Future debt obligations	11,793,069	-	11,793,069	-	-
Opioid settlement funds	10,564	-	10,564	-	-
Public safety	1,066,523	-	1,066,523	-	-
Education	29,610,378	-	29,610,378	-	-
Stabilization by State Statute	17,682,256	-	17,682,256	25,442	-
Register of Deeds pension plan	113,770	-	113,770	-	-
Senior Center-earnings	432	-	432	-	-
Working capital	-	-	-	-	474,962
Restricted for (nonexpendable):					
Senior Center-principal	8,600	-	8,600	-	-
Unrestricted	(6,678,551)	5,481,598	(1,196,953)	128,985	3,923,188
Total net position	\$ 193,361,843	\$ 54,051,928	\$ 247,413,771	\$ 154,427	\$ 6,534,432

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, 2023

Functions/Programs	Program Revenue		
	Expenses	Charges for Services	Operating Grants and Contributions
Primary government			
Governmental Activities			
General government	\$ 19,274,069	\$ 2,271,719	\$ 5,949,225
Public safety	53,378,556	15,600,722	1,451,614
Transportation	493,520	120,396	249,215
Human services	29,528,780	4,196,830	15,923,265
Culture and recreation	2,952,180	213,865	429,328
Education	30,220,630	-	26,645,287
Interest on long-term debt	2,223,525	-	-
Environmental protection	213,988	-	1,758,473
Economic and physical development	2,973,234	2,078,220	1,365,239
Total governmental activities	<u>141,258,482</u>	<u>24,481,752</u>	<u>53,771,646</u>
Business-type activities			
Solid Waste Disposal Fund	6,255,215	6,038,101	372,334
Sewer Fund	963,882	647,869	-
Airport Fund	1,903,753	1,090,738	1,745,857
Maxwell Fund	2,857,477	1,424,516	6,632
Total business-type activities	<u>11,980,327</u>	<u>9,201,224</u>	<u>2,124,823</u>
Total primary government	<u>153,238,809</u>	<u>33,682,976</u>	<u>55,896,469</u>
Component Unit			
WC Tourism Development Authority	227,667	236,242	-
ABC Board	11,526,169	12,349,022	-
Total component units	<u>\$ 11,753,836</u>	<u>\$ 12,585,264</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.

Net (Expense) Revenue and Changes in Net Position			Component Unit	
Primary Government			WC Tourism	
Governmental Activities	Business-type Activities	Total	Development Authority	ABC Board
\$ (11,053,125)	\$ -	\$ (11,053,125)		
(36,326,220)	-	(36,326,220)		
(123,909)	-	(123,909)		
(9,408,685)	-	(9,408,685)		
(2,308,987)	-	(2,308,987)		
(3,575,343)	-	(3,575,343)		
(2,223,525)	-	(2,223,525)		
1,544,485	-	1,544,485		
470,225	-	470,225		
(63,005,084)	-	(63,005,084)		
-	155,220	155,220		
-	(316,013)	(316,013)		
-	932,842	932,842		
-	(1,426,329)	(1,426,329)		
-	(654,280)	(654,280)		
(63,005,084)	(654,280)	(63,659,364)		
			\$ 8,575	\$ -
			8,575	822,853
			8,575	822,853
74,626,242	-	74,626,242	-	-
33,959,995	-	33,959,995	-	-
276,074	-	276,074	-	-
2,663,500	252,787	2,916,287	-	22,762
552,282	-	552,282	-	-
(2,095,868)	2,095,868	-	-	-
109,982,225	2,348,655	112,330,880	-	22,762
46,977,141	1,694,375	48,671,516	8,575	845,615
136,776,833	52,357,553	189,134,386	145,852	5,895,031
9,607,869	-	9,607,869	-	-
146,384,702	52,357,553	198,742,255	145,852	5,895,031
\$ 193,361,843	\$ 54,051,928	\$ 247,413,771	\$ 154,427	\$ 6,534,432

Wayne County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

	Major		
	General Fund	American Rescue Plan Fund	Rosewood State Grant
Assets			
Cash and cash equivalents	\$ 43,673,883	\$ -	\$ -
Restricted cash	15,404,216	18,633,828	20,276,948
Restricted opioid receivables, net	-	-	-
Taxes receivable, net	1,603,556	-	-
Lease receivable	157,694	-	-
Due from other funds	467,298	-	-
Due from other governments	16,555,380	50,813	-
Inventories	42,079	-	-
Total assets	<u>77,904,106</u>	<u>18,684,641</u>	<u>20,276,948</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	1,138,999	9,408	-
Due to other funds	45,883	-	-
Payable to other governments	-	3,915	-
Unearned revenue	-	18,301,077	19,954,000
Other payables	<u>1,607,515</u>	-	-
Total liabilities	<u>2,792,397</u>	<u>18,314,400</u>	<u>19,954,000</u>
Deferred Inflows of Resources	<u>1,932,478</u>	-	-
Fund balances:			
Non-spendable:			
Senior Center-principal	-	-	-
Restricted for:			
Stabilization by State Statute	17,042,897	-	-
Future debt payments, QSCB	11,793,069	-	-
Fire protection	-	-	-
Public Schools	5,815,494	-	-
Law enforcement	407,889	-	-
Tax revaluation	516,984	-	-
Public safety	-	-	-
Economic development	10,640,741	-	-
Transportation	-	-	-
Grants	612,278	370,241	322,948
Opioid settlement	-	-	-
Human services	-	-	-
Committed for:			
Future capital projects	-	-	-
Community college	680,263	-	-
Assigned for:			
Subsequent year's expenditures	4,615,444	-	-
Donations	71,592	-	-
Unassigned	<u>20,982,580</u>	-	-
Total fund balances	<u>73,179,231</u>	<u>370,241</u>	<u>322,948</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 77,904,106</u>	<u>\$ 36,985,718</u>	<u>\$ 20,276,948</u>

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

Opioid Settlement Fund	Major		Non-Major		Total Governmental Funds
	Jail Debt Project Fund	Fremont School Project Fund	DSS-Health Debt Project Fund	Other Governmental Funds	
\$ -	\$ (6,353,559)	\$ (7,992,267)	\$ (4,404,802)	\$ 12,019,185	\$ 36,942,440
821,031	48,584,545	7,993,210	38,623,920	6,627,670	156,965,368
9,480,722	-	-	-	-	9,480,722
-	-	-	-	722,104	2,325,660
-	-	-	-	-	157,694
-	-	-	-	-	467,298
-	67,143	25,758,081	-	427,697	42,859,114
-	-	-	-	-	42,079
10,301,753	42,298,129	25,759,024	34,219,118	19,796,656	249,240,375
-	904,196	3,460,436	-	292,537	5,805,576
-	-	-	-	-	45,883
-	-	-	-	-	3,915
810,467	-	-	-	107,525	39,173,069
-	-	-	-	-	1,607,515
810,467	904,196	3,460,436	-	400,062	46,635,958
9,480,722	-	-	-	156,662	11,569,862
-	-	-	-	8,600	8,600
-	-	-	-	717,979	17,760,876
-	-	-	-	-	11,793,069
-	-	-	-	50,305	50,305
-	-	22,298,588	-	1,496,297	29,610,379
-	-	-	-	-	407,889
-	-	-	-	-	516,984
-	41,393,933	-	-	1,066,532	42,460,465
-	-	-	-	-	10,640,741
-	-	-	-	485,986	485,986
-	-	-	-	6,131	1,311,598
10,564	-	-	-	-	10,564
-	-	-	34,219,118	103,326	34,322,444
-	-	-	-	15,304,776	15,304,776
-	-	-	-	-	680,263
-	-	-	-	-	4,615,444
-	-	-	-	-	71,592
-	-	-	-	-	20,982,580
10,564	41,393,933	22,298,588	34,219,118	19,239,932	191,034,555
\$ 10,301,753	\$ 42,298,129	\$ 25,759,024	\$ 34,219,118	\$ 19,796,656	

Wayne County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2023

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

Total fund balances, Exhibit 3	\$ 191,034,555
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.	202,677,544
Right to use lease and SBITA 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.	(3,890)
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.	2,559,232
Net deferred inflows of resources for taxes and special assessments receivables	2,212,777
Opioid deferred inflows of resources	9,480,722
Some liabilities, (such as notes 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.	(160,911,985)
Net pension liability - LGERS	(26,632,750)
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	17,384,954
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	(837,740)
Net pension liability - LEOSSA	(4,017,410)
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	888,072
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	(735,445)
Net pension asset - ROD	113,770
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	68,633
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	(7,664)
Net OPEB liability	(36,329,208)
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	5,245,309
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	(8,827,633)
Net position of governmental activities	<u>\$ 193,361,843</u>

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, 2023

	Major		
	General Fund	American Rescue Plan Fund	Rosewood State Grant
	Revenues		
Property taxes	\$ 70,559,489	\$ -	\$ -
Sales and miscellaneous taxes	31,810,358	-	-
Other taxes and licenses	1,760,800	-	-
Licenses and permits	1,457,078	-	-
Unrestricted intergovernmental	792,802	-	-
Restricted intergovernmental	20,657,861	5,615,676	46,000
Charges for services	19,079,396	-	-
Investment earnings	959,061	361,393	319,826
Miscellaneous	3,824,921	-	-
Payments from various municipalities	10,540	-	-
Client account income	-	-	-
Total revenues	150,912,306	5,977,069	365,826
Expenditures			
Current:			
General government	18,737,035	58,868	-
Public safety	42,868,720	-	-
Transportation	458,984	-	-
Human services	28,096,380	-	-
Culture and recreation	2,836,872	-	-
Education	29,808,806	-	-
Economic and physical development	5,044,019	-	-
Debt Service:			
Principal	4,303,752	-	-
SBITA principal payments	176,514	-	-
Interest and other charges	2,213,213	-	-
Interest - SBITA	4,499	-	-
Capital Outlay	-	2,709,821	46,000
Total Expenditures	134,548,794	2,768,689	46,000
Excess (deficiency)	16,363,512	3,208,380	319,826
Revenues over expenditures			
Other Financing Sources (Uses)			
Issuance from long-term debt	-	-	-
Issuance from SBITA financing	501,394	-	-
Transfers in	9,802,616	-	-
Transfers out	(23,707,611)	(2,846,987)	-
Proceeds from sale of assets	33,339	-	-
Total other financing sources and uses	(13,370,262)	(2,846,987)	-
Net change in fund balances	2,993,250	361,393	319,826
Fund balances - beginning	70,058,832	8,848	3,122
Restatement, Note VIII	127,147	-	-
Fund balances - beginning, as restated	70,185,979	8,848	3,122
Fund balances - ending	\$ 73,179,229	\$ 370,241	\$ 322,948

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

Opioid Settlement Fund	Major			Non-Major		Total Governmental Funds
	Jail Debt Project Fund	Fremont School Project Fund	DSS-Health Debt Project Fund	Other Governmental Funds		
\$ -	\$ -	\$ -	\$ -	\$ 4,027,189	\$ 74,586,678	
-	-	-	-	2,065,459	33,875,817	
-	-	-	-	-	1,760,800	
-	-	-	-	512,868	1,969,946	
-	-	-	-	-	792,802	
-	-	25,245,287	-	1,343,276	52,908,100	
-	-	-	-	-	19,079,396	
10,539	364,834	710	241,920	306,534	2,564,817	
-	-	-	-	-	3,824,921	
-	-	-	-	-	10,540	
-	-	-	-	461,232	461,232	
10,539	364,834	25,245,997	241,920	8,716,558	191,835,049	
<hr/>						
-	-	-	-	285,383	19,081,286	
-	-	-	-	7,214,973	50,083,693	
-	-	-	-	13,968	472,952	
-	-	-	-	437,400	28,533,780	
-	-	-	-	-	2,836,872	
-	-	-	-	-	29,808,806	
-	-	-	-	-	5,044,019	
-	104,145	-	102,436	15,795	4,526,128	
-	-	-	-	124,452	300,966	
-	-	-	-	3,949	2,217,162	
-	-	-	-	-	4,499	
-	9,934,709	29,241,671	2,692,936	962,398	45,587,535	
-	10,038,854	29,241,671	2,795,372	9,058,318	188,497,698	
10,539	(9,674,020)	(3,995,674)	(2,553,452)	(341,760)	3,337,351	
<hr/>						
-	48,256,000	8,000,000	38,392,000	-	94,648,000	
-	-	-	-	424,534	925,928	
-	1,603,573	18,294,250	-	1,557,854	31,258,293	
-	(3,332,287)	-	(1,619,430)	(1,847,847)	(33,354,162)	
-	-	-	-	-	33,339	
-	46,527,286	26,294,250	36,772,570	134,541	93,511,398	
10,539	36,853,266	22,298,576	34,219,118	(207,219)	96,848,749	
25	4,540,667	12	-	19,447,152	94,058,658	
-	-	-	-	-	127,147	
25	4,540,667	12	-	19,447,152	94,185,805	
\$ 10,564	\$ 41,393,933	\$ 22,298,588	\$ 34,219,118	\$ 19,239,933	\$ 191,034,554	

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, 2023**

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

Net change in fund balances - total governmental funds, Exhibit 4:	\$ 96,848,749
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.	45,499,796
Cost of capital asset disposed of during the year, not recognized on modified accrual basis.	(1,497,775)
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.	(90,425,000)
The costs, net, to report right-to-use assets, amortization, lease liability, net	49,832
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(50,009)
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.	(1,630,416)
Internal service funds are used by management to charge the costs of health insurance and worker's compensation to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.	(483,017)
Contributions and costs, net, to the LGERS pension plan in the current fiscal year are not included on the Statement of Activities.	(2,275,934)
Contributions and costs, net, to the LEOSSA pension plan in the current fiscal year are not included on the Statement of Activities.	(332,229)
Contributions and costs, net, to the ROD pension plan in the current fiscal year are not included on the Statement of Activities.	(13,137)
Contributions and costs, net, to the OPEB plan in the current fiscal year are not included on the Statement of Activities.	1,286,281
Total changes in net position of governmental activities	\$ 46,977,141

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, 2023

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues				
Ad valorem taxes	\$ 69,433,634	\$ 69,433,634	\$ 70,559,489	\$ 1,125,855
Local option sales taxes	27,326,823	27,491,439	31,810,358	4,318,919
Other taxes and licenses	1,821,672	3,262,253	1,760,800	(1,501,453)
Licenses and permits	1,561,118	1,561,118	1,457,078	(104,040)
Unrestricted intergovernmental	2,147,649	701,164	792,802	91,638
Restricted intergovernmental	19,109,525	51,487,232	20,657,861	(30,829,371)
Charges for services	13,211,241	13,921,176	19,079,396	5,158,220
Investment earnings	106,335	106,335	959,061	852,726
Miscellaneous	3,186,385	5,382,438	3,824,921	(1,557,517)
Payments from various municipalities	212,000	212,000	10,540	(201,460)
Total revenues	<u>138,116,382</u>	<u>173,558,789</u>	<u>150,912,306</u>	<u>(22,646,483)</u>
Expenditures				
Current:				
General government	15,644,521	20,268,914	18,737,035	1,531,879
Public safety	38,976,368	42,084,528	42,868,720	(784,192)
Transportation	229,539	557,338	458,984	98,354
Economic and physical development	4,105,774	41,628,352	5,044,019	36,584,333
Human services	34,220,520	36,352,413	28,096,380	8,256,033
Culture and recreation	2,963,369	3,226,169	2,836,872	389,297
Education	31,945,371	31,772,690	29,808,806	1,963,884
Debt Service:				
Principal payments	11,015,615	5,294,428	4,303,752	990,676
SBITA principal payments	-	-	176,514	(176,514)
Interest and other charges	2,213,457	2,213,957	2,213,213	744
Interest - SBITA	-	-	4,499	(4,499)
Total expenditures	<u>141,314,534</u>	<u>183,398,789</u>	<u>134,548,794</u>	<u>48,849,995</u>
Excess (deficiency) of revenues over expenditures	(3,198,152)	(9,840,000)	16,363,512	26,203,512
Other Financing Sources (Uses)				
Proceeds from SBITA financing	-	-	501,394	501,394
Transfers in	192,750	9,802,616	9,802,616	-
Transfers out	(3,296,656)	(23,707,611)	(23,707,611)	-
Proceeds from sale of assets	-	12,025	33,339	(21,314)
Total other financing sources and (uses)	<u>(3,103,906)</u>	<u>(13,892,970)</u>	<u>(13,370,262)</u>	<u>480,080</u>
Revenues and other financing sources under expenditures	(6,302,058)	(23,732,970)	2,993,250	26,726,220
Appropriated fund balance	<u>6,302,058</u>	<u>23,732,970</u>	-	<u>(23,732,970)</u>
Revenues, other sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>2,993,250</u>	<u>\$ 2,993,250</u>
Fund balances - beginning			70,058,832	
Restatement, Note VIII			127,147	
Fund balance, as restated			70,185,979	
Fund balances - ending			<u>\$ 73,179,229</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, 2023

Exhibit 6

	Business-type Activities	
	Major	
	Solid Waste Disposal	Maxwell Center Fund
Assets		
Current assets:		
Cash and cash equivalents	\$ 13,590,476	\$ 1,456,829
Accounts receivable, net	918,326	211,613
Receivables from other governments	75,083	8,174
Lease receivable	5,748	-
Accrued interest receivable - leases	60	-
Inventories	19,508	-
Total current assets	<u>14,609,201</u>	<u>1,676,616</u>
Capital assets:		
Land	11,022,663	2,210,000
Other capital assets, net depreciation	8,083,795	20,735,565
Subscription based IT asset, net amortization	-	41,574
Total non-current assets	<u>19,106,458</u>	<u>22,987,139</u>
Total assets	<u>33,715,659</u>	<u>24,663,755</u>
Deferred Outflows of Resources	1,078,970	145,047
Liabilities		
Current liabilities:		
Accounts payable	148,401	29,571
Other liabilities	65,976	15,680
Accrued interest payable	-	28,357
Due to other funds	-	-
Payable to other governments	-	573
Customer deposits	-	114,379
Compensated absences	122,717	13,570
Current portion of long term debt	-	661,877
Total current liabilities	<u>337,094</u>	<u>864,007</u>
Non-current liabilities:		
Other postemployment benefits	1,058,013	-
Accrued landfill closure/postclosure costs	8,744,453	-
Subscription based IT liability	-	42,116
Net pension liability	1,428,455	222,204
Bonds, notes and loans payable	-	8,724,276
Total non-current liabilities	<u>11,230,921</u>	<u>8,988,596</u>
Total liabilities	<u>11,568,015</u>	<u>9,852,603</u>
Deferred Inflows of Resources	373,944	6,989
Net Position		
Net investment in capital assets	19,106,457	13,664,645
Unrestricted	3,746,213	1,284,565
Total net position	<u>\$ 22,852,670</u>	<u>\$ 14,949,210</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.

Business-type Activities		Governmental Activities
Nonmajor		
Other Enterprise Funds	Totals	Internal Service Funds
\$ 996,907	\$ 16,044,212	\$ 3,160,106
196,925	1,326,864	418
21,737	104,994	-
250,206	255,954	-
723	783	-
33,587	53,095	-
<u>1,500,085</u>	<u>17,785,902</u>	<u>3,160,524</u>
1,096,842	14,329,505	-
15,914,198	44,733,558	-
-	-	-
<u>17,011,040</u>	<u>59,063,063</u>	<u>-</u>
<u>18,511,125</u>	<u>76,848,965</u>	<u>3,160,524</u>
77,984	1,302,001	-
41,745	219,717	601,292
4,940	86,596	-
4,318	32,675	-
467,298	467,298	-
5,297	5,870	-
-	114,379	-
8,175	144,462	-
90,000	751,877	-
<u>621,773</u>	<u>1,822,874</u>	<u>601,292</u>
85,855	1,143,867	-
-	8,744,453	-
-	42,116	-
95,230	1,745,889	-
1,130,000	9,854,276	-
<u>1,311,085</u>	<u>21,530,601</u>	<u>-</u>
<u>1,932,858</u>	<u>23,353,475</u>	<u>601,292</u>
278,395	659,328	-
15,799,228	48,570,330	-
578,628	5,609,407	2,559,234
<u>\$ 16,377,856</u>	<u>54,179,737</u>	<u>\$ 2,559,234</u>
	(127,809)	
	<u>\$ 54,051,928</u>	

Wayne County, North Carolina
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities	
	Major	
	Solid Waste Disposal	Maxwell Center Fund
Operating Revenues		
User fees	\$ 5,949,633	\$ 1,419,367
Insurance premiums	-	-
Lease revenue	10,470	-
Total operating revenues	<u>5,960,103</u>	<u>1,419,367</u>
Operating expenses		
Salaries and employee benefits	2,507,837	547,686
Contractual services	176,104	15,547
Utilities	-	84,999
Repairs and maintenance	369,399	90,519
Other departmental expenses	781,101	58,738
Other supplies and expenses	452,121	116,143
Indirect costs	419,856	930,856
Closure and postclosure costs	552,150	-
Insurance claims and expenses	-	-
Depreciation and amortization	992,605	642,140
Total operating expenses	<u>6,251,173</u>	<u>2,486,628</u>
Operating income (loss)	<u>(291,070)</u>	<u>(1,067,261)</u>
Non-operating Revenues (Expenses)		
Restricted intergovernmental revenues	362,272	5,000
Interest and investment revenue	219,194	21,634
Donations	-	6,632
Miscellaneous revenue	77,998	150
Gain (loss) on sale of assets	-	-
Operating grants and contributions	10,062	-
Interest expense	-	(369,790)
Total non-operating revenue (expenses)	<u>669,526</u>	<u>(336,375)</u>
Income (loss) before contributions/transfers	<u>378,456</u>	<u>(1,403,636)</u>
Transfers in	-	1,612,242
Change in net position	<u>378,456</u>	<u>208,607</u>
Total net position - beginning	<u>22,474,214</u>	<u>14,740,603</u>
Restatement, Note VIII	-	-
Net position, beginning, restated	<u>22,474,214</u>	<u>14,740,603</u>
Total net position - ending	<u><u>\$ 22,852,670</u></u>	<u><u>\$ 14,949,210</u></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		Internal Service Funds
	Totals	
\$ 1,632,748	\$ 9,001,748	\$ -
-	-	8,991,003
64,710	75,180	-
<u>1,697,458</u>	<u>9,076,928</u>	<u>8,991,003</u>
206,302	3,261,825	-
330,369	522,020	-
521,703	606,702	-
65,475	525,393	-
-	839,839	7,980,120
699,971	1,268,235	-
186,813	1,537,525	-
-	552,150	-
-	-	1,558,824
803,371	2,438,116	-
<u>2,814,004</u>	<u>11,551,805</u>	<u>9,538,944</u>
<u>(1,116,546)</u>	<u>(2,474,877)</u>	<u>(547,941)</u>
-	367,272	-
16,462	257,290	57,192
-	6,632	-
33,748	111,896	1,829
7,400	7,400	-
1,745,857	1,755,919	-
(57,331)	(427,121)	-
<u>1,746,136</u>	<u>2,079,288</u>	<u>59,021</u>
629,590	(395,590)	(488,920)
483,626	2,095,868	-
1,113,216	1,700,279	(488,920)
15,264,640	52,479,457	3,175,299
-	-	(127,147)
<u>15,264,640</u>	<u>52,479,457</u>	<u>3,048,154</u>
<u>\$ 16,377,856</u>	<u>\$ 54,179,736</u>	<u>\$ 2,559,234</u>
	1,700,279	
	(5,904)	
	<u>\$ 1,694,375</u>	

Wayne County, North Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities	
	Major	Maxwell Center
	Solid Waste Disposal	Maxwell Center
Cash flows from operating activities:		
Receipts from customers	\$ 5,531,248	\$ 1,439,440
Payments to employees for services	(2,300,037)	(497,957)
Payments to suppliers of goods and services	(2,300,014)	(1,269,131)
Proceeds from unrestricted revenues	<u>77,997</u>	<u>-</u>
Net cash provided (used) by operating activities	1,009,194	(327,648)
Cash flows from noncapital financing activities:		
Grant proceeds	372,334	-
Due (to) from other government	17,375	4,686
Transfers (to) from other funds	<u>-</u>	<u>1,612,242</u>
Net cash provided (used) by noncapital financing activities	389,709	1,616,928
Cash flows from capital and related financing activities:		
Principal payments related to capital debt	-	(661,874)
Interest payments related to capital debt	-	(377,768)
Subscription based IT activity	-	542
Change in accrued interest	-	-
Noncash transfers of assets	-	-
Cash received on disposal of assets	87,565	-
Payments for the acquisition of capital assets	<u>(722,504)</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	(634,937)	(1,039,100)
Cash flows from investing activities		
Municipality reimbursements	-	5,000
Interest payments received	<u>219,192</u>	<u>21,632</u>
Net cash provided (used) by investing activities	<u>219,192</u>	<u>26,632</u>
Net increase (decrease) in cash and cash equivalents	983,158	276,812
Cash and cash equivalents, July 1	<u>12,607,318</u>	<u>1,180,017</u>
Cash and cash equivalents, June 30	<u>13,590,476</u>	<u>1,456,829</u>
Operating income	(291,070)	(1,067,261)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation and amortization	992,605	642,140
Non operating income	77,998	-
Changes in assets and liabilities		
(Increase) decrease		
Accounts receivable	(428,855)	22,171
Accounts receivable - leases	2,451	-
Inventory	11,605	-
Increase (decrease)		
Accounts payable	(115,489)	25,575
Postemployment liability	(218,309)	-
Pensions	366,344	29,787
Postclosure costs	552,150	-
Other liabilities	<u>59,764</u>	<u>19,940</u>
Total adjustments	<u>1,300,264</u>	<u>739,613</u>
Net cash provided (used) by operating activities	<u>\$ 1,009,194</u>	<u>\$ (327,648)</u>

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

Business-type Activities		Governmental Activities	
Nonmajor		Internal Service Funds	
Other Enterprise Funds	Totals		
\$ 2,473,545	\$ 9,444,233	\$ 9,266,102	
(174,458)	(2,972,452)	-	
(2,308,757)	(5,877,902)	(9,523,665)	
<u>33,748</u>	<u>111,745</u>	<u>1,829</u>	
			24,078 705,624 (255,734)
1,745,857	2,118,191	-	
(17,338)	4,723	-	
<u>485,578</u>	<u>2,097,820</u>	<u>-</u>	
			2,214,097 4,220,734 -
(90,000)	(751,874)	-	
(57,329)	(435,097)	-	
-	542	-	
(5,098)	(5,098)	-	
-	-	-	
7,400	94,965	-	
<u>(2,063,556)</u>	<u>(2,786,060)</u>	<u>-</u>	
			(2,208,583) (3,882,620) -
	5,000		
<u>16,462</u>	<u>257,286</u>	<u>57,185</u>	
			<u>16,462</u> <u>262,286</u> <u>57,185</u>
46,055	1,306,025	(198,549)	
<u>950,503</u>	<u>14,737,838</u>	<u>3,358,655</u>	
<u>996,558</u>	<u>16,043,863</u>	<u>3,160,106</u>	
			(1,116,546) (2,474,877) (547,941)
803,371	2,438,116	-	
<u>33,748</u>	<u>111,746</u>	<u>1,829</u>	
774,412	367,728	275,098	
1,675	4,126	-	
51,105	62,710	-	
(555,530)	(645,444)	15,280	
(7,434)	(225,743)	-	
33,552	429,683	-	
-	552,150	-	
<u>5,725</u>	<u>85,429</u>	<u>-</u>	
			<u>1,140,624</u> <u>3,180,501</u> <u>292,207</u>
\$ 24,078	\$ 705,624	\$ (255,734)	

Wayne County, North Carolina
Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 104,717
Other receivables	10,297
Taxes receivable for other governments, net	853,740
Total assets	<u><u>958,457</u></u>
Liabilities	
Miscellaneous liabilities	1,002
Total liabilities	<u><u>1,002</u></u>
Net Position	
Individuals, organizations, and other governments	957,455
Total fiduciary net position	<u><u>957,455</u></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, 2023

	<u>Custodial Funds</u>
Additions	
Ad valorem taxes collected for other governments	\$ 22,083,893
Collections on behalf of inmates	714,326
Miscellaneous custodial funds	<u>4,086</u>
Total additions	22,802,305
Deductions	
Tax distributions to other governments	22,079,882
Payments on behalf of inmates	750,005
Payments of miscellaneous custodial funds	<u>9,505</u>
Total deductions	<u>22,839,392</u>
Net increase (decrease) in fiduciary net position	(37,087)
Net position - beginning of year	<u>1,033,662</u>
Net position - end of year	<u>\$ 996,575</u>

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. 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 Grant Fund: This fund accounts for moneys received from the State of North Carolina appropriations grant to build a new public school.

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

Jail Debt Project Fund: This fund accounts for the construction of a new Detention Center related to specific debt issuance.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

DSS-Health Debt Project Fund: This fund accounts for the construction of a new DSS-Health Building related to specific debt issuance.

Non-major Funds: The County maintains fifteen 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 (SCIF) Grant Fund, the Sheriff's State Grant 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 Fund, the County Public School Capital Project Fund – School Buildings, the County Capital Reserve Projects Fund, the County Capital Project – 911 Call Center 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.

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.

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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

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.

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..

The County reports the following non-major enterprise funds:

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

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, and the WC Self Insurance Fund for the accumulation of workman's compensation insurance costs.

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 Custodial 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 custodial 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/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

general long-term debt, leases initiated during the year, and new subscription based IT acquisition (SBITA) 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 Opioid Settlement 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 Sheriff's State Grant Fund, the Utility Fund, the Street Assessment Fund, the Wayne County Public School Capital Project Fund – Meadow Lane, the County Capital Project Fund, Wayne County Public School Capital Projects Fund – School Buildings, County Capital Reserve 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 Rosewood State Grant Fund, the Jail Debt Project Fund, the Fremont School Project Fund, and the DSS-Health Debt Project Fund.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

The majority of the County'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, 2023.

- The North Carolina Capital Management Trust (NCCMT) Government Portfolio, authorized by G.S. 159-30(c)(8) is a 2a7 fund which invests in treasuries, government agencies, and collateralized repurchase agreements and is rated AAAm rating by S&P. The Government Portfolio is reported at fair value.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

The amount of unspent resources obtained from the Opioid Settlement are restricted for use for specific purposes (i.e. opioid remediation). In addition to the restricted cash shown below, opioid receivables, net of an allowance for bad debt, of \$9,480,722, related to the settlement are also reported as restricted assets.

The American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. These funds are limited to specific purposes. Until the amounts are assigned to use for a specific purpose they are reported as restricted assets.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Wayne County, North Carolina Restricted Cash

Current Assets:

Governmental Activities

General Fund	Tax Revaluation	\$ 516,984
General Fund	School Sales Tax	3,094,163
Special Revenue Fund	American Rescue Plan	18,633,828
Special Revenue Fund	Rosewood State Grant	20,276,948
Special Revenue Fund	Opiod Settlement	821,031
Capital Projects Fund	Jail Debt Project	48,584,545
Capital Projects Fund	Fremont School Project	7,993,210
Capital Projects Fund	DSS/Health Debt Project	38,623,920
Special Revenue Fund	Emergency Telephone	1,066,524
Special Revenue Fund	Fire Districts	50,305
Special Revenue Fund	Representative Payee	102,894
Special Revenue Fund	NC Court Pilot Program	124,193
Special Revenue Fund	SCIF Grant	6,131
Special Revenue Fund	Sheriff's State Grant	10
Special Revenue Fund	Street Light	40,154
Special Revenue Fund	Neighborhood Roads	447,070
Capital Projects Fund	Meadow Lane School	344,677
Capital Projects Fund	Unspent Debt Proceeds	176,601
Capital Projects Fund	Unspent Debt Proceeds	615,092
Capital Projects Fund	Unspent Debt Proceeds	329,679
Capital Projects Fund	911 Call Center	3,315,308
Permanent Fund	Senior Center	9,032
Restricted Cash, Current Assets - Governmental		<u>145,172,299</u>
Business-type Activities		
Sewer Fund	Unspent Debt Proceeds	8,187
MRACC Fund	Unspent Debt Proceeds	21,543
Restricted Cash, Current Assets - Business-type		<u>29,730</u>
Total Restricted Cash, Current Assets		<u>145,202,029</u>

Noncurrent Assets:

Governmental Activities

General Fund	QSCB Sinking Fund	<u>11,793,069</u>
Total Restricted Cash, Noncurrent Assets		<u>11,793,069</u>
Total Restricted Cash		<u>\$ 156,995,098</u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles 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, 2022.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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

7. Inventories and Prepaid Items

The inventories of the County's general and enterprise funds are valued at cost (first-in, first-out), which approximates market. The inventory in the general fund is for the fleet management parts and supplies. The inventory in the enterprise funds 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, 2023

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* and GASB 96, *SBITA*.

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.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalized initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalized implementation costs made before the start of the subscription

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.

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, represent a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion – pension/other post-employment benefit 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, represent an acquisition of net assets that applies to a future periods 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. In addition, certain unavailable revenues related to taxes, special assessments, and opioid settlement receivables are reported as deferred inflows of resources, but only on the balance sheet of the governmental funds).

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 is front loaded. 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.

The significance of this issue resulted in guidance being provided to state and local governments to help ensure that there was consistency in the accounting and financial reporting of these funds. The guidance provided that because of the restrictions on the use of the funds revenue should not be recognized until the funds were expended. Because the county did not expend any amounts in fiscal year 2022 the total of \$240,179 that was received remained on hand at June 30, 2022 and is shown as unearned revenues. In such cases the guidance specified that the cash on hand should be reported as an asset offset by an unearned revenue, a liability. The result was that amounts were only presented on the balance sheet of governmental funds and the statement of net position for governmental activities.

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

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

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

exchange for their agreement to release the tobacco companies from present and future litigation.”

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

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

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

In fiscal year 2023 the County applied the exchange and exchange-like transactions guidance to these transactions. Accordingly, the cash received during the 2023 fiscal year, \$570,288, was shown as unearned revenue in the Opioid Settlement Fund, major special revenue fund. Additional revenue was also recognized for Governmental Activities. This amount was calculated as follows:

	<u>Governmental Activities</u>
County's Share of NC's Unpaid Aggregate Settlements through fiscal-year 2023	\$ 10,534,136
Less: Allowance for uncollectible accounts	<u>(1,053,414)</u>
Opioid Settlement restricted receivable at 2023	<u><u>\$ 9,480,722</u></u>

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, 2023, the County has spent \$5,615,676. The County has spent \$2,768,689 for capital improvement projects and \$2,846,987 on revenue replacement in fiscal year 2023.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

Fluctuations in the valuation of North Carolina Local Government Retirement System (LGERS) actuarial for Wayne County created a significant change in the liability for the fiscal year ending June 30, 2023. The liability increased 264.04% from last year. This increase, coupled with the capital funding noted above, produced an unexpected deficit in unrestricted net position. More information on the LGERS valuation can be found in Note B, 2, a.

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, 2023, the County does not have any fund balance nonspendable for leases.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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

Restricted for Social Services and 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 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, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 (LGERS) 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.

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 \$2,327,288 consists of several elements as follows:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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).	
Less accumulated depreciation	\$ 285,299,439
	<u>82,621,895</u>
	<u>202,677,544</u>
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.	26,104
Accrued interest - leases	(177)
Lease liability	<u>(25,280)</u>
	<u>647</u>
GASB No. 96 SBITA standard - right to use asset	
Right to use assets are not financial resources and therefore are not reported in the funds.	646,726
Accrued interest - leases	(7,403)
Lease liability	<u>(643,860)</u>
	<u>(4,537)</u>
	<u>(3,890)</u>
Internal service funds are used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.	
Opioid deferred inflows of resourced	2,559,232
	9,480,722
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.	2,212,777
LGERS - pension related deferrals	16,547,214
LGERS - net pension liability	(26,632,750)
LEOSSA - pension related deferrals	152,627
LEOSSA - net pension liability	(4,017,410)
ROD - pension related deferrals	60,969
ROD - net pension asset	113,770
OPEB - OPEB related deferrals	(3,582,324)
OPEB - net pension liability	<u>(36,329,208)</u>
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	(156,451,000)
Compensated absences	(2,727,902)
Accrued interest payable	<u>(1,733,083)</u>
	<u>(160,911,985)</u>
Total adjustment	<u><u>\$ 2,327,288</u></u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 (\$49,871,608) as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 53,640,996
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.	(8,141,200)
Income/costs of capital assets disposed of during the year, not recognized on modified accrual basis.	(1,497,775)
The costs, net, to report right-to-use assets, amortization, lease liability and SBITA, net.	49,832
Contributions and costs to the LGERS pension plan in the current fiscal year are not included on the Statement of Activities.	(2,275,934)
Contributions and costs to the LEOSSA pension plan in the current fiscal year are not included on the Statement of Activities.	(332,229)
Contributions and costs to the ROD pension plan in the current fiscal year are not included on the Statement of Activities.	(13,137)
Contributions and costs to the OPEB plan in the current fiscal year are not included on the Statement of Activities.	1,286,281
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.	(90,425,000)
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.	(1,237,260)
Compensated absences	(393,156)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	(50,009)
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.	(483,017)
Total adjustment	<u>\$ (49,871,608)</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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, 2023, the County's deposits had a carrying amount of \$144,068,473 and a bank balance of \$136,413,535. Of the bank balance, \$750,000 was covered by federal depository insurance, and \$88,667 in non-interest-bearing deposits and \$136,324,868 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, 2023

At June 30, 2023, Wayne County had \$14,464 cash on hand.

At June 30, 2023, the carrying amount of deposits for the Wayne County ABC Board was \$5,422,852 and the bank balance was \$5,297,739. All of the bank balance was covered by federal depository insurance except for \$4,528,072, which was collateralized by institutions using the Pooling Method. At June 30, 2023, The ABC Board had \$7,600 cash on hand.

At June 30, 2023, the carrying amount of deposits for the Wayne County Tourism Development Authority was \$128,985 and the bank balance was \$128,985. All of the Tourism Authority's deposits were fully covered by federal depository insurance.

2. Investments

As of June 30, 2023 the County had the following investments and maturities.

Investment Type	Valuation Measurement Method	Less Than 6 Months			6-12 Months
		Fair Value			
NC Capital Management Trust & Term Government Portfolio	Fair Value - Level 1	49,702,899	49,702,899		N/A
Commercial Paper	Fair Value - Level 2	19,314,019	19,314,019		N/A
Total		\$ 69,016,918	\$ 69,016,918	\$ -	

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, 2023

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, 2023, 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, 2023. 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 \$11,793,069.

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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2020	\$ 4,039,441	\$ 1,322,917	\$ 5,362,358
2021	4,038,593	959,166	4,997,759
2022	4,258,836	628,178	4,887,014
2023	<u>4,494,233</u>	<u>258,418</u>	<u>4,752,651</u>
	<u><u>\$ 16,831,103</u></u>	<u><u>\$ 3,168,679</u></u>	<u><u>\$ 19,999,782</u></u>

5. Receivables

Receivables at the government-wide level at June 30, 2023 were as follows:

	Accounts	Taxes and Accrued Interest	Lease Receivable	Due from Other Governments	Total
Governmental Activities:					
General	\$ 1,898,453	\$ 3,077,694	\$ 157,694	\$ 1,593,813	\$ 6,727,654
Restricted opioid	10,534,136	-	-	-	10,534,136
Other governmental	-	1,179,770	-	40,246,139	41,425,909
Total receivables	<u>12,432,589</u>	<u>4,257,464</u>	<u>157,694</u>	<u>41,839,952</u>	<u>58,687,699</u>
Allowance for doubtful accounts	<u>(2,553,414)</u>	<u>(1,051,401)</u>	<u>-</u>	<u>-</u>	<u>(3,604,815)</u>
Total-governmental activities	<u>\$ 9,879,175</u>	<u>\$ 3,206,063</u>	<u>\$ 157,694</u>	<u>\$ 41,839,952</u>	<u>\$ 55,082,884</u>
	Accounts	Taxes and Accrued Interest	Lease Receivable	Due from Other Governments	Total
Business-type Activities:					
Solid Waste Disposal	\$ 1,204,967	\$ 75,083	\$ 5,747	\$ -	\$ 1,285,797
Sewer Fund	72,100	1,863	-	-	73,963
Airport	125,548	19,866	250,207	-	395,621
MRAC	32,519	8,177	-	179,094	219,790
Total receivables	<u>1,435,134</u>	<u>104,989</u>	<u>255,954</u>	<u>179,094</u>	<u>1,975,171</u>
Allowance for doubtful accounts	<u>(414,333)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(414,333)</u>
Total-business-type activities	<u>\$ 1,020,801</u>	<u>\$ 104,989</u>	<u>\$ 255,954</u>	<u>\$ 179,094</u>	<u>\$ 1,560,838</u>

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

Local option sales tax	\$ 5,522,030
Sales tax refund	1,284,758
Other taxes	834,748
Grants receivable	28,885,112
EMS Medicaid receivable	102,918
Other	<u>5,389,480</u>
Total	<u>\$ 42,019,046</u>

The Tourism Development Authority's receivables consist of occupancy taxes from local hotels of \$25,442. 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, 2023

Lease Receivables

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

The primary objective of GASB Statement No. 87, Leases, 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 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 06/30/2023, 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 06/30/2023 was \$0.00, and Wayne County, NC recognized lease revenue of \$533.33 during the fiscal year. The lessee has 9 extension option(s), each for 12 months.

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 06/30/2023, the value of the lease receivable is \$0.00. 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 06/30/2023 was \$5,868.79, and Wayne County, NC recognized lease revenue of \$11,737.58 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 06/30/2023, the value of the lease receivable is \$0.00. 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 06/30/2023 was \$2,126.45, and Wayne County, NC recognized lease revenue of \$4,252.90 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 06/30/2023, 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 06/30/2023 was \$0.00, and Wayne County, NC recognized lease revenue of \$1,409.17 during the fiscal year.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 \$4,453.62. As of 06/30/2023, the value of the lease receivable is \$2,992.43. 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 06/30/2023 was \$3,083.28, and Wayne County, NC recognized lease revenue of \$685.17 during the fiscal year.

On 07/01/2021, Wayne County, NC entered into a 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 06/30/2023, 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 06/30/2023 was \$0.00, and Wayne County, NC recognized lease revenue of \$4,400.51 during the fiscal year.

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 06/30/2023, the value of the lease receivable is \$0.00. 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 06/30/2023 was \$3,017.37, and Wayne County, NC recognized lease revenue of \$6,034.73 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 06/30/2023, the value of the lease receivable is \$154,701.21. 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 06/30/2023 was \$148,403.16, and Wayne County, NC recognized lease revenue of \$18,397.09 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.

Business-type Activities:

Solid Waste Fund:

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 06/30/2023, the value of the lease receivable is \$5,747.41. 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 the deferred inflow of resources as of 06/30/2023 was \$5,926.92, and Wayne County, NC

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 Farm 389 - Northern Landfill. An initial lease receivable was recorded in the amount of \$23,647.74. As of 06/30/2023, the value of the lease receivable is \$0.00. 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 06/30/2023 was \$4,729.55, and Wayne County, NC recognized lease revenue of \$9,459.10 during the fiscal year.

Jetport Fund:

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 06/30/2023, 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 06/30/2023 was \$0.00, and Wayne County, NC 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 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 06/30/2023, the value of the lease receivable is \$60,011.60. 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 06/30/2023 was \$59,473.74, and Wayne County, NC recognized lease revenue of \$16,992.50 during the fiscal year.

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 06/30/2023, the value of the lease receivable is \$0.00. 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 06/30/2023 was \$6,588.34, and Wayne County, NC recognized lease revenue of \$13,176.67 during the fiscal year.

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 06/30/2023, the value of the lease receivable is \$0.00. 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The value of the deferred inflow of resources as of 06/30/2023 was \$218.28, and Wayne County, NC recognized lease revenue of \$436.56 during the fiscal year.

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 06/30/2023, the value of the lease receivable is \$0.00. 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 06/30/2023 was \$0.00, and Wayne County, NC recognized lease revenue of \$1,575.14 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 06/30/2023, the value of the lease receivable is \$190,194.91. 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 06/30/2023 was \$187,620.30, and Wayne County, NC recognized lease revenue of \$34,112.78 during the fiscal year.

The activity related to the lease receivable as of June 30, 2023 was as follows:

General Fund Activities	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Lease Receivable				
Land				
3173 S. US 13 Hwy	\$ -	\$ -	\$ -	\$ -
Farm 13459 - Park East Property	14,681	-	14,681	-
Farm 11955 - S. US 117 Alternate Hwy	5,319	-	5,319	-
Farm 11852 - Arrington Bridge Rd.	-	-	-	-
Farm 11763 - Pecan Rd.	3,715	-	723	2,992
Farm 11693, 8742, 6599 & 11850	-	-	-	-
Farm 11607 - Old Mt. Olive Highway	7,548	-	7,548	-
Total Land Lease Receivable	31,263	-	28,271	2,992
Infrastructure				
Tower Site - Market Square	170,311	-	15,610	154,701
Total Infrastructure Lease Receivable	170,311	-	15,610	154,701
Total Lease Receivable	<u>\$ 201,574</u>	<u>\$ -</u>	<u>\$ 43,881</u>	<u>\$ 157,694</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

General Fund Activities	Balance as of			Balance as of June 30, 2023
	July 1, 2022	Additions	Reductions	
Deferred Inflow of Resources				
Land				
3173 S. US 13 Hwy	\$ 533	\$ -	\$ 533	\$ -
Farm 13459 - Park East Property	17,606	-	11,738	5,869
Farm 11955 - S. US 117 Alternate Hwy	6,379	-	4,253	2,126
Farm 11852 - Arrington Bridge Rd.	1,409	-	1,409	-
Farm 11763 - Pecan Rd.	3,768	-	685	3,083
Farm 11693, 8742, 6599 & 11850	4,401	-	4,401	-
Farm 11607 - Old Mt. Olive Highway	9,052	-	6,035	3,017
Total Land Deferred Inflow of Resources	43,149	-	29,053	14,096
Infrastructure				
Tower Site - Market Square	166,800	-	18,397	148,403
Total Infrastructure Deferred Inflow of Resources	166,800	-	18,397	148,403
Total Deferred Inflow of Resources	\$ 209,950	\$ -	\$ 47,450	\$ 162,499
Business Type Activities:				
Solid Waste Activities:	Balance as of July 1, 2022			Balance as of June 30, 2023
Lease Receivable				
Land				
Landfill Gas - Site	\$ 6,848	\$ -	\$ 1,101	\$ 5,747
Farm 389 - Northern Landfill	11,831	-	11,831	-
Total Land Lease Receivable	18,679	-	12,932	5,747
Total Lease Receivable	\$ 18,679	\$ -	\$ 12,932	\$ 5,747
Solid Waste Activities	Balance as of July 1, 2022			Balance as of June 30, 2023
Deferred Inflow of Resources				
Land				
Landfill Gas - Site	\$ 6,938	\$ -	\$ 1,011	\$ 5,927
Farm 389 - Northern Landfill	14,189	-	9,459	4,730
Total Land Deferred Inflow of Resources	21,126	-	10,470	10,656
Total Deferred Inflow of Resources	\$ 21,126	\$ -	\$ 10,470	\$ 10,656

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Jetport Fund Activities	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Lease Receivable				
Land				
Premises - Goldboro-Wayne Airport	\$ -	\$ -	\$ -	\$ -
Maintenance Hangar & Apron - Wayne Executive Jetport	76,694	-	16,683	60,012
912 Mt. Carmel Church Rd. - Farm	16,481	-	16,481	-
Farm 6686 - 240 Airport Rd.	546	-	546	-
Total Land Lease Receivable	93,721	-	33,709	60,012
Buildings				
Hangar Space - Sasser	1,583	-	1,583	-
Corporate Hangar No. 2	223,175	-	32,980	190,195
Total Building Lease Receivable	224,759	-	34,564	190,195
Total Lease Receivable	\$ 318,480	\$ -	\$ 68,273	\$ 250,207
Jetport Fund Activities:				
Deferred Inflow of Resources				
Land				
Premises - Goldboro-Wayne Airport	\$ -	\$ -	\$ -	\$ -
Maintenance Hangar & Apron - Wayne Executive Jetport	76,466	-	16,993	59,474
912 Mt. Carmel Church Rd. - Farm	19,765	-	13,177	6,588
Farm 6686 - 240 Airport Rd.	655	-	437	218
Total Land Deferred Inflow of Resources	96,886	-	30,606	66,280
Buildings				
Hangar Space - Sasser	1,575	-	1,575	-
Corporate Hangar No. 2	221,733	-	34,113	187,620
Total Building Deferred Inflow of Resources	223,308	-	35,688	187,620
Total Deferred Inflow of Resources	\$ 320,194	\$ -	\$ 66,294	\$ 253,901

Principal and Interest Expected to Maturity

Governmental Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
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	19,493	1,119	20,612
2029 - 2032	65,943	1,559	67,502
Total Principal Payments	157,911		
Cumulative Variance as of Fisc		217	
Total Remaining Receivable	\$ 157,694		

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Business-type Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
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	36,643	557	37,200
2029 - 2032	17,924	76	18,000
Total Principal Payments	255,954		
Cumulative Variance as of Fisc	-		
Total Remaining Receivable	\$ 255,954		

6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 01, 2022	Increases	Decreases	Balance June 30, 2023
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 21,252,207	\$ 2,796,764	\$ 130,242	\$ 23,918,729
Total capital assets not being depreciated	21,252,207	2,796,764	130,242	23,918,729
Capital assets being depreciated:				
Buildings	169,140,379	46,241,473	1,634,131	213,747,721
Infrastructure	3,397,980	84,583	-	3,482,563
Intangibles	2,000,555	135,460	-	2,136,015
Furniture and equipment	27,975,336	2,034,534	660,320	29,349,550
Vehicles and motor equipment	10,512,417	2,561,793	409,349	12,664,861
Total capital assets being depreciated	213,026,667	51,057,843	2,703,800	261,380,710
Less accumulated depreciation for:				
Buildings	46,625,987	4,832,190	109,094	51,349,083
Infrastructure	855,540	276,752	-	1,132,292
Intangibles	1,208,071	255,433	-	1,463,504
Furniture and equipment	19,040,103	1,728,033	634,399	20,133,737
Vehicles and motor equipment	7,878,044	1,048,792	383,557	8,543,279
Total accumulated depreciation	75,607,745	\$ 8,141,200	\$ 1,127,050	82,621,895
Total capital assets being depreciated, net	137,418,922			178,758,815
Governmental activity capital assets, net	\$ 158,671,129			\$ 202,677,544

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

General government	\$ 4,907,015
Public safety	2,488,866
Economic and physical development	144,130
Human services	541,768
Environmental protection	2,945
Education	53,466
Transportation	3,010
Total depreciation expense	<u>\$ 8,141,200</u>

	Balance July 01, 2022	Increases	Decreases	Balance June 30, 2023
<u>Business-type activities:</u>				
Solid Waste Disposal:				
Capital assets not being depreciated:				
Land	\$ 11,022,663	\$ -	\$ -	\$ 11,022,663
Total capital assets not being depreciated	<u>11,022,663</u>	<u>-</u>	<u>-</u>	<u>11,022,663</u>
Capital assets being depreciated:				
Buildings	1,318,469	-	-	1,318,469
Land improvements	5,639,495	-	-	5,639,495
Infrastructure	5,500	102,206	-	107,706
Furniture and equipment	2,983,184	5,137	28,432	2,959,889
Vehicles and motor equipment	9,524,949	615,164	165,917	9,974,196
Total capital assets being depreciated	<u>19,471,597</u>	<u>722,507</u>	<u>194,349</u>	<u>19,999,755</u>
Less accumulated depreciation for:				
Buildings	520,921	36,787		557,708
Land improvements	2,805,279	168,858		2,974,137
Infrastructure	92	3,001		3,093
Furniture and equipment	1,112,852	238,076	28,432	1,322,496
Vehicles and motor equipment	6,590,992	545,884	78,350	7,058,526
Total accumulated depreciation	<u>11,030,136</u>	<u>\$ 992,606</u>	<u>\$ 106,782</u>	<u>11,915,960</u>
Total capital assets being depreciated, net	<u>8,441,461</u>			<u>8,083,795</u>
Solid Waste Disposal capital assets, net	<u>\$ 19,464,124</u>			<u>\$ 19,106,458</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	<u>Balance</u> <u>July 01, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
<u>Business-type activities:</u>				
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	13,400	-	6,085,490
Buildings	150,762	-	-	150,762
Furniture and equipment	521,811	5,715	29,505	498,021
Vehicles and motor equipment	117,521	-	18,363	99,158
Total capital assets being depreciated	6,862,184	19,115	47,868	6,833,431
Less accumulated depreciation for:				
Infrastructure	2,746,506	127,596	-	2,874,102
Buildings	48,415	5,296	-	53,711
Furniture and equipment	235,623	25,647	29,505	231,765
Vehicles and motor equipment	94,927	7,237	18,363	83,801
Total accumulated depreciation	3,125,471	\$ 165,776	\$ 47,868	3,243,379
Total capital assets being depreciated, net	3,736,713			3,590,052
Sewer capital assets, net	<u>\$ 3,760,341</u>			<u>\$ 3,613,680</u>

	<u>Balance</u> <u>July 01, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</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	15,082,501	1,848,620	-	16,931,121
Intangibles	143,854	-	-	143,854
Infrastructure	90,901	153,535	-	244,436
Furniture and equipment	230,265	49,162	-	279,427
Vehicles and motor equipment	51,798	-	-	51,798
Total capital assets being depreciated	15,599,319	2,051,317	-	17,650,636
Less accumulated depreciation for:				
Buildings	4,379,731	614,154	-	4,993,885
Intangibles	79,741	6,662	-	86,403
Infrastructure	2,090	6,486	-	8,576
Furniture and equipment	173,459	12,372	-	185,831
Vehicles and motor equipment	51,795	-	-	51,795
Total accumulated depreciation	4,686,816	\$ 639,674	\$ -	5,326,490
Total capital assets being depreciated, net	10,912,503			12,324,146
Airport capital assets, net	<u>\$ 11,985,717</u>			<u>\$ 13,397,360</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	<u>Balance</u> <u>July 01, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</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	6,096	-	21,133
Intangibles	95,221	-	-	95,221
Total capital assets being depreciated	24,154,846	6,096	-	24,160,942
Less accumulated depreciation for:				
Buildings	2,691,438	629,577	-	3,321,015
Equipment	5,221	3,920	-	9,141
Intangibles	94,935	286	-	95,221
Total accumulated depreciation	2,791,594	\$ 633,783	\$ -	3,425,377
Total capital assets being depreciated, net	21,363,252			20,735,565
Maxwell Center capital assets, net	21,363,252			22,945,565
Business-type activities capital assets, net	\$ 56,573,434			\$ 59,063,064

Construction Commitments

As of June 30, 2023, the County has construction commitments as follows:

<u>Project</u>	<u>Amount</u>
Fremont Elementary School	\$ 35,781,869
DSS/Health Building	32,101,651
Detention Center (Jail Debt Project)	45,218,418
Goldsboro Business Campus	2,275,861
Apron Pavement Rehabilitation	2,880,078
	<u>\$ 118,257,877</u>

Discretely presented component units

Activity for the ABC Board for the year ended June 30, 2023 was as follows:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	<u>Balance</u> <u>July 01, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2022</u>
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	\$ 2,286,416			\$ 2,182,476

The Wayne County Tourism Development Authority does not have any capital assets as of June 30, 2023.

7. Right to Use Leased Assets

The County has recorded right to use leased and SBITA assets. The assets are right to use assets for leased equipment, land and SBITA assets. The related leases and SBITAs are discussed in the Leases and SBITAs 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 and SBITAs.

Right to use assets activity, leases, for the Primary Government for the year ended June 30, 2023, was as follows:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

General Government Activities:	Balance as of			Balance as of June 30, 2023
	<u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	
Lease Assets				
Equipment				
Mail Feeder	\$ 16,429	\$ -	\$ 16,429	\$ -
Toshiba Wide Path Copier	24,760	-	-	24,760
Total Equipment Lease Assets	41,189	-	16,429	24,760
Land				
Land Space - Firing Range	16,981	-	-	16,981
Total Land Lease Assets	16,981	-	-	16,981
Total Lease Assets	58,170	-	16,429	41,741
Lease Accumulated Amortization				
Equipment				
Mail Feeder	8,261	8,169	16,429	-
Toshiba Wide Path Copier	4,731	4,731	-	9,462
Total Equipment Lease Accumulated Amortization	12,992	12,900	16,429	9,462
Land				
Land Space - Firing Range	3,087	3,087	-	6,175
Total Land Lease Accumulated Amortization	3,087	3,087	-	6,175
Total Lease Accumulated Amortization	16,079	15,987	16,429	15,637
Total General Government Lease Assets, Net	\$ 42,091	\$ (15,987)	\$ -	\$ 26,103
Public Health Activities:	Balance as of			Balance as of June 30, 2023
	<u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	
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	137,816	-
Total Land Lease Accumulated Amortization	68,908	68,908	137,816	-
Total Lease Accumulated Amortization	68,908	68,908	137,816	-
Total Public Health Fund Lease Assets, Net	\$ 68,908	\$ (68,908)	\$ -	\$ -

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Right to use assets activity, SBITAs, for the Primary Government for the year ended June 30, 2023, was as follows:

General Government Activities:	Balance as of July 1, 2022			Additions	Reductions	Balance as of June 30, 2023	
Subscription Assets							
Software							
Central Square - Software Application	\$ 567,016	\$ -	\$ -			\$ 567,016	
Medical Dispatch System - Quote #50575	24,514	-	-			24,514	
Medical Dispatch System - Quote #50592	28,015	-	-			28,015	
AmpliFund Grant Seeker	35,150	-	-			35,150	
DebtBook Platform	-	27,534	-			27,534	
Sophos Central Intercept	-	5,457	-			5,457	
PowerDMS - Compliance Management Platform	16,550	-	-			16,550	
Cott - eRecording	89,671	-	-			89,671	
ESI WebEOC Software	25,280	-	-			25,280	
CodeRED - Emergency Plus	69,229	-	-			69,229	
Resolution 3 - READ ONLY	7,401	-	-			7,401	
Grant Management Software	35,261	-	-			35,261	
CivicClerk - Software	-	21,420	-			21,420	
Total Software Subscription Assets	898,088	54,411	-			952,498	
Total Subscription Assets	\$ 898,088	\$ 54,411	\$ -			\$ 952,498	
Subscription Accumulated Amortization							
Software							
Central Square - Software Application	-	127,102	-			127,102	
Medical Dispatch System - Quote #50575	-	7,466	-			7,466	
Medical Dispatch System - Quote #50592	-	8,533	-			8,533	
AmpliFund Grant Seeker	-	35,150	-			35,150	
DebtBook Platform	-	7,212	-			7,212	
Sophos Central Intercept	-	3,609	-			3,609	
PowerDMS - Compliance Management Platform	-	16,550	-			16,550	
Cott - eRecording	-	28,317	-			28,317	
ESI WebEOC Software	-	8,667	-			8,667	
CodeRED - Emergency Plus	-	34,281	-			34,281	
Resolution 3 - READ ONLY	-	2,337	-			2,337	
Grant Management Software	-	16,401	-			16,401	
CivicClerk - Software	-	10,145	-			10,145	
Total Software Subscription Accumulated Amortization	-	305,771	-			305,771	
Total Subscription Accumulated Amortization	-	305,771	-			305,771	
Total General Government Subscription Assets, Net	\$ 898,088	\$ (251,360)	\$ -			\$ 646,727	

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Right to use assets activity, SBITAs, for the Business-type activities for the year ended June 30, 2023, was as follows:

Maxwell Center	July 1, 2022	Additions	Reductions	June 30, 2023
Subscription Assets				
Software				
VenueOps Annual Subscription	\$ 28,876	\$ -	\$ -	\$ 28,876
Cvent Event Diagramming	23,214	-	-	23,214
Total Software Subscription Assets	52,090	-	-	52,090
 Total Subscription Assets	 \$ 52,090	 \$ -	 \$ -	 \$ 52,090
Subscription Accumulated Amortization				
Software				
VenueOps Annual Subscription	-	5,873	-	5,873
Cvent Event Diagramming	-	4,643	-	4,643
Total Software Subscription Accumulated Amortization	-	10,516	-	10,516
 Total Subscription Accumulated Amortization	 -	 10,516	 -	 10,516
Total Business-Type Subscription Assets, Net	\$ 52,090	\$ (10,516)	\$ -	\$ 41,574

The Wayne County ABC Board has one right to use assets, leases, 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, 2023, net of accumulated amortization, is \$117,110.

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2023 were as follows:

	Vendors	Salaries	Accrued	Total
		and Benefits	Interest	
Governmental Activities:				
General	\$ 6,160,001	\$ 1,607,439	\$ 1,740,663	\$ 9,508,103
Other governmental	45,883	-	-	45,883
Total-governmental activities	<u>\$ 6,205,884</u>	<u>\$ 1,607,439</u>	<u>\$ 1,740,663</u>	<u>\$ 9,553,986</u>
Business-type Activities:	Vendors	Salaries	Accrued	Total
		and Benefits	Interest	
Solid Waste Disposal	\$ 148,413	\$ 65,975	\$ -	\$ 214,388
Sewer Fund	34,073	808	4,318	39,199
Airport	13,010	4,940	-	17,950
MRAC	144,527	15,680	28,357	188,564
Total-business-type activities	<u>\$ 340,023</u>	<u>\$ 87,403</u>	<u>\$ 32,675</u>	<u>\$ 460,101</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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, 2023, was 13.10%, less 0.200% court costs, of compensation for law enforcement officers and 12.10% 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 \$5,090,812 for the year ended June 30, 2023.

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.

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, 2023, was \$125,734. 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, 2023, the County reported a liability of \$28,378,639 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2023, the County's proportion was 0.50304%, which was a decrease of 0.00528% from its proportion as of June 30, 2022 (measure as of June 30, 2021).

For the year ended June 30, 2023, the County recognized pension expense of \$7,556,781. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,222,810	\$ 119,890
Changes of assumptions	2,831,552	-
Net difference between projected and actual earnings on pension plan	9,379,437	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	772,767
Employer contributions subsequent to the measurement date*	5,090,812	-
Total	<u>\$ 18,524,611</u>	<u>\$ 892,657</u>

\$5,090,812 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, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 3,689,095
2025	3,394,193
2026	989,314
2027	4,468,540
2028	-
Thereafter	-
	<u>\$ 12,541,142</u>

At June 30, 2023, the ABC Board reported a liability of \$649,328 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2023, the ABC Board's proportion was 0.01151%, which was a decrease of 0.00009% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the ABC Board recognized pension expense of \$201,414. At June 30, 2023, the ABC Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 27,979	\$ 2,743
Changes of assumptions	64,788	-
Net difference between projected and actual earnings on pension plan	214,610	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	27,952	-
Employer contributions subsequent to the measurement date*	125,734	-
Total	\$ 461,063	\$ 2,743

\$125,734 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, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 113,087
2025	91,156
2026	26,098
2027	102,244
2028	-
Thereafter	-
	\$ 332,585

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25 percent
Salary increases	3.25 percent to 8.25 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study as of December 31, 2015 through December 31, 2019.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	<u><u>100.0%</u></u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 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 3.25%. 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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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)	\$ 51,219,789	\$ 28,378,639	\$ 9,556,206
ABC Board's proportionate share of the net pension liability	1,171,954	649,328	218,654

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.

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, 2021, valuation date, the Separation Allowance's membership consisted of:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Inactive members currently receiving benefits	16
Active plan members	131
Total	147

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	4.31 percent

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

The actuarial assumptions used in the December 31, 2021 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 \$88,279 as benefits came due for the measurement period, and paid \$105,792 in benefits and actuarial costs for the period subsequent to December 31, 2022 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, 2023, the County reported a total pension liability of \$4,017,410. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was rolled forward to December 31, 2022 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2023, the County recognized pension expense of \$536,405.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 194,380	\$ -
Changes of assumptions	587,900	735,445
Employer contributions subsequent to the measurement date*	105,792	-
Total	\$ 888,072	\$ 735,445

\$105,792 reported as deferred outflows of resources related to pensions resulting from benefit payments made and \$1,131 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, 2024. 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, 2023

Year ended June 30:	
2024	\$ 148,071
2025	118,321
2026	1,648
2027	(141,246)
2028	(79,959)
Thereafter	-
	<u>\$ 46,835</u>

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 4.31 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 (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total pension liability	\$ 4,375,391	\$ 4,017,410	\$ 3,694,746

Schedule of Changes in Total Pension Liability

Service cost	\$ 253,140
Interest on TOL and cash flows	101,252
Changes in benefit terms	-
Difference between expected and actual experience	32,991
Changes in assumptions or other inputs	(779,300)
Benefit payments	(181,524)
Net changes in total LEOSSA liability	(573,441)
Total LEOSSA liability (TOL) - beginning	4,590,851
Total LEOSSA liability (TOL) - ending	<u>\$ 4,017,410</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 2.25 percent at December 31, 2021 (measurement date) to 4.31 percent at December 31, 2022 (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, 2021 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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, 2023 were \$1,031,131, which consisted of \$324,058 from the County and \$707,073 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, 2023, 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, 2023 was \$687,291.

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 \$8,716 for the year ended June 30, 2023.

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

At June 30, 2023, the County reported an asset of \$113,770, for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022, 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 0.85929%, which was an increase of 0.04094% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the County recognized pension expense of \$21,850. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 876	\$ 2,062
Changes of assumptions	6,024	-
Net difference between projected and actual earnings on pension plan	47,287	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,730	5,602
Employer contributions subsequent to the measurement date*	8,716	-
Total	<u>\$ 68,633</u>	<u>\$ 7,664</u>

\$8,716 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, 2024.

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

Year ended June 30:	
2024	\$ 16,944
2025	7,674
2026	15,742
2027	11,893
2028	-
Thereafter	-
	<u>\$ 52,253</u>

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 7.75 percent, including inflation and productivity factor
Investment rate of return	3.75 percent, net of pension plan investment expense, including inflation

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The actuarial assumptions used in the December 31, 2021 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, 2023 is 0.9%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 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	\$ (131,136)	\$ 113,770	\$ (193,632)

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, 2023

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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability for LEOSSA was measured as of June 30, 2022, with an actuarial valuation date of December 31, 2021. 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)	\$ 28,378,639	\$ (113,770)	\$ -	\$ 28,264,869
Proportion of the Net Pension Liability (Asset)	0.503%	0.859%	N/A	1.362%
Total Pension Liability	\$ -	\$ -	\$ 4,017,410	\$ 4,017,410
Pension Expense	\$ 7,556,781	\$ 21,850	\$ 536,405	\$ 8,115,036

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 1,222,810	\$ 876	\$ 194,380	\$ 1,418,066
Changes of assumptions	2,831,552	6,024	587,900	3,425,476
Net difference between projected and actual earnings on pension plan	9,379,437	47,287	-	9,426,724
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	5,730	-	5,730
County contributions (LGERS, ROD)/benefit payments and administrative costs (LEOSSA) subsequent to the measurement date	5,090,812	8,716	105,792	5,205,320
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ 119,890	\$ 2,062	\$ -	\$ 121,952
Changes of assumptions	-	-	735,445	735,445
Changes in proportion and differences between employer contributions and proportionate share of contributions	772,767	5,602	-	778,369

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

15-24 years	0%	Not Eligible
25+ years	100%	Not Eligible

Membership of the HCB Plan consisted of the following at June 30, 2022, the date of the latest actuarial valuation:

	<u>Employees:</u>
Retirees and dependents receiving benefits	136
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	170
Total	<u><u>306</u></u>

Total OPEB Liability

The County's total OPEB liability of \$37,473,077 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2022.

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

Inflation	2.50 percent
Salary increases	3.25 - 8.41 percent, including inflation
Discount rate	3.54 percent
Healthcare cost trend rates	Medical/Prescription - 7.00 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, 2022	\$ 46,680,471
Changes for the Year	
Service cost	1,020,746
Interest	1,020,127
Changes in benefit terms	-
Difference between expected and actual experience	(1,506,559)
Changes in assumptions or other inputs	(8,790,410)
Benefit payments	(951,298)
Net changes	<u>(9,207,394)</u>
Balance at June 30, 2023	<u><u>\$ 37,473,077</u></u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

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Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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, 2022 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, 2022 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 (2.54 percent) or 1-percentage point higher (4.54 percent) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate	1% Increase (4.54%)
Total OPEB Liability	\$ 44,033,602	\$ 37,473,077	\$ 32,282,684

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	\$ 32,023,085	\$ 37,473,077	\$ 44,390,544

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

For the year ended June 30, 2023, the County recognized OPEB expense of (\$472,611). At June 30, 2023, 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	\$ 16,394	\$ 2,426,186
Changes of assumptions	3,952,750	6,666,984
Employer contributions subsequent to the measurement date	1,438,508	-
Total	\$ 5,407,652	\$ 9,093,170

\$1,438,508 reported as deferred outflows of resources related to OPEB employer contributions resulting from benefit payments made, \$1,337,271, and administrative

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

expenses, \$101,237, incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2024. 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:	
2024	\$ (1,679,037)
2025	(1,883,524)
2026	(1,561,465)
2027	-
2028	-
Thereafter	-
	<u>\$ (5,124,026)</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	-
Active plan members	<u>21</u>
Total	<u><u>25</u></u>

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Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

ABC Board - Total OPEB Liability

The County's total OPEB liability of \$402,103 was measured as of June 30, 2022 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, 2021	\$ 598,582
Changes for the Year	
Service cost	36,436
Interest	13,525
Changes in benefit terms	
Difference between expected and actual experience	(137,664)
Changes in assumptions or other inputs	(90,988)
Benefit payments	(17,789)
Net changes	(196,480)
Balance at June 30, 2022	<u>\$ 402,102</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16% to 3.54%.

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:

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Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	\$ 346,347	\$ 402,102	\$ 475,230

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	\$ 467,783	\$ 402,102	\$ 350,246

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

For the year ended June 30, 2023, the ABC Board recognized OPEB expense of \$4,163. At June 30, 2023, 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	\$ -	\$ 171,630
Changes of assumptions	76,839	81,361
Employer contributions subsequent to the measurement date	15,078	-
Total	\$ 91,917	\$ 252,991

\$15,078 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, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as an expense as follows:

Year ended June 30:	
2024	\$ (39,787)
2025	(27,920)
2026	(26,314)
2027	(27,344)
2028	(28,313)
Thereafter	(25,974)
	\$ (175,652)

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

3. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pensions/OPEB - difference between expected and actual experience		
LGERS	\$ 1,222,809	\$ 119,890
LEOSSA	194,380	-
Register of Deeds	876	2,062
OPEB	16,394	2,426,186
Pensions/OPEB - changes of assumptions		
LGERS	2,831,552	-
LEOSSA	587,900	735,445
Register of Deeds	6,024	-
OPEB	3,952,750	6,666,984
Pensions - net difference between projected and actual earnings on investments		
LGERS	9,379,437	-
Register of Deeds	47,287	-
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions		
LGERS	-	772,767
Register of Deeds	5,730	5,602
Employer contributions subsequent to measurement date		
LGERS	5,090,812	-
LEOSSA	105,792	-
Register of Deeds	8,716	-
OPEB	1,438,510	-
Prepaid taxes not yet earned (General)	-	76,712
Prepaid taxes not yet earned (Special Revenue)	-	156,662
Deferred lease inflows (General)	-	162,499
Deferred fee and grant revenue (Business)	-	74,316
Deferred lease inflows (Business)	-	264,557
Exhibit 1	<u>\$ 24,888,969</u>	<u>\$ 11,463,682</u>

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Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Prepaid taxes not yet earned (General)	-	76,712
Taxes receivable, less penalties (General)	-	1,693,267
Deferred lease inflows (General)	-	162,499
Restricted Opioid settlement (Special Revenue)	-	9,480,722
Prepaid taxes not yet earned (Special Revenue)	-	156,662
Exhibit 3	\$ -	\$ 11,569,862

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 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 \$8,744,453 reported as landfill closure and postclosure care liability at June 30, 2023, 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 \$2,627,451 and \$6,117,002 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 \$9,553,905 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 2023. 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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 \$204,000,000 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 \$5 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 \$500,000. Management of 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. Limited capacity in the reinsurance market has led to a reduction in the County's excess liability coverages from last year to this year from \$5,000,000 to \$3,000,000. This is reflected in the coverages outlined above. 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: \$1,000,000, \$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 \$576,976 is due in the current year.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	2023	2022
Liability balance, July 1,	\$ 569,479	\$ 575,748
Incurred claims & claim adjustment expenses	8,689,017	8,145,038
Claims & claims adjustment expenses	(8,681,520)	(8,151,307)
Liability Balance, June 30	<u>\$ 576,976</u>	<u>\$ 569,479</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.

6. Contingent Liabilities

At June 30, 2023, 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.

General Government Activities:

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 06/30/2023, the value of the lease liability is \$0.00. Wayne County, NC 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 06/30/2023 of \$0.00 with accumulated amortization of \$0.00 is included with Equipment on the Lease Class activities table found below.

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

\$24,759.72. As of 06/30/2023, the value of the lease liability is \$15,030.84. Wayne County, NC 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 06/30/2023 of \$24,759.72 with accumulated amortization of \$9,462.32 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Wayne County, NC entered into a 66 month lease as Lessee for the use of Land Space - Firing Range. An initial lease liability was recorded in the amount of \$16,980.87. As of 06/30/2023, the value of the lease liability is \$10,249.52. Wayne County, NC 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 06/30/2023 of \$16,980.87 with accumulated amortization of \$6,174.86 is included with Land on the Lease Class activities table found below. Wayne County, NC has 1 extension option(s), each for 60 months.

General Government Activities:	Balance as of July 1, 2022	Additions	Reductions	Balance as of June 30, 2023
Lease Liability				
Equipment				
Mail Feeder	\$ 9,406	\$ -	\$ 9,406	\$ -
Toshiba Wide Path Copier	20,098	-	5,068	15,031
Total Equipment Lease Liability	29,504	-	14,473	15,031
Land				
Land Space - Firing Range	13,584	-	3,335	10,250
Total Land Lease Liability	13,584	-	3,335	10,250
Total Lease Liability	\$ 43,088	\$ -	\$ 17,808	\$ 25,280

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 8,087	\$ 213	\$ 8,300
2025	8,160	140	8,300
2026	8,234	65	8,300
2027	799	1	800
Total Principal Payments	25,280		
Variance Fiscal Year-End	-		
Total Remaining Liability	\$ 25,280		

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 \$117,110 at June 30, 2023.

The future minimum lease obligation and the net present value of these minimum lease payments as of June 30, 2023, were as follows:

Year ending June 30	Principal	Interest	Total Principal and Interest
2024	\$ 41,608	\$ 4,165	\$ 45,773
2025	44,789	2,357	47,146
2026	31,554	499	32,053
Total	\$ 117,951	\$ 7,021	\$ 124,972

b. Subscription Based Information Technology Arrangements (SBITAs)

For the year ended June 30, 2023, the County implemented the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The Statement provides a definition of SBITAs and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby, increasing comparability in financial reporting among governments. Further, the reporting of a subscription asset (a right-to-use intangible capital asset) and a subscription liability will enhance the relevance and reliability of the financial statements.

General Government Activities:

On 07/01/2022, Wayne County, NC entered into a 53 month subscription for the use of Central Square - Software Application. An initial subscription liability was recorded in the amount of \$567,016.21. As of 06/30/2023, the value of the subscription liability is \$435,322.60. Wayne County, NC is required to make annual fixed payments of \$137,641.77. The subscription has an interest rate of 2.2750%. The value of the right to use asset as of 06/30/2023 of \$567,016.21 with accumulated amortization of \$127,102.02 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 39 month subscription for the use of Medical Dispatch System - Quote #50575. An initial subscription liability was recorded in the amount of \$24,513.54. As of 06/30/2023, the value of the subscription liability is \$16,265.23. Wayne County, NC is required to make annual fixed payments of \$8,400.00. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$24,513.54 with accumulated amortization of \$7,466.05 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 39 month subscription for the use of Medical Dispatch System - Quote #50592. An initial subscription liability was recorded in the amount of \$28,015.48. As of 06/30/2023, the value of the subscription liability is

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

\$18,588.84. Wayne County, NC is required to make annual fixed payments of \$9,600.00. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$28,015.48 with accumulated amortization of \$8,532.63 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 21 month subscription for the use of AmpliFund Grant Seeker. An initial subscription liability was recorded in the amount of \$26,540.18. As of 06/30/2023, the value of the subscription liability is \$0.00. Wayne County, NC is required to make annual fixed payments of \$13,500.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$35,150.18 with accumulated amortization of \$35,150.18 is included with Software on the Subscription Class activities table found below.

On 12/31/2022, Wayne County, NC entered into a 24 month subscription for the use of DebtBook Platform. An initial subscription liability was recorded in the amount of \$24,533.90. As of 06/30/2023, the value of the subscription liability is \$14,533.90. Wayne County, NC is required to make annual fixed payments of \$10,000.00. The subscription has an interest rate of 3.2070%. The value of the right to use asset as of 06/30/2023 of \$27,533.90 with accumulated amortization of \$7,212.21 is included with Software on the Subscription Class activities table found below.

On 09/08/2022, Wayne County, NC entered into a 14 month subscription for the use of Sophos Central Intercept. An initial subscription liability was recorded in the amount of \$5,456.74. As of 06/30/2023, the value of the subscription liability is \$2,705.24. Wayne County, NC is required to make annual fixed payments of \$2,751.50. The subscription has an interest rate of 1.7100%. The value of the right to use asset as of 06/30/2023 of \$5,456.74 with accumulated amortization of \$3,609.09 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 15 month subscription for the use of PowerDMS - Compliance Management Platform. An initial subscription liability was recorded in the amount of \$16,550.33. As of 06/30/2023, the value of the subscription liability is \$0.00. Wayne County, NC is required to make annual fixed payments of \$16,621.08. The subscription has an interest rate of 1.7100%. The value of the right to use asset as of 06/30/2023 of \$16,550.33 with accumulated amortization of \$16,550.33 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 38 month subscription for the use of Cott - eRecording. An initial subscription liability was recorded in the amount of \$89,670.66. As of 06/30/2023, the value of the subscription liability is \$61,907.41. Wayne County, NC is required to make monthly fixed payments of \$2,440.00. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$89,670.66 with accumulated amortization of \$28,317.05 is included with Software on the Subscription Class activities table found below.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

On 07/01/2022, Wayne County, NC entered into a 35 month subscription for the use of ESI WebEOC Software. An initial subscription liability was recorded in the amount of \$18,929.81. As of 06/30/2023, the value of the subscription liability is \$9,692.79. Wayne County, NC is required to make annual fixed payments of \$9,616.00. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2023 of \$25,279.81 with accumulated amortization of \$8,667.37 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 24 month subscription for the use of CodeRED - Emergency Plus. An initial subscription liability was recorded in the amount of \$69,228.90. As of 06/30/2023, the value of the subscription liability is \$34,281.15. Wayne County, NC is required to make annual fixed payments of \$34,975.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$69,228.90 with accumulated amortization of \$34,281.16 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 38 month subscription for the use of Resolution 3 - READ ONLY. An initial subscription liability was recorded in the amount of \$7,401.19. As of 06/30/2023, the value of the subscription liability is \$5,101.28. Wayne County, NC is required to make monthly fixed payments of \$200.00. The subscription has an interest rate of 1.7100%. The value of the right to use asset as of 06/30/2023 of \$7,401.19 with accumulated amortization of \$2,337.22 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 25 month subscription for the use of Grant Management Software. An initial subscription liability was recorded in the amount of \$26,651.27. As of 06/30/2023, the value of the subscription liability is \$13,232.18. Wayne County, NC is required to make annual fixed payments of \$13,500.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$35,261.27 with accumulated amortization of \$16,400.59 is included with Software on the Subscription Class activities table found below.

On 07/20/2022, Wayne County, NC entered into a 24 month subscription for the use of CivicClerk - Software. An initial subscription liability was recorded in the amount of \$21,419.86. As of 06/30/2023, the value of the subscription liability is \$10,579.86. Wayne County, NC is required to make annual fixed payments of \$10,840.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2023 of \$21,419.86 with accumulated amortization of \$10,144.69 is included with Software on the Subscription Class activities table found below.

Business-type Activities (Maxwell Center):

On 07/01/2022, Wayne County, NC entered into a 59 month subscription for the use of VenueOps Annual Subscription. An initial subscription liability was recorded in the amount of \$28,875.92. As of 06/30/2023, the value of the subscription liability is \$22,902.19. Wayne County, NC is required to make annual fixed payments of \$6,600.00.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The subscription has an interest rate of 2.3660%. The value of the right to use asset as of 06/30/2023 of \$28,875.92 with accumulated amortization of \$5,873.07 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Wayne County, NC entered into a 60 month subscription for the use of Cvent Event Diagramming. An initial subscription liability was recorded in the amount of \$23,213.90. As of 06/30/2023, the value of the subscription liability is \$19,213.90. Wayne County, NC is required to make annual fixed payments of \$4,000.00. The subscription has an interest rate of 2.3660%. The value of the right to use asset as of 06/30/2023 of \$23,213.90 with accumulated amortization of \$4,642.78 is included with Software on the Subscription Class activities table found below.

General Government Activities:	Balance as of			Balance as of June 30, 2023
	July 1, 2022	Additions	Reductions	
Subscription Liability				
Software				
Central Square - Software Application	\$ 567,016	\$ -	\$ 131,694	\$ 435,323
Medical Dispatch System - Quote #50575	24,514	-	8,248	16,265
Medical Dispatch System - Quote #50592	28,015	-	9,427	18,589
AmpliFund Grant Seeker	26,540	-	26,540	-
DebtBook Platform	-	24,534	10,000	14,534
Sophos Central Intercept	-	5,457	2,752	2,705
PowerDMS - Compliance Management Platform	16,550	-	16,550	-
Cott - eRecording	89,671	-	27,763	61,907
ESI WebEOC Software	18,930	-	9,237	9,693
CodeRED - Emergency Plus	69,229	-	34,948	34,281
Resolution 3 - READ ONLY	7,401	-	2,300	5,101
Grant Management Software	26,651	-	13,419	13,232
CivicClerk - Software	-	21,420	10,840	10,580
Total Software Subscription Liability	874,518	51,411	303,718	622,210
 Total Subscription Liability	 \$ 874,518	 \$ 51,411	 \$ 303,718	 \$ 622,210
 Business-type Activity - Maxwell Center	 July 1, 2022	 Additions	 Reductions	 June 30, 2023
Subscription Liability				
Software				
VenueOps Annual Subscription	\$ 28,876	\$ -	\$ 5,974	\$ 22,902
Cvent Event Diagramming	23,214	-	4,000	19,214
Total Software Subscription Liability	52,090	-	9,974	42,116
 Total Subscription Liability	 \$ 52,090	 \$ -	 \$ 9,974	 \$ 42,116

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 267,424	\$ 13,704	\$ 281,129
2025	193,727	7,703	201,430
2026	\$ 161,059	\$ 3,558	\$ 164,618

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Fiscal Year	Business-Type Activities			Total Payments
	Principal Payments	Interest Payments		
2024	\$ 10,664	\$ 996		\$ 11,660
2025	12,082	744		12,826
2026	13,650	458		14,108
2027	\$ 5,721	\$ 135		\$ 5,856

c. 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, 2023, the amounts owed to Wayne County from the local municipalities are as follows:

Year ending June 30	Principal	Interest/fee	Total Principal and Interest
2019	\$ -	\$ -	\$ -
Thereafter	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Payments Received			
Original Loan			
Town of Fremont, NC	\$ 255,245	\$ (255,245)	\$ -
City of Goldsboro, NC	636,876	(636,876)	-
City of Goldsboro, NC	3,000,000	(1,200,000)	1,800,000
Town of Mt. Olive, NC	100,000	(100,000)	-
Town of Fremont, NC	70,000	(70,000)	-
	<u>\$ 4,062,121</u>	<u>\$ (2,262,121)</u>	<u>\$ 1,800,000</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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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, 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,

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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.

The County of Wayne has determined that it is necessary and expedient to finance the construction, and equipping of Fremont 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 August 11, 2022, 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 \$8,000,000 due August 1, 2023, with approximately equal annual payments due annually each August 1, beginning August 1, 2023. The County will pay interest at a taxable rate of 2.99%. Principal and interest payments will be made annually beginning August 1, 2023.

The County of Wayne has determined that it is necessary and expedient to finance the construction, and equipping of an expanded Detention Center. Pursuant to Section 160A-20 of the General Statutes of North Carolina, the County financed the Project through an Installment Financing Agreement, as of February 9, 2023, 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 \$48,246,000 due in semi-annual payments alternating interest only payments beginning October 1, 2023 with principal and interest payments beginning April 4, 2024. The County will pay interest at a taxable rate of 3.68%.

The County of Wayne has determined that it is necessary and expedient to finance the construction, and equipping of a new DSS/Health Building. Pursuant to Section 160A-20 of the General Statutes of North Carolina, the County financed the Project through an Installment Financing Agreement, as of May 16, 2023, 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 \$38,392,000 due in semi-annual payments alternating interest only payments beginning October 1, 2023 with principal and interest payments beginning April 4, 2024. The County will pay interest at a taxable rate of 4.04%.

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.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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%.	23,068,000
\$10,000,000 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.	8,140,000
\$8,000,000 installment financing agreement to be paid annually beginning August, 2023 with interest at 2.99% per annum, secured by real property. Final payment due August, 2037.	8,000,000
\$48,256,000 installment financing agreement to be paid semi-annually beginning October, 2023 with interest at 3.68% per annum, secured by real property. Final payment due April, 2043.	48,256,000
\$38,392,000 installment financing agreement to be paid semi-annually beginning October, 2023 with interest at 4.04% per annum, secured by real property. Final payment due April, 2023.	38,392,000
	<hr/> <u>\$ 140,856,000</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

For Governmental activities, the future minimum payments as of June 30, 2023 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
2024	\$ 7,720,000	\$ 5,048,816	\$ 12,768,816
2025	7,720,000	4,740,029	12,460,029
2026	22,719,000	4,162,476	26,881,476
2027	7,329,000	3,584,937	10,913,937
2028	7,328,000	3,338,013	10,666,013
Thereafter	<u>88,040,000</u>	<u>22,548,835</u>	<u>110,588,835</u>
Total	<u><u>\$140,856,000</u></u>	<u><u>\$ 43,423,106</u></u>	<u><u>\$ 184,279,106</u></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.

\$ 966,153
<u><u>\$ 966,153</u></u>

For business type activities, the future minimum payments as of June 30, 2023 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
2024	\$ 231,877	\$ -	\$ 231,877
2025	231,877	-	231,877
2026	231,877	-	231,877
2027	231,877	-	231,877
2028	38,645	-	38,645
Thereafter	-	-	-
Total	<u><u>\$ 966,153</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 966,153</u></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, 2023

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, 2023 is \$25,235,000. Governmental activities balance is \$15,595,000 as of June 30, 2023 and business-type activities balance is \$1,220,000 and \$8,420,000 as of June 30, 2023, sewer and Maxwell Center, respectively.

For governmental activities, the future minimum payments as of June 30, 2023 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
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
2028	1,055,000	401,310	1,456,310
Thereafter	9,540,000	1,650,240	11,190,240
Total	\$ 15,595,000	\$ 4,261,590	\$ 19,856,590

For business-type activities, the future minimum payments as of June 30, 2023 are:

Year ending June 30	Principal	Interest	Total Principal and Interest
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
2028	765,000	290,940	1,055,940
Thereafter	6,815,000	1,197,910	8,012,910
Total	\$ 9,640,000	\$ 2,907,060	\$ 12,547,060

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 \$4,781,356.

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, 2023:

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Balance July 01, 2022	Increases	Decreases	Balance June 30, 2023	Current Portion of Balance
Governmental activities:					
Installment purchase contract	\$ 49,061,000	\$ 94,648,000	\$ 2,853,000	\$ 140,856,000	\$ 7,720,000
Limited obligation bond	16,965,000	-	1,370,000	15,595,000	1,375,000
Leases	43,088	-	17,808	25,280	-
SBITA	874,518	51,411	303,719	622,210	-
Net OPEB liability	45,308,290	-	8,979,082	36,329,208	-
Total pension liability (LEOSSA)	4,590,851	-	573,441	4,017,410	-
Net pension liability (LGERS)	7,352,063	19,280,687	-	26,632,750	-
Compensated absences	2,334,746	2,727,902	2,334,746	2,727,902	2,727,902
Total governmental activities	<u>\$ 126,529,556</u>	<u>\$ 116,708,000</u>	<u>\$ 16,431,796</u>	<u>\$ 226,805,760</u>	<u>\$ 11,822,902</u>
Business-type activities:					
Solid Waste Disposal:					
Installment purchase contract	\$ -	\$ -	\$ -	\$ -	\$ -
Limited obligation bond	-	-	-	-	-
Accrued landfill closure and post-closure care costs	8,192,203	552,232	-	8,744,435	-
Net OPEB liability	1,276,322	-	218,309	1,058,013	-
Net pension liability (LGERS)	375,279	1,053,176	-	1,428,455	-
Compensated absences	82,495	122,717	82,495	122,717	122,717
Total governmental activities	<u>\$ 9,926,299</u>	<u>\$ 1,728,125</u>	<u>\$ 300,804</u>	<u>\$ 11,353,620</u>	<u>\$ 122,717</u>
Business-type activities:					
Sewer:					
Installment purchase contract	\$ -	\$ -	\$ -	\$ -	\$ -
Limited obligation bond	1,310,000	-	90,000	1,220,000	90,000
Accrued landfill closure and post-closure care costs	-	-	-	-	-
Net OPEB liability	11,874	267	-	12,141	-
Net pension liability (LGERS)	-	-	-	-	-
Compensated absences	-	-	-	-	-
Total governmental activities	<u>\$ 1,321,874</u>	<u>\$ 267</u>	<u>\$ 90,000</u>	<u>\$ 1,232,141</u>	<u>\$ 90,000</u>
Business-type activities:					
Jetport:					
Installment purchase contract	\$ -	\$ -	\$ -	\$ -	\$ -
Limited obligation bond	-	-	-	-	-
Accrued landfill closure and post-closure care costs	-	-	-	-	-
Net OPEB liability	83,985	-	10,270	73,715	-
Net pension liability (LGERS)	17,058	78,172	-	95,230	-
Compensated absences	4,736	7,368	4,736	7,368	7,368
Total governmental activities	<u>\$ 105,779</u>	<u>\$ 85,540</u>	<u>\$ 15,006</u>	<u>\$ 176,313</u>	<u>\$ 7,368</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Balance	Increases	Decreases	Balance	Current Portion of Balance		
	July 01, 2022			June 30, 2023			
<u>Business-type activities:</u>							
Maxwell Center:							
Installment purchase contract	\$ 1,198,027	\$ -	\$ 231,874	\$ 966,153	\$ 231,877		
Limited obligation bond	8,850,000	-	430,000	8,420,000	430,000		
Accrued landfill closure and post-closure care costs	-	-	-	-	-		
SBITA	52,090	-	9,974	42,116	-		
Net OPEB liability	-	-	-	-	-		
Net pension liability (LGERS)	51,174	171,030	-	222,204	-		
Compensated absences	7,668	13,570	7,668	13,570	13,570		
Total governmental activities	<u>\$ 10,158,959</u>	<u>\$ 184,600</u>	<u>\$ 679,516</u>	<u>\$ 9,664,043</u>	<u>\$ 675,447</u>		
 <u>Business-type activities:</u>							
Combined:							
Installment purchase contract	\$ 1,198,027	\$ -	\$ 231,874	\$ 966,153	\$ 231,877		
Limited obligation bond	10,160,000	-	520,000	9,640,000	520,000		
Accrued landfill closure and post-closure care costs	8,192,203	552,232	-	8,744,435	-		
SBITA	52,090	-	9,974	42,116	-		
Net OPEB liability	1,372,181	267	228,579	1,143,869	-		
Net pension liability (LGERS)	443,511	1,302,378	-	1,745,889	-		
Compensated absences	94,899	143,655	94,899	143,655	143,655		
Total governmental activities	<u>\$ 21,512,911</u>	<u>\$ 1,998,532</u>	<u>\$ 1,085,326</u>	<u>\$ 22,426,117</u>	<u>\$ 895,532</u>		

At June 30, 2023, Wayne County had no unissued bonds and a legal debt margin of \$757,421,566.

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	\$ 140,856,000	\$ 966,153	\$ 141,822,153
Limited Obligation Bonds	15,595,000	9,640,000	25,235,000
	<u>\$ 156,451,000</u>	<u>\$ 10,606,153</u>	<u>\$ 167,057,153</u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Interfund Balances and Activity

Transfers to/from:

Transfers to/from other funds at June 30, 2023 consist of the following:

Description	Amount
From the General fund to the Sewer fund to assist with debt payment associated with public school sewer facilities.	\$ (206,912)
From the General fund to Jetport fund to provide resources for operations.	(276,714)
From the General fund to Maxwell fund to provide resources for operations.	(1,612,242)
Total General Fund Transfers to Business Funds (Exhibit 2)	<u><u>\$ (2,095,868)</u></u>

Description	Amount
From the General fund to the Sewer fund to assist with debt payment associated with public school sewer facilities.	\$ (206,912)
From the General fund to Jetport fund to provide resources for operations.	(129,727)
From the General fund to Maxwell fund to provide resources for operations.	(1,612,242)
From the General fund to Jail/Detention Center debt fund to provide resources for capital project funding.	(1,603,573)
From the General fund to County Capital Reserve fund to provide resources for capital projects.	(530,907)
From the General Fund to ARP Fund to provide resources for capital project funding.	(1,021,250)
From the General Fund to the Fremont School Project Fund to provide resources for new school building project.	(18,603,000)
Total General Fund transfers out (Exhibit 4)	<u><u>\$ (23,707,611)</u></u>

Description	Amount
From the ARP fund to the General fund to provide resources to the County for COVID-19 related activity.	\$ (2,846,987)
From the Jail Debt Project fund to the General fund to repay resources to the County for advances before funding.	(3,332,287)
From the DSS/Health Debt Project fund to the General fund to repay resources to the County for advances before funding.	(1,619,430)
From the Street Assessment Fund to the General Fund to cover debt payment.	(192,750)
From the County Capital Reserve Project fund to provide resources for capital outlay.	(1,655,097)
Total Other Governmental Fund transfers out (Exhibit 4)	<u><u>(9,646,551)</u></u>
Total transfers out (Exhibit 4)	<u><u>\$ (33,354,162)</u></u>

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

C. Net Investment in Capital Assets

Net investment in Capital Assets as of June 30, 2023 consists of the following:

	Governmental Activities	Business-type Activities	Total	Wayne County ABC Board
Capital Assets, net	\$ 202,677,544	\$ 59,063,063	\$ 261,740,607	\$ 2,136,282
Leases, right to use, net	26,104	-	26,104	117,110
SBITA, right to use, net	646,727	41,574	688,301	-
Total Capital Assets	\$ 203,350,375	\$ 59,104,637	\$ 262,455,012	\$ 2,253,392
less: long-term debt	156,451,000	10,606,153	167,057,153	117,110
less: lease/SBITA liability	647,490	42,116	689,606	-
plus: Unspent debt proceeds	4,781,356	29,730	4,811,086	-
Net investment in capital assets	<u>\$ 51,033,241</u>	<u>\$ 48,486,098</u>	<u>\$ 99,519,339</u>	<u>\$ 2,136,282</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)	\$ 73,179,231
Less:	
Restricted for: Stabilization by state statute	17,042,897
Restricted for: Future debt payments, QSCB	11,793,069
Restricted for: Public Schools	5,815,494
Restricted for: Tax revaluation	516,984
Restricted for: Law enforcement	407,984
Restricted for: Grants	612,278
Restricted for: Economic development	10,640,741
Committed for: Community College	680,263
Assigned for: Subsequent year's expenditures	4,615,444
Assigned for: Donations	71,592
Working Fund Balance Policy	<u>7,993,574</u>
	<u>(60,190,320)</u>
Remaining Fund Balance	<u>\$ 12,988,911</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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

appointments. The Hospital is a nonprofit organization. It is funded entirely by fees for services provided.

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 \$4,628,663 and \$1,093,397 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2023. 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, 2023. 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, 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.

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

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

the basic financial statements because they are not revenues and expenditures of the County.

	Federal	State
Medicaid	\$ 214,632,262	\$ 82,238,570
N.C. Health Choice	960,445	214,852
Temporary Assistance for Needy Families	1,490,168	-
Family Preservation	18,785	-
Refugee Assistance	7,208	-
Special Assistance for Adults	-	660,687
Women, Infant, Children Program	4,600,573	-
Supplemental Nutrition Assistance Program	69,668,340	-
IV-E Foster Care/Adoption Subsidy	283,114	13,206
CWS Adoption Subsidy and Vendor	-	262,679
	<u>\$ 291,660,895</u>	<u>\$ 83,389,994</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

Restatements

In the prior fiscal year the County received money from the Opioid Settlement. At that time the appropriate accounting and financial reporting guidance was thought to be that for government-mandated and voluntary nonexchange transactions. As such revenue recognition could only occur when all eligibility requirements were met. The incurrence of qualifying expenditures was among the eligibility requirements. The County did not incur any qualifying expenditures during fiscal year 2022. Accordingly, no revenue was recognized. See note I.D.13. Opioid Settlement Funds for further discussion of this nationwide settlement.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

During fiscal year 2023 the conclusion for the appropriate accounting and financial reporting guidance evolved. Instead of a single approach being applicable to the activity, there was realization that the approach needed to be more nuanced. Based on the facts and circumstances of the different distribution methods of the funds, It was determined that the appropriate guidance is either that for exchange and exchange-like transactions or that for government-mandated or voluntary nonexchange transactions.

After reviewing the method through which the County received the resources it was determined that the activity should have followed the guidance for exchange and exchange-like transactions. As a result, it was necessary for the County to record prior period adjustments in fiscal year 2023 for a change in accounting principle.

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

In the 2022 fiscal year, the County received a cash payment of \$240,179. Since the County did not spend any of the funds received, it was not earned and was not recognized in 2022, but considered unearned revenues. Given that settlements had reached \$26 billion in fiscal year 2022, it was necessary to determine the portion of that amount related to the County and recognize an additional prior period adjustment for that amount.

For 2023, the County, on the accrual basis of accounting, has recorded a prior period adjustment to fund balance to recognize deferred inflows of restricted opioid revenues of \$9,480,722.

In addition, the County decided that the fleet management department was no longer an internal service fund and would be considered part of facilities. A prior period adjust to permanently move the fund balance of the fleet management internal service fund to the general fund was made. An increase to fund balance of \$127,147 was made to the general fund and to governmental activities net position.

Change in accounting principles

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription Based Information Technology Arrangements (SBITA), effective July 1, 2022. The primary objective of this statement is to enhance the relevance and consistency of information about governments' SBITA activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. No restatement of net assets was needed.

Wayne County, North Carolina

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

IX. Subsequent Events

On October 3, 2023, SL 2023-134 appropriated \$7 million of State Capital and Infrastructure Grant (“SCIF Grant”) which will be used for the construction for the Rosewood Middle School project along with the \$20 million special appropriated block grant approved in 2021 by SL 2021-180.

To ensure safety and efficient emergency response to Wayne County citizens, in April 2023, an RFP was developed to secure proposals for replacement radio system cores, networking equipment, upgrade fire paging system and replace 16 consoles. Due to a lack of responses, this project was bid a second time. On August 15, 2023, the project was awarded to Radio Communications Company at a total cost of \$2,569,365 using ARPA funds.

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, 2023*

	2023	2022
Service costs at end of the year**	\$ 1,020,746	\$ 1,015,805
Interest on TOL and cash flows	1,020,127	1,003,874
Changes of benefit terms	-	-
Differences between expected and actual experience	(1,506,559)	(117,877)
Changes of assumptions	(8,790,410)	823,798
Benefit payments	(951,298)	(902,069)
Net change in total OPEB liability	(9,207,394)	1,823,531
Total OPEB liability (TOL) - beginning	46,680,471	44,856,940
Total OPEB liability (TOL) - ending	\$ 37,473,077	\$ 46,680,471

**The service cost includes interest for the year.

Covered-employee payroll	8,916,099	10,008,411
Total OPEB liability as a % of covered-employee payroll	420.29%	466.41%

Notes to Schedule

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

Year	Rate
2023	3.54%
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.

2021	2020	2019	2018
\$ 876,755	\$ 779,945	\$ 979,860	\$ 1,129,480
1,373,935	1,351,482	1,301,395	1,179,241
-	-	-	-
(3,334,940)	61,302	(1,261,468)	(111,921)
8,105,276	2,475,570	(1,932,010)	(4,089,514)
(1,075,969)	(988,353)	(816,597)	(643,166)
5,945,057	3,679,946	(1,728,820)	(2,535,880)
38,911,883	35,231,937	36,960,757	39,496,637
\$ 44,856,940	\$ 38,911,883	\$ 35,231,937	\$ 36,960,757
10,008,411	11,972,970	11,972,970	12,052,425
448.19%	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 Ten Fiscal Years

	2023	2022	2021	2020
County's Proportion of the net pension	0.503%	0.508%	0.533%	0.590%
County's proportionate share of the net pension liability (asset) \$	\$ 28,378,639	\$ 7,795,575	\$ 19,047,075	\$ 16,118,448
County's covered payroll	\$ 37,736,262	\$ 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	75.203%	21.105%	52.267%	43.218%
Plan fiduciary net position as a percentage of the total pension liability	84.140%	95.510%	88.610%	90.860%

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

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 Ten Fiscal Years

	2023	2021	2021	2020
Contractually required contribution	\$ 5,063,043	\$ 3,793,895	\$ 3,793,895	\$ 3,333,247
Contributions in relation to the contractually required contribution	<u>5,090,812</u>	<u>3,793,895</u>	<u>3,793,895</u>	<u>3,333,247</u>
Contribution deficiency (excess)	<u>\$ (27,769)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 37,736,262	\$ 36,565,785	\$ 36,565,785	\$ 36,441,645
Contributions as a percentage of covered payroll	13.491%	10.376%	10.376%	9.147%

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>					
\$ 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 Ten Fiscal Years

	2023	2022	2021	2020
County's Proportion of the net pension liability (asset) %	0.859%	0.818%	0.902%	0.827%
County's proportionate share of the net pension liability (asset) \$	\$ (113,770)	\$ (157,230)	\$ (206,773)	\$ (163,353)
County's covered payroll	\$ 71,674	\$ 75,528	\$ 65,223	\$ 64,230
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-158.733%	-208.174%	-317.025%	-254.325%
Plan fiduciary net position as a percentage of the total pension liability	139.040%	156.530%	173.620%	164.110%

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

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 Ten Fiscal Years

	2023	2022	2021	2020
Contractually required contribution	\$ 8,716	\$ 9,851	\$ 9,821	\$ 8,639
Contribututions in relation to the contractually required contribution	<u>8,716</u>	<u>9,851</u>	<u>9,821</u>	<u>8,639</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 71,674	\$ 61,805	\$ 75,528	\$ 65,223
Contibutions as a percentage of covered	12.161%	15.939%	13.003%	13.245%

2019	2018	2017	2016	2015	2014
\$ 8,161	\$ 8,486	\$ 7,814	\$ 8,009	\$ 7,650	\$ 7,855
<u>8,161</u>	<u>8,486</u>	<u>7,814</u>	<u>8,009</u>	<u>7,650</u>	<u>7,855</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 Seven Fiscal Years *

	2023	2022
Service costs at end of the year**	\$ 253,140	\$ 256,300
Interest on TOL and cash flows	101,252	85,302
Changes of benefit terms	-	-
Differences between expected and actual experience	32,991	46,873
Changes of assumptions	(779,300)	(130,124)
Benefit payments	(181,524)	(174,601)
Net change in total LEOSSA liability	(573,441)	83,750
Total LEOSSA liability (TOL) - beginning	4,590,851	4,507,101
Total LEOSSA liability (TOL) - ending	\$ 4,017,410	\$ 4,590,851

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

Covered employee payroll	6,630,693	6,301,213
Total LEOSSA liability as a % of covered employee payroll	60.59%	72.86%

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, 2022 Measurement Date: The Municipal Bond Index Rate increased from 2.25% to 4.31%.

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.

2021	2020	2019	2018	2017
\$ 166,663	\$ 150,160	\$ 147,373	\$ 124,978	\$ 119,982
99,555	91,746	75,742	76,588	67,593
-	-	-	-	-
67,585	318,232	121,079	112,524	-
1,185,123	99,637	(107,909)	177,740	(50,080)
(131,296)	(121,594)	(103,778)	(54,409)	(38,993)
1,387,630	538,181	132,507	437,421	98,502
3,119,471	2,581,290	2,448,783	2,011,362	1,912,860
\$ 4,507,101	\$ 3,119,471	\$ 2,581,290	\$ 2,448,783	\$ 2,011,362
6,210,377	6,208,401	5,925,898	5,497,204	4,948,972
72.57%	50.25%	43.56%	44.55%	40.64%

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.

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.

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

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.

Special Revenue Funds, continued

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.

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.

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

Jail Debt Project Fund – This fund accounts for the construction of a new Detention Center 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.

DSS-Health Debt Project Fund – This fund accounts for the construction of new DSS/Health Building related to specific debt issuance.

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.

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
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Ad valorem taxes			
Taxes	\$ 69,104,634	\$ 70,160,919	\$ 1,056,285
Penalties and interest	329,000	398,570	69,570
Total	<u>69,433,634</u>	<u>70,559,489</u>	<u>1,125,855</u>
Local option sales tax			
Article 39 one percent	10,776,408	12,751,955	1,975,547
Article 40 one/half of one percent	8,272,897	9,154,008	881,111
Article 42 one/half of one percent	6,617,386	7,612,780	995,394
Article 44 one/half of one percent	1,824,748	2,291,615	466,867
Total	<u>27,491,439</u>	<u>31,810,358</u>	<u>4,318,919</u>
Other taxes and licenses			
Cable TV franchise tax	400,000	366,668	(33,332)
Sales tax - Medicaid Hold Harmless	1,440,581	144,900	(1,295,681)
Excise tax	1,341,672	1,158,557	(183,115)
Leased vehicle tax	80,000	90,675	10,675
Total	<u>3,262,253</u>	<u>1,760,800</u>	<u>(1,501,453)</u>
Unrestricted intergovernmental revenues			
Beer and wine	489,000	503,399	14,399
Incentives	212,164	289,403	77,239
Total	<u>701,164</u>	<u>792,802</u>	<u>91,638</u>
Restricted intergovernmental			
Federal and State grants	51,331,232	20,515,493	(30,815,739)
Court facility fees	156,000	142,368	(13,632)
Total	<u>51,487,232</u>	<u>20,657,861</u>	<u>(30,829,371)</u>
Permits and fees			
Building permits and inspection fees	820,000	813,901	(6,099)
Register of Deeds	741,118	643,177	(97,941)
Total	<u>1,561,118</u>	<u>1,457,078</u>	<u>(104,040)</u>
Charges for services			
Rents	8,329,423	12,135,446	3,806,023
Jail fees	1,678,430	1,992,912	314,482
Service fees	3,577,323	4,618,508	1,041,185
Tax collection fees	336,000	332,530	(3,470)
Total	<u>13,921,176</u>	<u>19,079,396</u>	<u>5,158,220</u>
Investment earnings	\$ 106,335	\$ 959,061	\$ 852,726

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues (cont'd)			
Miscellaneous			
Donations	\$ 21,866	\$ 31,925	\$ 10,059
Refunds and reimbursements	611,904	350,094	(261,810)
Other	4,748,666	3,442,902	(1,305,764)
Total	<u>5,382,436</u>	<u>3,824,921</u>	<u>(1,557,515)</u>
Payments from various municipalities	212,000	10,540	(201,460)
Total revenues	173,558,787	150,912,306	(22,646,481)
Expenditures			
General government			
Board of commissioners			
Board - per diem	178,712	176,282	2,430
Operating expenditures	279,850	256,528	23,322
Capital outlay	211,526	15,019	196,507
Total	<u>670,088</u>	<u>447,829</u>	<u>222,259</u>
County manager			
Salaries and employee benefits	583,910	579,876	4,034
Operating expenditures	<u>55,972</u>	<u>34,418</u>	<u>21,554</u>
Total	<u>639,882</u>	<u>614,294</u>	<u>25,588</u>
Board of elections			
Salaries and employee benefits	338,735	328,728	10,007
Per diem	15,000	15,073	(73)
Operating expenditures	282,113	266,872	15,241
Capital outlay	126,220	126,220	-
Total	<u>762,068</u>	<u>736,893</u>	<u>25,175</u>
Finance			
Salaries and employee benefits	1,038,219	1,009,263	28,956
Operating expenditures	<u>530,033</u>	<u>515,195</u>	<u>14,838</u>
Total	<u>1,568,252</u>	<u>1,524,458</u>	<u>43,794</u>
Information and technology			
Salaries and employee benefits	1,419,830	1,272,997	146,833
Operating expenditures	1,175,636	724,675	450,961
Capital outlay	383,037	288,201	94,836
Total	<u>2,978,503</u>	<u>2,285,873</u>	<u>692,630</u>
Communications			
Salaries and employee benefits	191,371	163,037	28,334
Operating expenditures	97,537	68,582	28,955
Total	<u>\$ 288,908</u>	<u>\$ 231,619</u>	<u>\$ 57,289</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
Tax listing			
Salaries and employee benefits	\$ 1,054,936	\$ 1,027,803	\$ 27,133
Operating expenditures	640,722	624,326	16,396
Capital outlay	914	-	914
Total	<u>1,696,572</u>	<u>1,652,129</u>	<u>44,443</u>
Tax revaluation			
Salaries and employee benefits	88,100	-	88,100
Operating expenditures	<u>252,640</u>	<u>182,701</u>	<u>69,939</u>
Total	<u>340,740</u>	<u>182,701</u>	<u>158,039</u>
GIS			
Salaries and employee benefits	127,662	126,666	996.00
Operating expenditures	<u>15,686</u>	<u>8,643</u>	<u>7,043</u>
Total	<u>143,348</u>	<u>135,309</u>	<u>8,039</u>
County-staff attorney			
Salaries and employee benefits	230,499	227,952	2,547
Operating expenditures	<u>325,112</u>	<u>209,292</u>	<u>115,820</u>
Total	<u>555,611</u>	<u>437,244</u>	<u>118,367</u>
County attorney			
Salaries and employee benefits	145,442	144,330	1,112
Operating expenditures	<u>120,303</u>	<u>73,305</u>	<u>46,998</u>
Total	<u>265,745</u>	<u>217,635</u>	<u>48,110</u>
Register of Deeds			
Salaries and employee benefits	495,933	452,504	43,429
Operating expenditures	<u>925,984</u>	<u>909,241</u>	<u>16,743</u>
Total	<u>1,421,917</u>	<u>1,361,745</u>	<u>60,172</u>
Buildings and grounds			
Salaries and employee benefits	2,376,270	2,248,690	127,580
Operating expenditures	605,584	577,978	27,606
Utilities	1,117,880	1,088,964	28,916
Maintenance	362,127	358,554	3,573
Capital outlay	<u>3,586,813</u>	<u>3,849,882</u>	<u>(263,069)</u>
Total	<u>8,048,674</u>	<u>8,124,068</u>	<u>(75,394)</u>
Central services			
Salaries and employee benefits	920,946	898,295	22,651
Operating expenditures	477,346	433,443	43,903
Fixed charges	783,075	778,617	4,458
Contra accounts	<u>(3,644,542)</u>	<u>(3,047,150)</u>	<u>(597,392)</u>
Total	<u>\$ (1,463,175)</u>	<u>\$ (936,795)</u>	<u>\$ (526,380)</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
Fleet Management			
Salaries and employee benefits	\$ 209,541	\$ 201,424	\$ 8,117
Operating expenditures	<u>723,002</u>	<u>406,307</u>	<u>316,695</u>
Total	<u>932,543</u>	<u>607,731</u>	<u>324,812</u>
Planning board			
Salaries and employee benefits	418,457	331,288	87,169
Operating expenditures	<u>281,120</u>	<u>221,019</u>	<u>60,101</u>
Capital outlay	<u>51,775</u>	<u>25,888</u>	<u>25,887</u>
Total	<u>751,352</u>	<u>578,195</u>	<u>173,157</u>
Personnel			
Salaries and employee benefits	372,441	353,106	19,335
Operating expenditures	<u>82,422</u>	<u>72,676</u>	<u>9,746</u>
Total	<u>454,863</u>	<u>425,782</u>	<u>29,081</u>
County aid			
Capital outlay	<u>66,293</u>	<u>-</u>	<u>66,293</u>
Total	<u>66,293</u>	<u>-</u>	<u>66,293</u>
Court facilities			
Superior court	50,000	50,000	-
Law library	<u>82,040</u>	<u>47,104</u>	<u>34,936</u>
Capital outlay	<u>14,690</u>	<u>13,221</u>	<u>1,469</u>
Total	<u>146,730</u>	<u>110,325</u>	<u>36,405</u>
Total general government	20,268,914	18,737,035	1,207,067
Public Safety			
Medical examiner			
Professional services	<u>116,000</u>	<u>63,950</u>	<u>52,050</u>
Total	<u>116,000</u>	<u>63,950</u>	<u>52,050</u>
Office of the sheriff			
Salaries and employee benefits	9,915,477	9,316,377	599,100
Operating expenditures	<u>2,621,452</u>	<u>1,813,259</u>	<u>808,193</u>
Capital outlay	<u>745,069</u>	<u>576,713</u>	<u>168,356</u>
Total	<u>13,281,998</u>	<u>11,706,349</u>	<u>1,575,649</u>
County jail			
Salaries and employee benefits	6,810,774	6,150,251	660,523
Operating expenditures	<u>2,966,694</u>	<u>2,183,195</u>	<u>783,499</u>
Capital outlay	<u>105,247</u>	<u>91,540</u>	<u>13,707</u>
Total	<u>\$ 9,882,715</u>	<u>\$ 8,424,986</u>	<u>\$ 1,457,729</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
Day reporting center			
Salaries and employee benefits	\$ 379,710	\$ 340,882	\$ 38,828
Operating expenditures	179,459	142,731	36,728
Capital outlay	<u>29,288</u>	<u>29,288</u>	-
Total	<u>588,457</u>	<u>512,901</u>	75,556
Sheriff grant			
Salaries and employee benefits	19,946	12,267	7,679
Operating expenditures	28,226	19,992	8,234
Capital outlay	<u>-</u>	<u>-</u>	-
Total	<u>48,172</u>	<u>32,259</u>	15,913
NC resource officers			
Salaries and employee benefits	1,314,029	1,255,625	58,404
Operating expenditures	<u>166,294</u>	<u>134,024</u>	32,270
Total	<u>1,480,323</u>	<u>1,389,649</u>	90,674
Emergency services			
Salaries and employee benefits	356,432	334,869	21,563
Operating expenditures	887,302	845,217	42,085
Capital outlay	<u>177,235</u>	<u>151,119</u>	26,116
Total	<u>1,420,969</u>	<u>1,331,205</u>	89,764
Emergency telephone			
Salaries and employee benefits	2,211,472	1,960,910	250,562
Operating expenditures	<u>158,824</u>	<u>365,693</u>	(206,869)
Total	<u>2,370,296</u>	<u>2,326,603</u>	43,693
Inspectors			
Salaries and employee benefits	600,352	577,735	22,617
Operating expenditures	84,388	67,999	16,389
Capital outlay	<u>86,240</u>	<u>86,239</u>	1
Total	<u>770,980</u>	<u>731,973</u>	39,007
Emergency medical services			
Salaries and employee benefits	8,137,442	7,394,465	742,977
Operating expenditures	<u>2,747,213</u>	<u>7,899,203</u>	(5,151,990)
Total	<u>10,884,655</u>	<u>15,293,668</u>	(4,409,013)
Animal control			
Salaries and employee benefits	792,937	696,591	96,346
Operating expenditures	<u>447,026</u>	<u>358,586</u>	88,440
Total	<u>1,239,963</u>	<u>1,055,177</u>	184,786
Total public safety	\$ 42,084,528	\$ 42,868,720	\$ (784,192)

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Transportation			
Salaries and employee benefits	\$ 121,371	\$ 118,436	\$ 2,935
Mount Olive Airport	33,281	33,281	-
Mass transit	<u>402,686</u>	<u>307,267</u>	95,419
Total	<u>557,338</u>	<u>458,984</u>	<u>98,354</u>
Total transportation	\$ 557,338	\$ 458,984	\$ 98,354
Economic and physical development			
Agricultural extension service			
Salaries and employee benefits	151,028	146,024	5,004
Operating expenditures	<u>745,070</u>	<u>696,986</u>	48,084
Total	<u>896,098</u>	<u>843,010</u>	53,088
Soil conservation service			
Salaries and employee benefits	267,068	236,118	30,950
Operating expenditures	296,827	18,915	277,912
Capital outlay	<u>3,052,004</u>	<u>399,153</u>	2,652,851
Total	<u>3,615,899</u>	<u>654,186</u>	<u>2,961,713</u>
Hazardous mitigation			
Operating expenditures	<u>5,750,432</u>	<u>235,413</u>	<u>5,515,019</u>
Total	<u>5,750,432</u>	<u>235,413</u>	<u>5,515,019</u>
Economic development			
Other	4,464,813	1,072,649	3,392,164
Capital Outlay	<u>4,013,781</u>	<u>2,147,551</u>	1,866,230
Total	<u>8,478,594</u>	<u>3,220,200</u>	<u>5,258,394</u>
Economic Development Commission			
Salaries and employee benefits	91,250	90,076	1,174
Operating expenditures	<u>22,796,079</u>	<u>1,134</u>	22,794,945
Total	<u>22,887,329</u>	<u>91,210</u>	<u>22,796,119</u>
Total economic and physical development	\$ 41,628,352	\$ 5,044,019	\$ 36,584,333
Human services			
Veterans service officer			
Salaries and employee benefits	188,188	185,709	2,479
Operating expenditures	<u>16,288</u>	<u>11,386</u>	4,902
Total	<u>204,476</u>	<u>197,095</u>	<u>7,381</u>
WAGES/Communities in School			
Nutrition	-	-	-
Transportation	<u>861,573</u>	<u>839,027</u>	22,546
Total	<u>\$ 861,573</u>	<u>\$ 839,027</u>	<u>\$ 22,546</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
4-H Program			
Salaries and employee benefits	\$ 53,136	\$ 38,112	\$ 15,024
Operating expenditures	125,789	49,854	75,935
Capital outlay	<u>36,014</u>	<u>36,014</u>	-
Total	<u>214,939</u>	<u>123,980</u>	<u>90,959</u>
<i>Children and youth council</i>			
Youth council			
Operating expenditures	531,650	530,990	660
Total	<u>531,650</u>	<u>530,990</u>	-
<i>Total children and youth council</i>	<i>531,650</i>	<i>530,990</i>	-
<i>Senior citizens</i>			
Chore			
Salaries and employee benefits	526,535	455,180	71,355
Operating expenditures	<u>40,517</u>	<u>31,815</u>	<u>8,702</u>
Total	<u>567,052</u>	<u>486,995</u>	<u>80,057</u>
Transportation			
Salaries and employee benefits	26,575	21,847	4,728
Transportation	<u>52,469</u>	<u>38,878</u>	<u>13,591</u>
Total	<u>79,044</u>	<u>60,725</u>	<u>18,319</u>
Senior center health promotion			
Salaries and employee benefits	8,382	4,160	4,222
Operating expenditures	<u>14,681</u>	<u>11,313</u>	<u>3,368</u>
Total	<u>23,063</u>	<u>15,473</u>	<u>7,590</u>
Transportation general			
Salaries and employee benefits	26,598	21,847	4,751
Operating expenditures	440	214	226
Transportation	<u>61,626</u>	<u>54,803</u>	<u>6,823</u>
Total	<u>88,664</u>	<u>76,864</u>	<u>11,800</u>
Information/care assistance			
Salaries and employee benefits	53,497	49,680	3,817
Operating expenditures	<u>5,193</u>	<u>3,422</u>	<u>1,771</u>
Total	<u>58,690</u>	<u>53,102</u>	<u>5,588</u>
State chore			
Salaries and employee benefits	27,039	21,910	5,129
Operating expenditures	<u>2,971</u>	<u>2,277</u>	<u>694</u>
Total	<u>\$ 30,010</u>	<u>\$ 24,187</u>	<u>\$ 5,823</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
Family care givers			
Operating expenditures	\$ 25,000	\$ 26,248	\$ (1,248)
Total	25,000	26,248	(1,248)
Senior citizens program			
Salaries and employee benefits	215,561	197,591	17,970
Operating expenditures	470,511	354,535	115,976
Capital outlay	32,995	-	32,995
Total	719,067	552,126	166,941
SHIIP			
Salaries and employee benefits	7,628	7,052	576
Operating expenditures	520	520	-
Total	8,148	7,572	576
<i>Total senior citizens program</i>	<i>1,598,738</i>	<i>1,303,292</i>	<i>295,446</i>
<i>Social services</i>			
Administration			
Salaries and employee benefits	838,226	844,816	(6,590)
Operating expenditures	69,171	5,718	63,453
Total	907,397	850,534	56,863
Child support - Title IV-D			
Operating expenditures	1,288,661	1,287,478	1,183
Professional services	171,356	163,158	8,198
Total	1,460,017	1,450,636	9,381
Energy assistance			
Crisis intervention program	716,878	632,948	83,930
Progress Energy assistance	385,330	(38,813)	424,143
Total	1,102,208	594,135	508,073
Other administrative expenditures			
Operating expenditures	1,433,098	1,136,032	297,066
Total	1,433,098	1,136,032	297,066
Regular service administrative			
Salaries and employee benefits	5,772,570	4,391,940	1,380,630
Operating expenditures	73,457	69,750	3,707
Total	5,846,027	4,461,690	1,384,337
Income maintenance			
Salaries and employee benefits	6,600,259	5,983,303	616,956
Operating expenditures	62,100	42,746	19,354
Total	\$ 6,662,359	\$ 6,026,049	\$ 636,310

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
Public assistance programs			
Special assistance to adults	\$ 1,205,835	\$ 961,067	\$ 244,768
Adoption assistance	76,318	(6,382)	82,700
Miscellaneous	<u>134,573</u>	95,374.00	39,199
Total	<u>1,416,726</u>	1,050,059	366,667
Purchased services			
Foster care	650,000	512,356	137,644
Transportation	114,500	57,430	57,070
Professional services	105,000	90,745	14,255
Miscellaneous	<u>37,955</u>	21,077	16,878
Total	<u>907,455</u>	681,608	225,847
Work first block grant			
Education	5,000	-	5,000
Transportation	<u>56,000</u>	21,673	34,327
Total	<u>61,000</u>	21,673	39,327
County only assistance			
Miscellaneous services	56,559	32,452	24,107
Clothing	<u>38,000</u>	33,389	4,611
Total	<u>94,559</u>	65,841	28,718
<i>Total social services</i>	<i>19,890,846</i>	<i>16,338,257</i>	<i>3,552,589</i>
<i>Public health</i>			
Health administration			
Salaries and employee benefits	1,682,572	1,220,520	462,052
Operating expenditures	<u>447,962</u>	260,188	187,774
Total	<u>2,130,534</u>	1,480,708	649,826
Communicable diseases			
Salaries and employee benefits	143,453	-	143,453
Operating expenditures	<u>862,632</u>	234,260	628,372
Total	<u>1,006,085</u>	234,260	771,825
Tuberculosis			
Salaries and employee benefits	229,142	99,241	129,901
Operating expenditures	<u>32,724</u>	18,736	13,988
Total	<u>261,866</u>	117,977	143,889
Smart Start health services			
Salaries and employee benefits	66,309	62,860	3,449
Operating expenditures	<u>13,291</u>	5,035	8,256
Total	<u>\$ 79,600</u>	\$ 67,895	\$ 11,705

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
Health promotion			
Salaries and employee benefits	\$ 40,479	\$ 1,847	\$ 38,632
Operating expenditures	184,121	116,879	67,242
Total	<u>224,600</u>	<u>118,726</u>	<u>105,874</u>
Crippled children			
Salaries and employee benefits	9,949	-	9,949
Operating expenditures	700	-	700
Total	<u>10,649</u>	<u>-</u>	<u>10,649</u>
Adult health			
Salaries and employee benefits	160,225	157,487	2,738
Operating expenditures	139,761	118,160	21,601
Total	<u>299,986</u>	<u>275,647</u>	<u>24,339</u>
Maternity care project			
Salaries and employee benefits	1,891,146	1,422,394	468,752
Operating expenditures	659,989	309,564	350,425
Total	<u>2,551,135</u>	<u>1,731,958</u>	<u>819,177</u>
Child health			
Salaries and employee benefits	482,320	213,516	268,804
Operating expenditures	321,729	217,110	104,619
Total	<u>804,049</u>	<u>430,626</u>	<u>373,423</u>
Child services coordinator			
Salaries and employee benefits	526,157	454,059	72,098
Operating expenditures	21,321	12,562	8,759
Total	<u>547,478</u>	<u>466,621</u>	<u>80,857</u>
Dental program			
Salaries and employee benefits	289,643	77,526	212,117
Operating expenditures	186,964	35,603	151,361
Capital outlay	20,000	-	20,000
Total	<u>496,607</u>	<u>113,129</u>	<u>383,478</u>
Family planning			
Salaries and employee benefits	1,179,077	1,058,058	121,019
Operating expenditures	268,529	155,005	113,524
Total	<u>1,447,606</u>	<u>1,213,063</u>	<u>234,543</u>
AIDS control			
Salaries and employee benefits	282,989	141,949	141,040
Operating expenditures	59,712	27,144	32,568
Total	<u>\$ 342,701</u>	<u>\$ 169,093</u>	<u>\$ 173,608</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures (cont'd)			
Women, infants and children			
Salaries and employee benefits	\$ 1,024,195	\$ 809,297	\$ 214,898
Operating expenditures	138,014	61,653	76,361
Total	<u>1,162,209</u>	<u>870,950</u>	<u>291,259</u>
Environmental health			
Salaries and employee benefits	783,150	703,249	79,901
Operating expenditures	64,926	48,480	16,446
Total	<u>848,076</u>	<u>751,729</u>	<u>96,347</u>
Bioterrorism program			
Salaries and employee benefits	8,231	-	8,231
Operating expenditures	31,867	13,816	18,051
Total	<u>40,098</u>	<u>13,816</u>	<u>26,282</u>
Opiod Action Plan			
Salaries and employee benefits	2,548	-	2,548
Operating expenditures	49,335	14,415	34,920
Total	<u>51,883</u>	<u>14,415</u>	<u>37,468</u>
Minority Health			
Operating expenditures	19,341	18,206.00	1,135
Capital outlay	42,691	42,691	-
Total	<u>62,032</u>	<u>60,897</u>	<u>1,135</u>
Maternal care coordinator			
Salaries and employee benefits	388,747	371,479	17,268
Operating expenditures	250	250	-
Total	<u>388,997</u>	<u>371,729</u>	<u>17,268</u>
School nurse initiative			
Operating expenditures	250,000	250,000	-
Total	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Primary Care			
Operating expenditures	2,000	-	2,000
Total	<u>2,000</u>	<u>-</u>	<u>2,000</u>
<i>Total public health</i>	<i>\$ 13,008,191</i>	<i>\$ 8,753,239</i>	<i>\$ 4,254,952</i>
<i>Mental health</i>			
Administration			
Mental health services	\$ 42,000	\$ 10,500	\$ 31,500
Total human services	\$ 36,352,413	\$ 28,096,380	\$ 8,255,373

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Cultural and recreational			
Wayne County Public Library			
Salaries and employee benefits	\$ 2,134,892	\$ 1,904,435	\$ 230,457
Operating expenditures	704,556	550,638	153,918
Total	<u>2,839,448</u>	<u>2,455,073</u>	<u>384,375</u>
Literacy Connections			
Salaries and employee benefits	174,924	173,532	1,392
Operating expenditures	103,297	102,269	1,028
Total	<u>278,221</u>	<u>275,801</u>	<u>2,420</u>
County aid			
Museum	500	-	500
Parks and recreation	50,000	49,998	2
Miscellaneous	58,000	56,000	2,000
Total	<u>108,500</u>	<u>105,998</u>	<u>2,502</u>
Total cultural and recreational	\$ 3,226,169	\$ 2,836,872	\$ 389,297
Education			
Wayne Community College			
Current expenditures	4,628,663	4,628,663	-
Capital outlay	718,304	1,093,397	(375,093)
Total	<u>5,346,967</u>	<u>5,722,060</u>	<u>(375,093)</u>
Wayne County Public Schools			
Current expenditures	24,018,404	22,408,309	1,610,095.00
Capital outlay	2,407,319	1,678,437	728,882
Total	<u>26,425,723</u>	<u>24,086,746</u>	<u>2,338,977</u>
Total education	\$ 31,772,690	\$ 29,808,806	\$ 1,963,884
Debt Service			
Principal payments	5,294,428	4,303,752	990,676
SBITA principal payments	-	176,514	(176,514)
Interest payments - debt	2,213,957	2,213,213	744
Interest payments - SBITA	-	4,499	(4,499)
Total debt service	<u>\$ 7,508,385</u>	<u>\$ 6,697,978</u>	<u>\$ 810,407</u>
Total Expenditures	<u>\$ 183,398,789</u>	<u>\$ 134,548,794</u>	<u>\$ 48,524,523</u>
Revenues over (under) expenditures	\$ (9,840,002)	\$ 16,363,512	\$ 26,203,514

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Other Financing Sources (Uses)			
Proceeds from SBITA financing	\$ -	\$ 501,394	\$ 501,394
Transfers in			
General Fund	42,491	42,491	-
Capital Projects Funds	6,867,375	6,867,375	-
Special Revenue Funds	2,892,750	2,892,750	-
Transfers out			
Capital Projects Funds	(21,758,730)	(21,758,730)	-
Proprietary Funds	(1,948,881)	(1,948,881)	-
Sale of capital assets	12,025	33,339	(21,314)
Total other financing sources	<u>(13,892,970)</u>	<u>(13,370,262)</u>	<u>480,080</u>
Revenues and other financing sources over (under) expenditures	(23,732,972)	2,993,250	26,726,222
Appropriated fund balance	<u>23,732,972</u>	<u>-</u>	<u>(23,732,972)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>2,993,250</u>	<u>\$ 2,993,250</u>
Fund balance - July 1		70,058,832	
Restatement		127,147	
Fund balance, as restated		<u>70,185,979</u>	
Fund balances - June 30		<u>\$ 73,179,229</u>	

Wayne County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

Special Revenue Funds

	Emergency Telephone Service Fund	Fire District Fund	Fines and Forfeitures Fund	Representative Payee Fund	NC Court Pilot Program
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and equivalents	1,066,524	50,305	-	102,894	124,193
Taxes receivable, net	17,609	154,075	-	-	-
Due from other governments	59,327	345,543	-	-	3,232
Total assets	1,143,460	549,923	-	102,894	127,425
Liabilities and Fund Balance					
Liabilities					
Accounts payable	-	264,286	-	-	16,963
Unearned revenue	-	-	-	-	107,525
Total liabilities	-	264,286	-	-	124,488
Deferred Inflows of Resources					
Taxes receivable, net	-	156,711	-	-	-
Total deferred inflows of resources	-	156,711	-	-	-
Fund balances					
Non-spendable:					
Senior Center-principal	-	-	-	-	-
Restricted:					
Stabilization by state statute	76,937	78,621	-	-	2,937
Fire protection	-	50,305	-	-	-
Public safety	1,066,523	-	-	-	-
Public schools	-	-	-	-	-
Transportation	-	-	-	-	-
Social services/senior center	-	-	-	102,894	-
Grants	-	-	-	-	-
Committed:					
Capital Projects	-	-	-	-	-
Unassigned:	-	-	-	-	-
Total fund balances	1,143,460	128,926	-	102,894	2,937
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,143,460	\$ 549,923	\$ -	\$ 102,894	\$ 127,425

Special Revenue Funds

SCIF Grant	Sheriffs State Grant	Utility Fund	Street Assessment Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -
6,131	10	40,154	447,070	1,837,281
-	-	-	550,420	722,104
-	5,688	3,376	-	417,166
<u>6,131</u>	<u>5,698</u>	<u>43,530</u>	<u>997,490</u>	<u>2,976,551</u>
-	-	1,288	-	282,537
-	-	-	-	107,525
<u>-</u>	<u>-</u>	<u>1,288</u>	<u>-</u>	<u>390,062</u>
-	-	(49)	-	156,662
<u>-</u>	<u>-</u>	<u>(49)</u>	<u>-</u>	<u>156,662</u>
-	-	-	-	-
-	5,689	3,376	550,419	717,979
-	-	-	-	50,305
-	9	-	-	1,066,532
-	-	-	-	-
-	-	38,915	447,071	485,986
-	-	-	-	102,894
6,131	-	-	-	6,131
-	-	-	-	-
<u>6,131</u>	<u>5,698</u>	<u>42,291</u>	<u>997,490</u>	<u>2,429,827</u>
<u>\$ 6,131</u>	<u>\$ 5,698</u>	<u>\$ 43,530</u>	<u>\$ 997,490</u>	<u>\$ 2,976,551</u>

Wayne County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

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	
Assets					
Cash and cash equivalents	\$ 325,881	\$ 1,036,618	\$ 496,060	\$ 12,848,149	
Restricted cash and equivalents	344,677	791,693	329,679		-
Taxes receivable, net	-	-	-		-
Due from other governments	-	10,531	-		-
Total assets	<u>670,558</u>	<u>1,838,842</u>	<u>825,739</u>	<u>12,848,149</u>	
Liabilities and Fund Balance					
Liabilities					
Accounts payable	-	10,000	-		-
Unearned revenue	-	-	-		-
Total liabilities	<u>-</u>	<u>10,000</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>
Fund balances					
Non-spendable:					
Senior Center-principal	-	-	-		-
Restricted:					
Stabilization by state statute	-	-	-		-
Fire protection	-	-	-		-
Public safety	-	-	-		-
Public schools	670,558	-	825,739		-
Transportation	-	-	-		-
Social services/senior center	-	-	-		-
Grants	-	-	-		-
Committed:					
Capital Projects	-	1,828,842	-	12,848,149	
Unassigned:					
Total fund balances	<u>670,558</u>	<u>1,828,842</u>	<u>825,739</u>	<u>12,848,149</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 670,558</u>	<u>\$ 1,838,842</u>	<u>\$ 825,739</u>	<u>\$ 12,848,149</u>	

Capital Project Funds		Permanent Fund	
County Capital Project-911 Call Center	Total Nonmajor Capital Project Funds	Permanent Fund-Senior Center	Total Nonmajor Funds
\$ (2,687,523)	\$ 12,019,185	\$ -	\$ 12,019,185
3,315,308	4,781,357	9,032	6,627,670
-	-	-	722,104
-	10,531	-	427,697
627,785	16,811,073	9,032	19,796,656
-	10,000	-	292,537
-	-	-	107,525
-	10,000	-	400,062
-	-	-	156,662
-	-	-	156,662
-	-	8,600	8,600
-	-	-	717,979
-	-	-	50,305
-	-	-	1,066,532
-	1,496,297	-	1,496,297
-	-	-	485,986
-	-	432	103,326
-	-	-	6,131
627,785	15,304,776	-	15,304,776
-	-	-	-
627,785	16,801,073	9,032	19,239,932
\$ 627,785	\$ 16,811,073	\$ 9,032	\$ 19,796,656

Wayne County, North Carolina
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

Special Revenue Funds				
	Emergency Telephone Service Fund	Fire District Fund	Fines and Forfeitures Fund	Representative Payee Fund
Revenues				
Property taxes	\$ -	\$ 4,027,189	\$ -	\$ -
Sales and miscellaneous taxes	-	2,004,736	-	-
Fees and fines	-	-	512,868	-
Restricted intergovernmental	473,623	-	-	-
Investment earnings	15,455	10,515	-	-
Client account income	-	-	-	461,232
Total revenues	489,078	6,042,440	512,868	461,232
Expenditures				
Current:				
General government	-	-	-	-
Public safety	423,111	6,278,994	512,868	-
Human services	-	-	-	437,400
Transportation	-	-	-	-
Debt Service				
Debt payment	-	15,795	-	-
SBITA debt payment	97,912	-	-	-
Interest and other charges	3,949	-	-	-
Capital outlay	144,112	-	-	-
Total expenditures	669,084	6,294,789	512,868	437,400
Excess (deficiency) of revenues over expenditures	(180,006)	(252,349)	-	23,832
Other Financing Sources (Uses)				
Proceeds from SBITA financing	397,994	-	-	-
Other use				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources and uses	397,994	-	-	-
Net change in fund balances	217,988	(252,349)	-	23,832
Fund balances - beginning	925,472	381,276	-	79,062
Fund balances - ending	\$ 1,143,460	\$ 128,927	\$ -	\$ 102,894

Special Revenue Funds

NC Court Pilot Program	SCIF Grant	Sheriffs State Grant	Utility Fund	Street Assessment Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 16,864	\$ 43,859	\$ 4,027,189
-	-	-	-	-	2,065,459
-	-	-	-	-	512,868
285,383	500,000	84,270	-	-	1,343,276
2,916	6,001	586	669	-	36,142
-	-	-	-	-	461,232
288,299	506,001	84,856	17,533	43,859	8,446,166
<hr/>					
285,383	-	-	-	-	285,383
-	-	-	-	-	7,214,973
-	-	-	-	-	437,400
-	-	-	13,968	-	13,968
-	-	-	-	-	15,795
26,540	-	-	-	-	124,452
-	-	-	-	-	3,949
-	500,000	84,873	-	-	728,985
311,923	500,000	84,873	13,968	-	8,824,905
<hr/>					
(23,624)	6,001	(17)	3,565	43,859	(378,739)
<hr/>					
26,540	-	-	-	-	424,534
-	-	5,697	-	-	5,697
-	-	-	-	(192,750)	(192,750)
26,540	-	5,697	-	(192,750)	237,481
2,916	6,001	5,680	3,565	(148,891)	(141,258)
<hr/>					
21	130	18	38,726	1,146,381	2,571,086
\$ 2,937	\$ 6,131	\$ 5,698	\$ 42,291	\$ 997,490	\$ 2,429,828

Wayne County, North Carolina
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

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
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales and miscellaneous taxes	-	-	-	-
Fees and fines	-	-	-	-
Restricted intergovernmental	-	-	-	-
Investment earnings	15,101	24,375	17,346	211,806
Client account income	-	-	-	-
Total revenues	<u>15,101</u>	<u>24,375</u>	<u>17,346</u>	<u>211,806</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Human services	-	-	-	-
Transportation	-	-	-	-
Debt Service				
Debt payment	-	-	-	-
SBITA debt payment	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	233,413	-	-
Total expenditures	<u>-</u>	<u>233,413</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>15,101</u>	<u>(209,038)</u>	<u>17,346</u>	<u>211,806</u>
Other Financing Sources (Uses)				
Proceeds from SBITA financing	-	-	-	-
Other use				
Transfers from other funds	-	-	-	1,552,157
Transfers to other funds	-	-	-	(1,655,097)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(102,940)</u>
Net change in fund balances	<u>15,101</u>	<u>(209,038)</u>	<u>17,346</u>	<u>108,866</u>
Fund balances - beginning	<u>655,457</u>	<u>2,037,880</u>	<u>808,393</u>	<u>12,739,283</u>
Fund balances - ending	<u>\$ 670,558</u>	<u>\$ 1,828,842</u>	<u>\$ 825,739</u>	<u>\$ 12,848,149</u>

<u>Capital Project Funds</u>		<u>Permanent Fund</u>	
<u>County Capital Project-911 Call Center</u>	<u>Total Nonmajor Capital Project Funds</u>	<u>Permanent Fund-Senior Center</u>	<u>Total Nonmajor Funds</u>
\$ -	\$ -	\$ -	\$ 4,027,189
-	-	-	2,065,459
-	-	-	512,868
-	-	-	1,343,276
1,622	270,250	142	306,534
-	-	-	461,232
<u>1,622</u>	<u>270,250</u>	<u>142</u>	<u>8,716,558</u>
-	-	-	285,383
-	-	-	7,214,973
-	-	-	437,400
-	-	-	13,968
-	-	-	15,795
-	-	-	124,452
-	-	-	3,949
-	233,413	-	962,398
<u>-</u>	<u>233,413</u>	<u>-</u>	<u>9,058,318</u>
1,622	36,837	142	(341,760)
-	-	-	424,534
-	1,552,157	-	1,557,854
<u>-</u>	<u>(1,655,097)</u>	<u>-</u>	<u>(1,847,847)</u>
-	(102,940)	-	134,541
<u>1,622</u>	<u>(66,103)</u>	<u>142</u>	<u>(207,219)</u>
626,163	16,867,176	8,890	19,447,152
<u>\$ 627,785</u>	<u>\$ 16,801,073</u>	<u>\$ 9,032</u>	<u>\$ 19,239,933</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, 2023

	Project Author- ization	Prior Years	Actual	Total to Date	Variance Positive (Negative)
Revenues					
ARP Funds	\$ 23,916,753	\$ -	\$ 5,615,676	\$ 5,615,676	\$ (18,301,077)
Investment earnings	-	8,848	361,393	370,241	370,241
Total revenues	<u>23,916,753</u>	<u>8,848</u>	<u>5,977,069</u>	<u>5,985,917</u>	<u>(17,930,836)</u>
Expenditures					
Current:					
General government	23,916,753	-	58,868	-	23,916,753
Capital Outlay					
General Government Projects	-	-	2,709,821	2,709,821	(2,709,821)
Total expenditures	<u>23,916,753</u>	<u>-</u>	<u>2,768,689</u>	<u>2,709,821</u>	<u>21,206,932</u>
Revenues over (under) expenditures	-	8,848	3,208,380	3,217,228	3,217,228
Other Financing Sources (Uses)					
Transfers out					
General Fund	-	-	(2,846,987)	(2,846,987)	2,846,987
Capital Projects Funds	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Proprietary Funds	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Total financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,846,987)</u>	<u>-</u>	<u>-</u>
Appropriated fund balance	-	-	-	-	-
Revenues other sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>\$ 8,848</u>	<u>361,393</u>	<u>\$ 3,217,228</u>	<u>\$ 3,217,228</u>
Fund balance - July 1			8,848		
Fund balance - June 30			<u>\$ 370,241</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, 2023

	Project Author- ization	Prior Years	Actual	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ 20,000,000	\$ -	\$ 46,000	\$ 46,000	\$ (19,954,000)
Investment earnings	-	3,122	319,826	322,948	322,948
Total revenues	20,000,000	3,122	365,826	368,948	(19,631,052)
Expenditures					
Current:					
Education	-	-	-	-	-
Capital Outlay					
Education	20,000,000	-	46,000	46,000	19,954,000
Total expenditures	20,000,000	-	46,000	46,000	19,954,000
Revenues over (under) expenditures	-	3,122	319,826	322,948	322,948
Other Financing Sources (Uses)					
Transfers out					
General Fund	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Proprietary Funds	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Total financing sources (uses)	-	-	-	-	-
Appropriated fund balance	-	-	-	-	-
Revenues other sources, and appropriated fund balance over (under) expenditures	\$ -	\$ 3,122	319,826	\$ 322,948	\$ 322,948
Fund balance - July 1			3,122		
Fund balance - June 30				\$ 322,948	

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, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
Revenues			
Opioid settlement funds	\$ -	\$ -	\$ -
Investment earnings	- -	10,539	10,539
Total revenues	<u>- -</u>	<u>10,539</u>	<u>10,539</u>
Expenditures			
Current:			
Health and human services	- -	- -	- -
Capital outlay	- -	- -	- -
Total expenditures	<u>- -</u>	<u>- -</u>	<u>- -</u>
Revenues over (under) expenditures	- -	10,539	10,539
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	- -	10,539	10,539
Appropriated fund balance	<u>- -</u>	<u>- -</u>	<u>- -</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ - -</u>	10,539	<u>\$ 10,539</u>
Fund balance - July 1		25	
Fund balance - June 30		<u>\$ 10,564</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, 2023

	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 392,661	\$ 438,929	438,929
Investment earnings	-	15,455	15,455
Municipality reimbursements	11,943	34,694	22,751
Total revenues	<u>404,604</u>	<u>489,078</u>	<u>477,135</u>
Expenditures			
Current:			
Public safety	265,605	423,111	(157,506)
Debt Service			
Subscription based IT debt payment	-	97,912	(97,912)
Interest and other charges	-	3,949	(3,949)
Capital outlay	374,289	144,112	230,177
Total expenditures	<u>639,894</u>	<u>669,084</u>	<u>(29,190)</u>
Revenues under expenditures	(235,290)	(180,006)	55,284
Other Financing Sources			
Proceeds from subscription based IT financing	-	397,994	397,994
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>397,994</u>	<u>397,994</u>
Revenues and other financing sources over (under) expenditures	(235,290)	217,988	453,278
Appropriated fund balance	<u>235,290</u>	<u>-</u>	<u>(235,290)</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>217,988</u>	<u>\$ 217,988</u>
Fund balance - July 1		925,472	
Fund balance - June 30		<u><u>\$ 1,143,460</u></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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Ad valorem taxes			
Current year	\$ 3,433,537	\$ 3,411,985	\$ (21,552)
Vehicle tax	562,016	566,844	4,828.00
Prior year tax	60,857	48,360	(12,497)
County sales taxes	1,976,422	2,004,736	28,314
Investment earnings	-	10,515	10,515
Total revenues	<u>6,032,832</u>	<u>6,042,440</u>	<u>9,608</u>
Expenditures			
Current:			
Public safety	6,017,037	6,278,994	(261,957)
Debt Service			
Principal	15,795	15,795	-
Interest and other charges	-	-	-
Total expenditures	<u>6,032,832</u>	<u>6,294,789</u>	<u>(261,957)</u>
Revenues over (under) expenditures	-	(252,349)	(252,349)
Appropriated fund balance	-	-	-
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>(252,349)</u>	<u>\$ (252,349)</u>
Fund balance - July 1		381,276	
Fund balance - June 30		<u>\$ 128,927</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Fines and forfeitures	\$ 462,868	\$ 512,868	\$ 50,000
Late listing penalties	50,000	-	(50,000)
Total revenues	<u>512,868</u>	<u>512,868</u>	<u>-</u>
Expenditures			
Current:			
Education	<u>512,868</u>	<u>512,868</u>	<u>-</u>
Total expenditures	<u>512,868</u>	<u>512,868</u>	<u>-</u>
Revenues over (under) expenditures	-	-	-
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	-	-	-
Appropriated fund balance	-	-	-
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance - July 1			-
Fund balance - June 30	<u>\$ -</u>		

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Client Account Income	\$ 727,400	\$ 461,232	\$ (266,168)
Total revenues	<u>727,400</u>	<u>461,232</u>	<u>(266,168)</u>
Expenditures			
Current:			
Health and sanitation	727,400	437,400	290,000
Total expenditures	<u>727,400</u>	<u>437,400</u>	<u>290,000</u>
Revenues over (under) expenditures	-	23,832	23,832
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	-	23,832	23,832
Appropriated fund balance	-	-	-
Revenues and appropriated fund balance over (under) expenditures	\$ -	23,832	\$ 23,832
Fund balance - July 1		79,062	
Fund balance - June 30		<u>\$ 102,894</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 230,000	\$ 285,383	\$ 55,383
Investment earnings	-	2,916	2,916
Total revenues	<u>230,000</u>	<u>288,299</u>	<u>58,299</u>
Expenditures			
Current:			
General government	392,908	285,383	107,525
Debt Service	-	26,540	(26,540)
Subscription based IT debt payment	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>392,908</u>	<u>311,923</u>	<u>80,985</u>
Revenues under expenditures	(162,908)	(23,624)	139,284
Other Financing Sources			
Proceeds from subscription based IT financing	-	26,540	26,540
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>26,540</u>	<u>26,540</u>
Revenues and other financing sources over (under) expenditures	(162,908)	2,916	165,824
Appropriated fund balance	<u>162,908</u>	<u>-</u>	<u>(162,908)</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>2,916</u>	<u>\$ 2,916</u>
Fund balance - July 1		21	
Fund balance - June 30		<u>\$ 2,937</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ -	\$ 500,000	\$ 500,000
Investment earnings	-	6,001	6,001
Total revenues	<u>-</u>	<u>506,001</u>	<u>506,001</u>
Expenditures			
Current:			
Public Safety	-	-	-
Capital outlay	500,000	500,000	-
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Revenues over (under) expenditures	(500,000)	6,001	506,001
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	(500,000)	6,001	506,001
Appropriated fund balance	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>6,001</u>	<u>\$ 6,001</u>
Fund balance - July 1		130	
Fund balance - June 30	<u>\$ 6,131</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, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Restricted intergovernmental	\$ -	\$ 84,270	\$ 84,270
Investment earnings	603	586	(17)
Total revenues	<u>603</u>	<u>84,856</u>	<u>84,253</u>
Expenditures			
Current:			
Public safety	-	-	-
Capital outlay	84,873	84,873	-
Total expenditures	<u>84,873</u>	<u>84,873</u>	<u>-</u>
Revenues under expenditures		(84,270)	(17)
Other Financing Sources			
Transfers in	5,697	5,697	-
Transfers out	-	-	-
Total other financing sources	<u>5,697</u>	<u>5,697</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures		(78,573)	5,680
Appropriated fund balance	78,573	-	(78,573)
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>5,680</u>	<u>\$ 5,680</u>
Fund balance - July 1			18
Fund balance - June 30		<u>\$ 5,698</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Ad valorem taxes	\$ 12,900	\$ 16,864	\$ 3,964
Special Assessment	-	669	669
Investment earnings	669	669	669
Total revenues	<u>12,900</u>	<u>17,533</u>	<u>4,633</u>
Expenditures			
Current:			
Transportation	12,900	13,968	(1,068)
Total expenditures	<u>12,900</u>	<u>13,968</u>	<u>(1,068)</u>
Revenues over (under) expenditures	-	3,565	3,565
Appropriated fund balance	-	-	-
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	3,565	<u>\$ 3,565</u>
Fund balance - July 1		38,726	
Fund balance - June 30		<u>\$ 42,291</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, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Miscellaneous taxes	\$ 162,180	\$ 43,859	\$ (118,321)
Investment earnings	-	-	-
Total revenues	<u>162,180</u>	<u>43,859</u>	<u>(118,321)</u>
Expenditures			
Current:			
Transportation	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	162,180	43,859	(118,321)
Other Financing Sources			
Transfers in	-	-	-
Transfers out	<u>(192,750)</u>	<u>(192,750)</u>	<u>-</u>
Total other financing sources	<u>(192,750)</u>	<u>(192,750)</u>	<u>-</u>
Revenues and other financing sources under expenditures	(30,570)	(148,891)	(118,321)
Appropriated fund balance	<u>30,570</u>	<u>-</u>	<u>(30,570)</u>
(under) expenditures	<u>\$ -</u>	<u>(148,891)</u>	<u>\$ (148,891)</u>
Fund balance - July 1		1,146,381	
Fund balance - June 30		<u>\$ 997,490</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Jail Debt Project Fund
For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual	Total To-Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	1,073	364,834	365,907	(365,907)
Total revenues	-	1,073	364,834	365,907	(365,907)
Expenditures					
Debt Service					
Principal	-	-	-	-	-
Interest and other charges	-	1,250	104,145	105,395	(105,395)
Capital Outlay					
DSS/Health Building	-	347,933	-	347,933	(347,933)
Detention Center Project	48,256,000	1,026,555	9,934,709	10,961,264	37,294,736
WCC Advanced Manufacturing	-	434,062	-	434,062	434,062
Total expenditures	48,256,000	1,809,800	10,038,854	11,848,654	37,275,470
Revenues under expenditures	(48,256,000)	(1,808,727)	(9,674,020)	(11,482,747)	(36,773,253)
Other Financing Sources					
Issuance from long-term debt, net	48,256,000	-	48,256,000	48,256,000	-
Transfers in					
General Fund	-	6,349,394	1,603,573	7,952,967	(7,952,967)
Transfers out					
General Fund	-	-	(3,332,287)	(3,332,287)	3,332,287
Total other financing sources	48,256,000	6,349,394	46,527,286	52,876,680	(4,620,680)
Appropriated fund balance	-	-	-	-	-
Revenues and other sources over expenditures	\$ -	\$ 4,540,667	36,853,266	\$ 41,393,933	\$ (41,393,933)
Fund balance - July 1			4,540,667		
Fund balance - June 30				\$ 41,393,933	

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, 2023

	Project Authorization	Prior Years	Actual	Total To-Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ 30,000,000	\$ -	\$ 25,245,287	\$ 25,245,287	\$ 4,754,713
Investment earnings	-	12	710	722	(722)
Total revenues	<u>30,000,000</u>	<u>12</u>	<u>25,245,997</u>	<u>25,246,009</u>	<u>4,753,991</u>
Expenditures					
Debt Service					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital Outlay	38,485,251	484,001	29,241,671	29,725,672	8,759,579
Total expenditures	<u>38,485,251</u>	<u>484,001</u>	<u>29,241,671</u>	<u>29,725,672</u>	<u>8,759,579</u>
Revenues under expenditures	(8,485,251)	(483,989)	(3,995,674)	(4,479,663)	4,005,588
Other Financing Sources					
Issuance from long-term debt, net	8,000,000	-	8,000,000	8,000,000	-
Transfers in					
General Fund	175,603	484,001	18,294,250	18,778,251	(18,602,648)
Prior Year Land Purchase	309,648	-	-	-	(309,648)
Total other financing sources	<u>8,485,251</u>	<u>484,001</u>	<u>26,294,250</u>	<u>26,778,251</u>	<u>18,293,000</u>
Appropriated fund balance	-	-	-	-	-
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 12</u>	<u>22,298,576</u>	<u>\$ 22,298,588</u>	<u>\$ 22,298,588</u>
Fund balance - July 1			12		
Fund balance - June 30				<u>\$ 22,298,588</u>	

Wayne County, North Carolina
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
DSS-Health Debt Project Fund
For the Fiscal Year Ended June 30, 2023

	Project Authorization	Prior Years	Actual	Total To-Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	241,920	241,920	(241,920)
Total revenues	-	-	241,920	241,920	(241,920)
Expenditures					
Debt Service					
Principal	-	-	-	-	-
Interest and other charges	-	-	102,436	-	-
Capital Outlay	38,392,000	-	2,692,936	2,692,936	35,699,064
Total expenditures	38,392,000	-	2,795,372	2,692,936	35,699,064
Revenues under expenditures	(38,392,000)	-	(2,553,452)	(2,451,016)	(35,940,984)
Other Financing Sources					
Issuance from long-term debt, net	38,392,000	-	38,392,000	38,392,000	-
Transfers in					
General Fund	-	-	-	-	-
Transfers out					
General Fund	-	-	(1,619,430)	(1,619,430)	(1,619,430)
Total other financing sources	38,392,000	-	36,772,570	36,772,570	(1,619,430)
Appropriated fund balance	-	-	-	-	-
Revenues and other sources over (under) expenditures	\$ -	\$ -	34,219,118	\$ 34,219,118	\$ 34,219,118
Fund balance - July 1					
Fund balance - June 30				<u>\$ 34,219,118</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 15,101	\$ 15,101
Total revenues	<u>-</u>	<u>15,101</u>	<u>15,101</u>
Expenditures			
Current:			
Capital outlay	1,142,999	-	1,142,999
Total expenditures	<u>1,142,999</u>	<u>-</u>	<u>1,142,999</u>
Revenues over (under) expenditures	(1,142,999)	15,101	1,158,100
Other Financing Sources			
Transfers in			
General Fund	-	-	-
Transfers out			
General Fund	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	(1,142,999)	15,101	1,158,100
Appropriated fund balance	<u>1,142,999</u>	<u>-</u>	<u>(1,142,999)</u>
Revenues and other sources over (under) expenditures	\$ -	15,101	\$ 15,101
Fund balance - July 1		655,457	
Fund balance - June 30		<u>\$ 670,558</u>	

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, 2023

	Project Author- ization	Prior Years	Actual	Total to Date	Variance Positive (Negative)
Revenues					
Private grant	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ -
Investment earnings	-	186,838	24,375	211,213	211,213
Miscellaneous	-	308,637	-	308,637	308,637
Total revenues	<u>15,000</u>	<u>510,475</u>	<u>24,375</u>	<u>534,850</u>	<u>519,850</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	4,700,751	1,873	4,702,624	461,380
Fiber Optic Loop Project	870,007	565,455	-	565,455	304,552
Spillman/Superion Project	1,460,164	1,214,116	231,540	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>11,735,604</u>	<u>233,413</u>	<u>11,969,017</u>	<u>1,165,743</u>
Revenues over (under) expenditures	(13,119,760)	(11,225,129)	(209,038)	(11,434,167)	1,685,593
Other Financing Sources (Uses)					
Bond issuance, par amount	3,260,000	3,260,000	-	3,260,000	-
Bond issuance, premium	444,076	444,076	-	444,076	-
Issuance from long-term debt, net	4,899,759	4,972,310	-	4,972,310	72,551
Other use	-	-	-	-	-
Transfers in:					
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	-	-	-	-	-
Revenues other sources, and appropriated fund balance over (under) expenditures	\$ -	\$ 1,967,182	(209,038)	\$ 6,630,103	\$ 6,630,103
Fund balance - July 1			2,037,880		
Fund balance - June 30			<u>\$ 1,828,842</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 17,346	\$ 17,346
Total revenues	<u>-</u>	<u>17,346</u>	<u>17,346</u>
Expenditures			
Current:			
Capital outlay	6,394,900	-	6,394,900
Total expenditures	<u>6,394,900</u>	<u>-</u>	<u>6,394,900</u>
Revenues over (under) expenditures	(6,394,900)	17,346	6,412,246
Other Financing Sources			
Transfers in			
General Fund	3,165,132	-	3,165,132
Capital Projects Funds	717,084	-	717,084
Transfers out			
General Fund	-	-	-
Total other financing sources	<u>3,882,216</u>	<u>-</u>	<u>3,882,216</u>
Revenues and other financing sources over (under) expenditures	(2,512,684)	17,346	2,530,030
Appropriated fund balance	<u>2,512,684</u>	<u>-</u>	<u>(2,512,684)</u>
Revenues and other sources over (under) expenditures	\$ -	17,346	\$ 17,346
Fund balance - July 1		808,393	
Fund balance - June 30		<u>\$ 825,739</u>	

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 211,806	\$ 211,806
Total revenues	<u>-</u>	<u>211,806</u>	<u>211,806</u>
Expenditures			
Current:			
General government	-	-	-
Capital Outlay	1,531,100	-	1,531,100
Total expenditures	<u>1,531,100</u>	<u>-</u>	<u>1,531,100</u>
Revenues over (under) expenditures	(1,531,100)	211,806	1,742,906
Other Financing Sources			
Transfers in			
General Fund	1,552,157	1,552,157	-
Transfers out			
General Fund	(1,655,097)	(1,655,097)	-
Total other financing sources	<u>(102,940)</u>	<u>(102,940)</u>	<u>-</u>
Appropriated fund balance	1,634,040	-	(1,634,040)
Revenues and other sources over (under) expenditures	\$ -	108,866	\$ 108,866
Fund balance - July 1		12,739,283	
Fund balance - June 30		<u>\$ 12,848,149</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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Restricted intergovernmental	\$ 1,530,693	\$ -	\$ (1,530,693)
Investment earnings	-	1,622	1,622
Total revenues	<u>1,530,693</u>	<u>1,622</u>	<u>(1,529,071)</u>
Expenditures			
Current:			
Capital Outlay	6,274,339	-	6,274,339
Total expenditures	<u>6,274,339</u>	<u>-</u>	<u>6,274,339</u>
Revenues over (under) expenditures	(4,743,646)	1,622	4,745,268
Other Financing Sources			
Issuance 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	(4,503,026)	-	(4,503,026)
Total other financing sources	<u>989,613</u>	<u>-</u>	<u>(8,918,103)</u>
Appropriated fund balance	3,754,033	-	(3,754,033)
Revenues and other sources over (under) expenditures	<u>\$ -</u>	1,622	<u>\$ 1,622</u>
Fund balance - July 1		626,163	
Fund balance - June 30		<u>\$ 627,785</u>	

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, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 142	\$ 142
Total revenues	<u>-</u>	<u>142</u>	<u>142</u>
Expenditures			
Senior Center	- -	- -	- -
Total expenditures	<u>-</u>	<u>101,861</u>	<u>(101,861)</u>
Revenues over (under) expenditures	- -	(101,719)	(101,719)
Other Financing Sources			
Permanent fund donation	- -	- -	- -
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	- -	(101,719)	(101,719)
Appropriated fund balance	- -	- -	- -
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>(101,719)</u>	<u>\$ (101,719)</u>
Fund balance - July 1		8,890	
Fund balance - June 30		<u>\$ (92,829)</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.

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Solid Waste Disposal
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Operating revenues			
User fees - solid waste	\$ 4,188,759	\$ 4,369,288	\$ 180,529
User fees - household	1,400,000	1,329,136	(70,864)
Recycling fees	239,600	251,209	11,609
Lease revenue	-	12,932	12,932
Total operating revenues	<u>5,828,359</u>	<u>5,962,565</u>	<u>134,206</u>
Non-operating revenues			
Restricted intergovernmental revenues	350,000	362,272	12,272
Interest and investment revenue	-	219,183	219,183
Miscellaneous revenue	257,870	77,998	(179,872)
Operating grants and contributions	<u>13,000</u>	<u>10,062</u>	<u>(2,938)</u>
Total non-operating revenues	<u>620,870</u>	<u>669,515</u>	<u>48,645</u>
Appropriated retained earnings	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>6,449,229</u>	<u>6,632,080</u>	<u>182,851</u>
Expenditures			
Operating expenditures			
Salaries and employee benefits	2,381,737	2,319,578	62,159
Contractual services	172,828	176,104	(3,276)
Repairs and maintenance	484,936	369,399	115,537
Other departmental expenses	1,041,453	778,937	262,516
Other supplies and expenses	547,286	452,120	95,166
Indirect costs	<u>419,856</u>	<u>419,856</u>	<u>-</u>
Total	<u>5,048,096</u>	<u>4,515,994</u>	<u>532,102</u>
Budgetary appropriations			
Capital outlay	<u>1,401,133</u>	<u>722,506</u>	<u>678,627</u>
Total	<u>1,401,133</u>	<u>722,506</u>	<u>678,627</u>
Total expenditures	<u>6,449,229</u>	<u>5,238,500</u>	<u>1,210,729</u>
Revenues over (under) expenditures	<u>-</u>	<u>1,393,580</u>	<u>1,393,580</u>
Other financing sources (uses):			
Sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures and other sources	<u>\$ -</u>	<u>\$ 1,393,580</u>	<u>\$ 1,393,580</u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Solid Waste Disposal
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

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

	<u>2023</u>
Total revenues	\$ 6,632,080
Total expenditures	(5,238,500)
Other financing	-
Revenues and expenditures	1,393,580
Reconciling items:	
Capital outlay	722,504
Depreciation and amortization	(992,605)
Bad debt allowance	(2,164)
Increase in Landfill closure & postclosure costs	(552,150)
Increase (decrease) in lease receivable	(12,932)
Increase (decrease) in accrued interest receivable - leases	11
(Increase) decrease in deferred inflows of resources - leases	10,470
(Increase) decrease in OPEB liability	218,308
Increase (decrease) in deferred outflows of resources - OPEB	(71,340)
(Increase) decrease in deferred inflows of resources - OPEB	(152,697)
(Increase) decrease in net pension liability	(1,053,176)
Increase (decrease) in deferred outflows of resources - pensions	370,799
(Increase) decrease in deferred inflows of resources - pensions	540,070
(Increase) decrease in accrued vacation pay	(40,222)
 Change in net position	 \$ 378,456

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Maxwell Center Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Operating revenues			
User fees	\$ 1,334,869	\$ 1,419,367	\$ 84,498
Total operating revenues	<u>1,334,869</u>	<u>1,419,367</u>	<u>84,498</u>
Non-operating revenues			
Restricted intergovernmental	5,000	5,000	-
Interest and investment revenue	-	21,634	21,634
Donations	25,843	6,632	(19,211)
Miscellaneous	<u>-</u>	<u>150</u>	<u>150</u>
Total non-operating revenues	<u>30,843</u>	<u>33,416</u>	<u>2,573</u>
Appropriated retained earnings	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>
Total revenues	<u>1,369,712</u>	<u>1,452,783</u>	<u>83,071</u>
Expenditures			
Operating expenditures			
Salaries and employee benefits	594,986	511,997	82,989
Contractual services	20,050	15,547	4,503
Utilities	95,479	84,999	10,480
Repairs and maintenance	111,146	90,519	20,627
Other departmental expenses	75,716	58,738	16,978
Other supplies and expenses	130,584	126,117	4,467
Indirect costs	930,856	930,856	-
Interest expense	361,260	361,217	43
Debt principal	<u>661,877</u>	<u>661,877</u>	<u>-</u>
Total	<u>2,981,954</u>	<u>2,841,867</u>	<u>140,087</u>
Budgetary appropriations			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>2,981,954</u>	<u>2,841,867</u>	<u>(140,087)</u>
Other financing sources			
Transfers in (out)	<u>1,612,242</u>	<u>1,612,242</u>	<u>-</u>
Total	<u>1,612,242</u>	<u>1,612,242</u>	<u>-</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 223,158</u>	<u>\$ 223,158</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, 2023

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

	2023
Total revenues	\$ 1,452,783
Total expenditures	(2,841,867)
Other financing	<u>1,612,242</u>
Revenues, other financing sources, and expenditures	223,158
Reconciling items:	
Capital outlay	-
Depreciation and amortization	(642,140)
(Increase) decrease in accrued vacation	(5,902)
(Increase) decrease in net pension liability	(171,030)
Increase (decrease) in deferred outflows of resources - pensions	68,459
(Increase) decrease in deferred inflows of resources - pensions	72,784
Increase (decrease) in subscription based IT asset	52,090
(Increase) decrease in subscription based IT liability	(42,116)
Debt principal	661,877
(Increase) decrease in accrued interest payable	<u>(8,573)</u>
Change in net position	<u>\$ 208,607</u>

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.

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

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

Wayne County, North Carolina
Combining Statement of Net Position
Nonmajor Proprietary Funds
June 30, 2023

Business-type Activities			
	Jetport Fund	Sewer Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 329,536	\$ 667,371	\$ 996,907
Accounts receivable, net	124,825	72,100	196,925
Receivables from other governments	19,866	1,871	21,737
Lease receivable	250,206	-	250,206
Accrued interest receivable - leases	723	-	723
Inventories	33,587	-	33,587
Total current assets	<u>758,743</u>	<u>741,342</u>	<u>1,500,085</u>
Capital assets:			
Land	1,073,214	23,628	1,096,842
Other capital assets, net of depreciation	<u>12,324,146</u>	<u>3,590,052</u>	<u>15,914,198</u>
Total capital assets	<u>13,397,360</u>	<u>3,613,680</u>	<u>17,011,040</u>
Total non-current assets	<u>13,397,360</u>	<u>3,613,680</u>	<u>17,011,040</u>
Total assets	<u>14,156,103</u>	<u>4,355,022</u>	<u>18,511,125</u>
Deferred Outflows of Resources	76,009	1,975	77,984
Liabilities			
Current liabilities:			
Accounts payable	7,671	34,074	41,745
Salaries payable	4,940	-	4,940
Accrued interest payable	-	4,318	4,318
Due to other funds	-	467,298	467,298
Payable to other governments	5,297	-	5,297
Compensated absences	7,367	808	8,175
Bonds, notes and loans payable	-	90,000	90,000
Total current liabilities	<u>25,275</u>	<u>596,498</u>	<u>621,773</u>
Non-current liabilities:			
OPEB liability	73,714	12,141	85,855
Net pension liability	95,230	-	95,230
Bonds, notes and loans payable	-	1,130,000	1,130,000
Total non-current liabilities	<u>168,944</u>	<u>1,142,141</u>	<u>1,311,085</u>
Total liabilities	<u>194,219</u>	<u>1,738,639</u>	<u>1,932,858</u>
Deferred Inflows of Resources	271,295	7,100	278,395
Net Position			
Net investment in capital assets	13,397,360	2,401,868	15,799,228
Unrestricted	369,238	209,390	578,628
Total net position	<u>\$ 13,766,598</u>	<u>\$ 2,611,258</u>	<u>\$ 16,377,856</u>

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, 2023

	Business-type Activities		
	Jetport Fund	Sewer Fund	Total
Operating revenues:			
User fees	\$ 992,279	\$ 640,469	\$ 1,632,748
Lease revenue	64,710	-	64,710
Total operating revenues	<u>1,056,989</u>	<u>640,469</u>	<u>1,697,458</u>
Operating expenses:			
Salaries and employee benefits	175,047	31,255	206,302
Contractual services	71,939	258,430	330,369
Utilities and other operating costs	144,576	377,127	521,703
Repairs and maintenance	40,122	25,353	65,475
Other supplies and expenses	699,971	-	699,971
Indirect costs	138,353	48,460	186,813
Depreciation and amortization	637,596	165,775	803,371
Total Operating Expenses	<u>1,907,604</u>	<u>906,400</u>	<u>2,814,004</u>
Operating loss	<u>(850,615)</u>	<u>(265,931)</u>	<u>(1,116,546)</u>
Non-operating revenues (expenses)			
Interest and investment revenue	4,306	12,156	16,462
Miscellaneous revenue	33,748	-	33,748
Operating grants and contributions	1,745,857	-	1,745,857
Interest expense	-	(57,331)	(57,331)
Sale of asset	-	7,400	7,400
Total non-operating revenues (expenses)	<u>1,783,911</u>	<u>(37,775)</u>	<u>1,746,136</u>
Income (loss) before contributions/transfers	<u>933,296</u>	<u>(303,706)</u>	<u>629,590</u>
Transfers in	<u>276,714</u>	<u>206,912</u>	<u>483,626</u>
Change in net position	<u>1,210,010</u>	<u>(96,794)</u>	<u>1,113,216</u>
Total net position - beginning	<u>12,556,588</u>	<u>2,708,052</u>	<u>15,264,640</u>
Total net position - ending	<u>\$ 13,766,598</u>	<u>\$ 2,611,258</u>	<u>\$ 16,377,856</u>

Wayne County, North Carolina
Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities		
	Nonmajor		
	Jetport Fund	Sewer Fund	Totals
Cash flows from operating activities:			
Receipts from customers	\$ 1,839,656	\$ 633,889	\$ 2,473,545
Payments to employees for services	(146,848)	(27,610)	(174,458)
Payments to suppliers of goods & services	(1,605,562)	(703,195)	(2,308,757)
Miscellaneous revenues	33,748	-	33,748
Net cash provided (used) by operating activities	120,994	(96,916)	24,078
Cash flows from noncapital financing activities:			
Grant proceeds	1,745,857	-	1,745,857
Due (to) from other government	(17,338)	-	(17,338)
Transfers (to) from other funds	276,714	208,864	485,578
Net cash provided (used) by noncapital financing activities	2,005,233	208,864	2,214,097
Cash flows from capital & related financing activities:			
Principal payments related to capital debt	-	(90,000)	(90,000)
Interest payments related to capital debt	-	(57,281)	(57,281)
Noncash transfers of assets	(5,098)	-	(5,098)
Sale of assets	-	7,400	7,400
(Costs) of capital assets	(2,044,139)	(19,115)	(2,063,254)
Net cash provided (used) by capital and related financing activities	(2,049,237)	(158,996)	(2,208,233)
Cash flows from investing activities			
Interest payments received	4,306	12,156	16,462
Net cash provided (used) by investing activities	4,306	12,156	16,462
Net increase (decrease) in cash and cash equivalents	81,296	(34,892)	46,404
Cash and cash equivalents, July 1	248,240	702,263	950,503
Cash and cash equivalents, June 30	329,536	667,371	996,907

Wayne County, North Carolina
Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2023

Operating income	(850,615)	(265,931)	(1,116,546)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	637,596	165,775	803,371
Pension expense	-	-	-
Non operating income (expense)	33,748	-	33,748
Changes in assets and liabilities			
(Increase) decrease			
Accounts receivable	780,992	(6,580)	774,412
Accounts receivable - leases	1,675		1,675
Inventory	51,105	-	51,105
Increase (decrease)			
Accounts payable	(561,705)	6,175	(555,530)
Postemployment liability	(10,271)	2,837	(7,434)
Pensions	33,552	-	33,552
Other liabilities	4,917	808	5,725
Total adjustments	<u>971,609</u>	<u>169,015</u>	<u>1,140,624</u>
Net cash provided (used) by operating activities	<u>\$ 120,994</u>	<u>\$ (96,916)</u>	<u>\$ 24,078</u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Jetport Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Operating revenues			
User fees	\$ 1,113,145	\$ 992,279	\$ (120,866)
Lease revenue	-	66,689	66,689
Total operating revenues	<u>1,113,145</u>	<u>1,058,968</u>	<u>(54,177)</u>
Non-operating revenues			
Interest and investment revenue	-	4,001	4,001
Miscellaneous revenue	34,071	33,748	(323)
Operating grants and contributions	<u>463,344</u>	<u>1,745,857</u>	<u>1,282,513</u>
Total non-operating revenues	<u>497,415</u>	<u>1,783,606</u>	<u>1,286,191</u>
Appropriated retained earnings	<u>2,586,114</u>	<u>-</u>	<u>(2,586,114)</u>
Total revenues	<u>4,196,674</u>	<u>2,842,574</u>	<u>(1,354,100)</u>
Expenditures			
Operating expenditures			
Salaries and employee benefits	175,897	149,135	26,762
Contractual services	74,940	71,939	3,001
Repairs and maintenance	45,930	40,122	5,808
Other departmental expenses	155,705	144,576	11,129
Other supplies and expenses	720,361	699,971	20,390
Indirect costs	<u>138,353</u>	<u>138,353</u>	<u>-</u>
Total	<u>1,311,186</u>	<u>1,244,096</u>	<u>67,090</u>
Budgetary appropriations			
Capital outlay	<u>3,015,215</u>	<u>2,044,139</u>	<u>971,076</u>
Total	<u>3,015,215</u>	<u>2,044,139</u>	<u>971,076</u>
Total expenditures	<u>4,326,401</u>	<u>3,288,235</u>	<u>1,038,166</u>
Other financing sources			
Transfers in (out)	<u>129,727</u>	<u>276,714</u>	<u>(146,987)</u>
Total	<u>129,727</u>	<u>276,714</u>	<u>(146,987)</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (168,947)</u>	<u>\$ (168,947)</u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Jetport Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

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

	2023
Total revenues	\$ 2,842,574
Total expenditures	(3,288,235)
Other financing	<u>276,714</u>
Revenues and expenditures	(168,947)
Reconciling items:	
Capital outlay	2,044,139
Depreciation and amortization	(637,596)
Increase (decrease) in lease receivable	(68,273)
Increase (decrease) in accrued interest receivable - leases	305
(Increase) decrease in deferred inflows of resources - leases	66,294
(Increase) decrease in accrued vacation pay	(2,631)
(Increase) decrease in OPEB liability	10,270
Increase (decrease) in deferred outflows of resources - OPEB	(4,970)
(Increase) decrease in deferred inflows of resources - OPEB	(10,639)
(Increase) decrease in net pension liability	(78,172)
Increase (decrease) in deferred outflows of resources - pensions	36,634
(Increase) decrease in deferred inflows of resources - pensions	<u>23,596</u>
Change in net position	<u>\$ 1,210,010</u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Sewer Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Operating revenues			
User fees	\$ 759,195	640,469	\$ (118,726)
Total operating revenues	759,195	640,469	(118,726)
Non-operating revenues			
Interest and investment revenue	-	12,156	12,156
Operating grants and contributions	150,000	-	(150,000)
Total non-operating revenues	150,000	12,156	(137,844)
Appropriated retained earnings	14,600	-	(14,600)
Total revenues	923,795	652,625	(271,170)
Expenditures			
Operating expenditures			
Salaries and employee benefits	28,193	30,055	(1,862)
Contractual services	248,000	258,430	(10,430)
Utilities and other operating costs	598,091	377,127	220,964
Repairs and maintenance	41,083	25,353	15,730
Indirect costs	48,460	48,460	-
Interest expense	57,280	57,280	-
Debt principal	90,000	90,000	-
Total	1,111,107	886,705	224,402
Budgetary appropriations			
Capital outlay	19,600	19,115	485
Total	19,600	19,115	485
Total expenditures	1,130,707	905,820	224,887
Other financing sources			
Transfers in (out)	206,912	206,912	-
Sale of assets	-	7,400	7,400
Total	206,912	214,312	7,400
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (38,883)</u>	<u>\$ (38,883)</u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Sewer Fund
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

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

	2023
Total revenues	\$ 652,625
Total expenditures	(905,820)
Other financing	<u>214,312</u>
Revenues and expenditures	(38,883)
Reconciling items:	
Capital outlay	19,115
Depreciation and amortization	(165,775)
Debt payments	90,000
(Increase) decrease in accrued interest	(51)
(Increase) decrease in OPEB liability	(267)
Increase (decrease) in deferred outflows of resources - OPEB	819
(Increase) decrease in deferred inflows of resources - OPEB	<u>(1,752)</u>
Change in net position	<u>\$ (96,794)</u>

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.

Wayne County, North Carolina
Combining Balance Sheet
Internal Service Funds
June 30, 2023

	WC Self Insurance Fund	Hospital Self Insurance Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 698,811	\$ 2,461,295	\$ 3,160,106
Accounts receivables, net	12,685	(12,267)	418
Total current assets	<u>711,496</u>	<u>2,449,028</u>	<u>3,160,524</u>
Non-current assets:			
Capital Assets:			
Other capital assets, net of depreciation	-	-	-
Total capital assets	-	-	-
Total assets	<u>711,496</u>	<u>2,449,028</u>	<u>3,160,524</u>
Liabilities			
Liabilities			
Accounts payable	<u>7,869</u>	<u>593,423</u>	<u>601,292</u>
Total current liabilities	<u>7,869</u>	<u>593,423</u>	<u>601,292</u>
Total liabilities	<u>7,869</u>	<u>593,423</u>	<u>601,292</u>
Net Position			
Invested in capital assets, net of related debt	-	-	-
Unrestricted	<u>703,627</u>	<u>1,855,605</u>	<u>2,559,234</u>
Total net position	<u>\$ 703,627</u>	<u>\$ 1,855,605</u>	<u>\$ 2,559,234</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, 2023

Exhibit J-2

	WC Self Insurance Fund	Hospital Self Insurance Fund	Total
Operating revenues:			
Insurance premiums	\$ 621,033	\$ 8,369,970	\$ 8,991,003
Total operating revenues	<u>621,033</u>	<u>8,369,970</u>	<u>8,991,003</u>
Operating expenses:			
Other departmental expenses	-	7,980,120	7,980,120
Insurance claims and expenses	<u>849,927</u>	<u>708,897</u>	<u>1,558,824</u>
Total operating expenses	<u>849,927</u>	<u>8,689,017</u>	<u>9,538,944</u>
Operating income (loss)	(228,894)	(319,047)	(547,941)
Non-operating revenues (expenses):			
Investment earnings	9,324	47,868	57,192
Miscellaneous revenue	-	1,829	1,829
Total non-operating revenues (expenses)	<u>9,324</u>	<u>49,697</u>	<u>59,021</u>
Transfers in	-	-	-
Transfers out	-	-	-
Change in net position	(219,570)	(269,350)	(488,920)
Total net position - beginning	923,197	2,124,955	3,048,154
Total net position - ending	<u>\$ 703,627</u>	<u>\$ 1,855,605</u>	<u>\$ 2,559,234</u>

Wayne County, North Carolina
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2023

	WC Self- Insurance Fund	Hospital Self- Insurance Fund	Totals
Cash flows from operating activities:			
Receipts from customers	\$ 881,033	\$ 8,385,069	\$ 9,266,102
Payments to suppliers of goods & services	(842,058)	(8,681,607)	(9,523,665)
Proceeds from unrestricted revenues	-	1,829	1,829
Net cash provided (used) by operating activities	38,975	(294,709)	(255,734)
Cash flows from noncapital financing activities:			
Transfers (to) from other funds	-	-	-
Net cash provided (used) by noncapital financing activities	-	-	-
Cash flows from capital and related financing activities:			
Payments for the acquisition of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
Cash flows from investing activities			
Interest payments received	<u>9,323</u>	<u>47,862</u>	<u>57,185</u>
Net cash provided (used) by investing activities	<u>9,323</u>	<u>47,862</u>	<u>57,185</u>
Net increase (decrease) in cash and cash equivalents	48,298	(246,847)	(198,549)
Cash and cash equivalents, July 1	<u>650,513</u>	<u>2,708,142</u>	<u>3,358,655</u>
Cash and cash equivalents, June 30	<u>698,811</u>	<u>2,461,295</u>	<u>3,160,106</u>
Operating income	(228,894)	(319,047)	(547,941)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Non operating income	-	1,829	1,829
Changes in assets and liabilities			
(Increase) decrease			
Accounts receivable	260,000	15,098	275,098
Increase (decrease)			
Accounts payable	<u>7,869</u>	<u>7,411</u>	<u>15,280</u>
Total adjustments	<u>267,869</u>	<u>24,338</u>	<u>292,207</u>
Net cash provided (used) by operating activities	<u>\$ 38,975</u>	<u>\$ (294,709)</u>	<u>\$ (255,734)</u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
WC - Self Insurance
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

Exhibit K-1

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Insurance premiums	\$ 730,930	\$ 621,033	\$ (109,897)
Total operating revenues	<u>730,930</u>	<u>621,033</u>	<u>(109,897)</u>
Non-operating revenues:			
Investment earnings	-	9,324	9,324
Total non-operating revenues	<u>-</u>	<u>9,324</u>	<u>9,324</u>
Expenditures			
Contractual services	1,000	-	1,000
Operating expenditures			
Insurance claims and expenses	964,336	849,927	114,409
Total expenditures	<u>965,336</u>	<u>849,927</u>	<u>115,409</u>
Other financing sources			
Transfers in	-	-	-
Appropriated fund balance	234,406	-	(234,406)
Total other financing sources	<u>234,406</u>	<u>-</u>	<u>(234,406)</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (219,570)</u>	<u>\$ (219,570)</u>

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

	<u>2023</u>
Total revenues	\$ 630,357
Total expenditures	<u>(849,927)</u>
Revenues over expenditures	(219,570)
Reconciling items:	
No reconciling items	<u>-</u>
Change in net position	<u>\$ (219,570)</u>

Wayne County, North Carolina
Schedule of Revenues and Expenditures
Hospital - Self Insurance
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023

Exhibit K-2

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Operating revenues:			
Insurance premiums	\$ 9,086,999	\$ 8,369,970	\$ (717,029)
Total operating revenues	<u>9,086,999</u>	<u>8,369,970</u>	<u>(717,029)</u>
Non-operating revenues:			
Investment earnings	-	47,868	47,868
Miscellaneous revenue	2,580	1,829	(751)
Total non-operating revenues	<u>2,580</u>	<u>49,697</u>	<u>47,117</u>
Expenditures			
Operating expenditures			
Insurance claims and expenses	9,139,379	7,980,120	1,159,259
Total expenditures	<u>9,139,379</u>	<u>8,689,017</u>	<u>450,362</u>
Revenues under expenditures	(49,800)	(269,350)	(219,550)
Other financing sources			
Appropriated fund balance	49,800	-	(49,800)
Total other financing sources	<u>49,800</u>	<u>-</u>	<u>(49,800)</u>
Revenues over (under) expenditures and other sources	<u>\$ -</u>	<u>\$ (269,350)</u>	<u>\$ (269,350)</u>

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

	<u>2023</u>
Total revenues	\$ 8,419,667
Total expenditures	<u>(8,689,017)</u>
Revenues over expenditures	(269,350)
Reconciling items:	
No reconciling items	<u>-</u>
Change in net position	<u>\$ (269,350)</u>

Custodial Funds

Custodial Funds are used to account for assets held by the County as an agent for individuals and/or other governments.

Custodial 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 Custodial 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, 2023

	Municipal Tax Fund	Inmate Accounts Fund	Miscellaneous Fund	Total Custodial Funds
Assets				
Cash and cash equivalents	\$ 42,479	\$ 47,799	\$ 14,439	\$ 104,717
Other receivable	10,297	-	-	10,297
Taxes receivable for other governments, net	852,634	-	1,106	853,740
Total assets	905,410	47,799	15,545	958,457
Liabilities				
Miscellaneous liabilities	-	-	1,002	1,002
Total liabilities	-	-	1,002	1,002
Net Position				
Individuals, organizations, other governments	905,410	47,799	14,543	957,455
Total fiduciary net position	\$ 905,410	\$ 47,799	\$ 14,543	\$ 957,455

Wayne County, North Carolina
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2023

	Municipal Tax Fund	Inmate Account Fund	Miscellaneous Fund	Total Custodial Funds
Additions				
Ad valorem taxes collected for other governments	\$ 22,083,893	\$ -	\$ -	\$ 22,083,893
Collections on behalf of inmates	- -	714,326	- -	714,326
Miscellaneous custodial funds	- -	- -	4,086	4,086
Total additions	22,083,893	714,326	4,086	22,802,305
Deductions				
Tax distributions to other governments	22,079,882	- -	- -	22,079,882
Payments on behalf of inmates	- -	750,005	- -	750,005
Payments of miscellaneous custodial funds	- -	- -	9,505	9,505
Total deductions	22,079,882	750,005	9,505	22,839,392
Net increase (decrease) in fiduciary net position	4,011	(35,679)	(5,419)	(37,087)
Net position - beginning of year	901,400	112,302	19,960	1,033,662
Net position - end of year	\$ 905,411	\$ 76,623	\$ 14,541	\$ 996,575

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, 2023

Fiscal Year	Uncollected			Uncollected		
	Balance	Additions	and Credits	Balance	June 30, 2023	(c)
	\$ June 30, 2022	\$	(a)	\$	\$	
2022-2023	\$ -	\$ 61,319,423	(a)	\$ 60,390,300	(b)	\$ 929,123
2021-2022	889,925	-	516,175	373,750		
2020-2021	350,924	-	143,921	207,003		
2019-2020	243,463	-	73,003	170,460		
2018-2019	161,777	-	37,632	124,145		
2017-2018	128,415	-	25,350	103,065		
2016-2017	104,686	-	17,790	86,896		
2015-2016	93,924	-	17,169	76,755		
2014-2015	79,885	-	11,308	68,577		
2014 and before	531,391	-	15,899	515,492		
	\$ <u>2,584,390</u>	\$ <u>61,319,423</u>	\$ <u>61,248,547</u>	\$ <u>2,655,266</u>		

Less: allowance for uncollectible accounts:
 General Fund (1,051,401)

Ad valorem taxes receivable - net:
 General Fund \$ 1,603,865

Reconcilement with revenues:

Ad valorem taxes - General Fund \$ 61,139,969

Interest collected on ad valorem taxes-General Fund 322,199

Reconciling items:

Interest collected	(322,199)
Rebates & releases	38,260
Late listing	70,319
Total reconciling items	<u>(213,620)</u>

Total collections and credits \$ 61,248,548 (d)

Wayne County, North Carolina
Analysis of Current Tax Levy
County-wide Levy
For the Fiscal Year Ended June 30, 2023

	County - wide			Total Levy	Registered Motor Vehicles
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	
Original levy:					
Property taxes at current year's rate	\$ 9,449,614,160	0.7425	\$ 70,163,385	\$ 61,114,300	\$ 9,049,085
Penalties	-		63,983	63,983	-
Total	<u>9,449,614,160</u>		<u>70,227,368</u>	<u>61,178,283</u>	<u>9,049,085</u>
Discoveries:					
Current year taxes	55,339,259	0.7425	410,894	410,894	-
Penalties			6,336	6,336	-
Total	<u>55,339,259</u>		<u>417,230</u>	<u>417,230</u>	<u>-</u>
Abatements:					
Current year taxes	37,183,846	0.7425	276,090	276,090	-
Total property valuation	<u>\$ 9,467,769,573</u>				
Net levy			70,368,508	61,319,423 (a)	9,049,085
Uncollected taxes at June 30, 2021			<u>929,123</u>	<u>929,123 (c)</u>	<u>-</u>
Current year's taxes collected		<u>\$ 69,439,385</u>	<u>\$ 60,390,300 (b)</u>	<u>\$ 9,049,085</u>	
Current levy collection percentage		<u>98.68%</u>	<u>98.48%</u>	<u>100.00%</u>	

Wayne County , North Carolina
Secondary Market Disclosures
County-wide Levy
For the Fiscal Year Ended June 30, 2023

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio ¹	100%
Real Property	\$ 6,648,646,943
Personal Property	2,040,261,371
Public Service Companies ²	<u>778,861,259</u>
Assessed Valuation at Current Year Rates	<u>9,467,769,573</u>
Tax Rate per \$100	<u>0.7425</u>
Penalties	<u>70,298,189</u>
Levy (includes discoveries, releases and abatements) ³	<u>70,319</u>
Total Assessed Valuation	<u><u>\$ 9,467,769,573</u></u>
Levy (includes discoveries, releases and abatements)-all rates	<u><u>\$ 70,368,508</u></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>3,463,692</u>
Total	<u><u>\$ 3,463,692</u></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

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>	205
Revenue Capacity <i>These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	215
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>	220
Demographic and Economic Information <i>These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	225
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>	227

Wayne County, North Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental Activities:				
Net investment in capital assets	\$ 49,308,882	\$ 48,979,040	\$ 74,488,975	\$ 84,009,596
Restricted for:				
General government	3,774,081	2,568,863	1,260,698	1,183,193
Future debt obligations	2,143,772	3,215,487	4,287,311	5,359,241
Opioid settlement funds	-	-	-	-
Capital improvements	-	-	-	2,626,905
Public safety	2,088,112	1,886,348	1,696,044	485,593
Education	12,510,649	11,267,722	7,850,060	26,350,512
Stabilization by State Statute	5,399,018	6,717,578	7,110,594	9,693,425
Register of Deeds pension plan	-	-	-	183,300
Senior Center-earnings	-	-	6	26
Restricted for (nonexpendable):				
Senior Center-principal	-	2,100	7,100	7,100
Unrestricted	<u>48,538,748</u>	<u>53,457,527</u>	<u>36,385,546</u>	<u>6,014,025</u>
Total governmental activities net position	<u>123,763,262</u>	<u>128,094,665</u>	<u>133,086,334</u>	<u>135,912,916</u>
 Business-type activities:				
Net investment in capital assets	28,324,030	28,469,555	30,696,293	33,151,761
Unrestricted	<u>4,397,099</u>	<u>4,550,695</u>	<u>8,658,123</u>	<u>8,600,185</u>
Total business-type activities net position	<u>32,721,129</u>	<u>33,020,250</u>	<u>39,354,416</u>	<u>41,751,946</u>
 Primary government:				
Net investment in capital assets	77,632,912	77,448,595	105,185,268	117,161,357
Restricted for (expendable):				
General government	3,774,081	2,568,863	1,260,698	1,183,193
Future debt obligations	2,143,772	3,215,487	4,287,311	5,359,241
Opioid settlement funds	-	-	-	-
Capital improvements	-	-	-	2,626,905
Public safety	2,088,112	1,886,348	1,696,044	485,593
Education	12,510,649	11,267,722	7,850,060	26,350,512
Stabilization by State Statute	5,399,018	6,717,578	7,110,594	9,693,425
Register of Deeds pension plan	-	-	-	183,300
Senior Center-earnings	-	-	6	26
Restricted for (nonexpendable):				
Senior Center-principal	-	2,100	7,100	7,100
Unrestricted	<u>52,935,847</u>	<u>58,008,222</u>	<u>45,043,669</u>	<u>14,614,210</u>
Total primary government net position	<u>\$ 156,484,391</u>	<u>\$ 161,114,915</u>	<u>\$ 172,440,750</u>	<u>\$ 177,664,862</u>

Note: See note disclosure I, D, 15 regarding the decline in unrestricted net position of the governmental activities net position.

Source: Annual audited financial statements of this entity.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	83,342,500	86,075,786	93,027,599	101,332,091	97,579,730	51,033,241
928,043	1,118,262	1,464,076	1,395,982	6,256,466	88,721,561	
6,431,278	7,503,421	8,575,674	9,648,030	10,720,497	11,793,069	
-	-	-	-	-	10,564	
-	-	-	-	-	-	
1,505,969	1,701,848	2,198,358	1,519,014	884,916	1,066,523	
7,822,971	9,785,394	4,761,419	2,661,483	4,688,835	29,610,378	
6,864,086	9,141,828	11,730,429	13,506,416	18,712,599	17,682,256	
166,701	157,946	157,946	206,773	157,230	113,770	
170	189	280	285	290	432	
7,100	7,100	7,100	7,600	8,600	8,600	
563,477	(6,313,473)	(17,506,924)	(15,395,017)	(2,232,330)	(6,678,551)	
<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>	<u>193,361,843</u>	
42,870,075	45,685,683	50,048,457	46,851,856	47,454,577	48,570,330	
1,718,563	3,183,440	4,291,835	4,121,405	4,902,976	5,481,598	
<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>	<u>54,051,928</u>	
126,212,575	131,761,469	143,076,056	148,183,947	145,034,307	99,603,571	
928,043	1,118,262	1,464,076	1,395,982	6,256,466	88,721,561	
6,431,278	7,503,421	8,575,674	9,648,030	10,720,497	11,793,069	
-	-	-	-	-	10,564	
-	-	-	-	-	-	
1,505,969	1,701,848	2,198,358	1,519,014	884,916	1,066,523	
7,822,971	9,785,394	4,761,419	2,661,483	4,688,835	29,610,378	
6,864,086	9,141,828	11,730,429	13,506,416	18,712,599	17,682,256	
166,701	157,946	157,946	206,773	157,230	113,770	
170	189	280	285	290	432	
7,100	7,100	7,100	7,600	8,600	8,600	
2,282,040	(3,130,033)	(13,215,089)	(11,273,612)	2,670,646	(1,196,953)	
<u>\$ 152,220,933</u>	<u>\$ 158,047,424</u>	<u>\$ 158,756,249</u>	<u>\$ 165,855,918</u>	<u>\$ 189,134,386</u>	<u>\$ 247,413,771</u>	

Wayne County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016
Expenses			
Governmental Activities:			
General government	\$ 12,490,505	\$ 12,368,863	\$ 12,325,585
Public safety	21,625,673	21,654,541	24,195,295
Transportation	1,020,522	381,974	255,919
Human services	30,053,084	29,901,977	29,695,951
Cultural and recreation	1,933,460	2,334,770	2,151,928
Education	24,879,620	24,559,080	26,186,821
Interest on long-term debt	319,874	2,271,474	2,174,838
Environmental protection	835,274	775,891	852,483
Economic and physical development	804,303	2,216,080	1,696,922
Total government activities expenses	<u>93,962,315</u>	<u>96,464,650</u>	<u>99,535,742</u>
Business-type activities:			
Solid waste disposal	4,294,326	4,304,345	4,422,152
EMS - EMS Net	7,015,107	7,138,260	11,233,893
Sewer	579,083	629,487	654,838
EMS nonemergency transportation	1,386,321	1,223,057	-
Jetport	1,062,101	962,283	1,050,842
Maxwell Center	-	-	-
Total business-type activities expenses	<u>14,336,938</u>	<u>14,257,432</u>	<u>17,361,725</u>
Total primary government expenses	<u>108,299,253</u>	<u>110,722,082</u>	<u>116,897,467</u>
Program Revenues			
Governmental Activities:			
Charges for services:			
General government	3,779,248	2,913,747	3,605,184
Public safety	1,679,764	1,654,030	1,800,539
Transportation	-	-	-
Human services	2,220,629	2,264,735	2,128,060
Culture and recreation	56,360	62,162	68,559
Environmental protection	5,887	6,352	6,335
Economic and physical development	(912.00)	-	-
Operating and capital grants, and contributions	22,013,478	24,104,254	25,141,864
Total governmental activities program revenues	<u>29,754,454</u>	<u>31,005,280</u>	<u>32,750,541</u>
Business-type activities:			
Charges for services:			
Solid waste disposal	4,005,749	4,307,139	3,969,204
EMS - EMS Net	4,164,330	4,983,531	6,660,861
Sewer	338,057	373,186	460,580
EMS Nonemergency transportation	1,325,703	1,149,005	-
Jetport	636,232	525,894	495,218
Maxwell Center	-	-	-
Operating grants and contributions	995,529	1,394,245	4,267,065
Total business-type activities program revenues	<u>11,465,600</u>	<u>12,733,000</u>	<u>15,852,928</u>
Total primary government program revenues	<u>41,220,054</u>	<u>43,738,280</u>	<u>48,603,469</u>
Net (Expense)/Revenue			
Governmental activities	(64,207,861)	(65,459,370)	(66,785,201)
Business-type activities	(2,871,338)	(1,524,432)	(1,508,797)
Total primary government net expense	<u>\$ (67,079,199)</u>	<u>\$ (66,983,802)</u>	<u>\$ (68,293,998)</u>

	2017	2018	2019	2020	2021	2022	2023
\$	12,413,717	\$ 15,851,523	\$ 14,113,920	\$ 14,957,710	\$ 15,003,046	\$ 16,004,509	\$ 19,274,069
27,757,877	28,265,627	29,747,584	30,771,396	46,326,721	42,768,130	53,378,556	
288,553	342,179	401,409	444,493	216,595	487,403	493,520	
29,748,429	27,676,367	26,284,213	26,408,593	29,020,919	25,552,599	29,528,780	
2,398,219	2,458,207	2,559,040	2,528,812	2,728,431	2,574,396	2,952,180	
28,927,009	29,700,156	29,245,606	35,940,325	30,777,796	28,377,205	30,220,630	
1,312,337	1,604,188	1,554,463	1,484,537	2,302,473	2,367,500	2,223,525	
883,895	915,707	1,126,413	1,276,287	166,547	10,659	213,988	
1,201,470	1,330,486	1,991,925	5,852,543	3,031,739	2,913,894	2,973,234	
<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>	<u>141,258,482</u>	
4,503,860	4,552,742	4,564,560	5,081,978	5,638,128	5,130,774	6,255,215	
12,766,445	12,510,315	12,563,366	12,269,924	-	-	-	
470,379	760,054	852,243	719,211	935,340	807,738	963,882	
-	-	-	-	-	-	-	
1,117,726	1,249,400	1,338,975	1,240,259	1,284,183	1,360,647	1,903,753	
37,073	1,181,564	1,727,393	1,888,906	2,061,675	2,629,271	2,857,477	
18,895,483	20,254,075	21,046,537	21,200,278	9,919,326	9,928,430	11,980,327	
<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>	<u>153,238,809</u>	
4,284,428	4,215,884	2,682,513	3,913,478	2,126,043	2,835,583	2,271,719	
2,182,244	3,410,822	5,629,317	2,829,288	10,805,523	13,941,959	15,600,722	
-	-	-	-	105,674	116,880	120,396	
2,058,240	2,179,407	2,171,524	2,063,064	2,509,947	4,385,179	4,196,830	
67,090	65,323	59,062	41,912	206,488	202,360	213,865	
7,194	5,275	9,311	5,360	-	-	-	
-	-	-	-	72,641	84,917	2,078,220	
25,552,030	18,726,600	19,491,424	23,377,353	27,517,405	19,195,634	53,771,646	
<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>	<u>78,253,398</u>	
4,505,640	4,577,771	5,074,382	5,140,008	5,133,692	5,374,209	6,038,101	
7,668,760	7,470,911	7,934,981	7,096,141	-	-	-	
390,201	450,242	599,450	558,672	712,703	632,874	647,869	
-	-	-	-	-	-	-	
603,961	723,674	738,578	638,418	727,367	822,597	1,090,738	
1,537,039	795,521	1,243,600	1,123,683	845,228	1,169,535	1,424,516	
2,491,345	1,813,870	2,676,981	6,300,496	891,650	1,232,581	2,124,823	
17,196,946	15,831,989	18,267,972	20,857,418	8,310,640	9,231,796	11,326,047	
51,348,172	44,435,300	48,311,123	53,087,873	51,654,361	49,994,308	89,579,445	
(70,780,280)	(79,541,129)	(76,981,422)	(87,434,241)	(86,230,546)	(80,293,783)	(63,005,084)	
(1,698,537)	(4,422,086)	(2,778,565)	(342,860)	(1,608,686)	(696,634)	(654,280)	
<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>	<u>\$ (63,659,364)</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>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities:			
Taxes:			
Property taxes	\$ 57,746,209	\$ 56,375,308	\$ 58,672,780
Local option sales tax	17,485,548	18,683,423	19,379,479
Other taxes and licenses	416,469	357,554	306,924
Investment earnings, unrestricted	59,314	85,950	80,801
Miscellaneous, unrestricted	279,589	115,847	421,945
Transfers	(2,529,152)	(2,482,848)	(4,037,905)
Total governmental activities	<u>73,457,977</u>	<u>73,135,234</u>	<u>74,824,024</u>
Business-type activities:			
Investment earnings, unrestricted	7,800	9,278	28,741
Miscellaneous, unrestricted	-	-	(461)
Transfers	2,529,152	2,482,848	4,037,905
Total business-type activities	<u>2,536,952</u>	<u>2,492,126</u>	<u>4,066,185</u>
Total primary government	<u><u>75,994,929</u></u>	<u><u>75,627,360</u></u>	<u><u>78,890,209</u></u>

Change in Net Position

Governmental activities	9,250,116	7,675,864	8,038,823
Business activities	(334,386)	967,694	2,557,388
Total primary government	<u>\$ 8,915,730</u>	<u>\$ 8,643,558</u>	<u>\$ 10,596,211</u>

Source: Annual audited financial statements of this entity.

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	57,741,770	\$ 58,872,411	\$ 59,799,476	\$ 62,052,615	\$ 64,641,923	\$ 69,848,719	\$ 74,626,242
21,073,395	20,952,048	23,254,541	25,091,605	29,196,677	32,096,039	33,959,995	
311,970	283,924	314,324	318,340	261,155	240,400	276,074	
164,342	622,168	989,403	586,143	136,110	152,134	2,663,500	
190,526	242,115	122,409	229,261	558,410	474,025	552,282	
<u>(4,051,886)</u>	<u>(12,387,837)</u>	<u>(6,832,220)</u>	<u>(5,055,778)</u>	<u>(1,431,259)</u>	<u>(2,058,556)</u>	<u>(2,095,868)</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>	<u>109,982,225</u>	
	44,183	112,228	286,829	208,251	24,781	22,370	252,787
	-	-	-	-	-	-	-
	<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>2,095,868</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>2,348,655</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>	<u>112,330,880</u>
	4,649,837	(10,956,300)	666,511	(4,212,055)	7,132,470	20,458,978	46,977,141
	<u>2,397,532</u>	<u>8,077,979</u>	<u>4,340,484</u>	<u>4,921,169</u>	<u>(144,533)</u>	<u>1,384,292</u>	<u>1,694,375</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>	<u>\$ 48,671,516</u>

Wayne County, North Carolina
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Restricted for:				
Stabilization by State Statute	\$ 5,160,470	\$ 6,309,654	\$ 6,564,718	\$ 9,428,553
Future debt payments, QSCB	2,143,772	3,215,487	4,287,311	5,359,241
Public schools	12,510,648	5,579,616	5,767,329	7,268,541
Law enforcement	286,214	234,161	82,237	69,309
Tax revaluation	729,968	818,003	899,701	904,008
Court facilities	425,935	-	-	-
Economic development	3,069,192	1,554,352	35,459	-
Grants	187,866	121,554	235,736	119,007
Committed for:				
LEO Pension	-	-	947,742	-
Future capital projects	7,000,000	-	32,000	1,258,000
Community College	483,881	764,812	704,925	445,566
Public schools	3,068,199	1,270,720	2,536,751	2,178,268
Assigned for:				
Subsequent year's expenditures	5,512,988	5,876,487	1,549,268	766,743
Donations	15,713	34,811	1,200	31,244
Unassigned	<u>29,757,299</u>	<u>26,346,813</u>	<u>34,806,329</u>	<u>29,456,661</u>
Total general fund	<u><u>70,352,145</u></u>	<u><u>52,126,470</u></u>	<u><u>58,450,706</u></u>	<u><u>57,285,141</u></u>
 All Other Governmental Funds				
Non-spendable:				
Senior Center-principal	-	2,100	7,100	7,100
Restricted for:				
Stabilization by State Statute	238,548	404,723	442,256	264,872
Fire protection	2,850	6,360	4,651	7,249
Public schools	-	5,688,105	2,082,730	23,234,194
Capital improvements	-	-	-	2,626,905
Public safety	1,801,898	1,645,827	1,616,170	478,344
Community development	88,238	74,954	82,789	90,869
Transportation	-	-	-	-
Grants	-	-	-	-
Opioid settlement	-	-	-	-
Health services	-	-	6	26
Committed for:				
Future capital projects	6,776,076	15,526,441	4,705,007	7,701,140
Public Schools	-	6,447,561	-	-
Assigned for:				
Subsequent year's expenditures	-	-	-	-
Donations	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u><u>\$ 8,907,610</u></u>	<u><u>\$ 29,796,071</u></u>	<u><u>\$ 8,940,709</u></u>	<u><u>\$ 34,410,699</u></u>

Source: Annual audited financial statements of this entity.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	6,465,996	7,432,110	10,190,047	12,220,676	17,624,490	17,042,897
6,431,278	7,503,421	8,575,674	9,648,030	10,720,497	11,793,069	
6,158,969	5,342,094	2,030,530	1,505,735	3,224,972	5,815,494	
156,159	124,896	168,267	175,352	355,076	407,889	
758,020	533,621	565,677	546,273	524,715	516,984	
16,900	-	-	-	-	-	
-	-	-	-	4,929,568	10,640,741	
67,205	37,392	318,881	172,310	192,145	612,278	
1,294,968	1,097,207	-	-	-	-	
169,497	989,782	20,915	37,873	40,494	680,263	
1,585,298	1,516,675	1,177,099	1,506,696	-	-	
310,198	719,611	241,806	1,158,643	2,122,032	4,615,444	
-	40,262	47,157	-	15,000	71,592	
22,023,497	18,689,670	13,345,076	39,636,183	30,309,843	20,982,580	
<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>	<u>73,179,232</u>	
7,100	7,100	7,100	7,600	8,600	8,600	
398,090	1,709,716	1,540,382	1,285,740	1,088,109	717,979	
285	3,159	2,398	39,340	39,771	50,305	
14,763,436	4,443,300	2,730,889	1,154,542	1,463,863	23,794,884	
57,396	169,385	372,158	-	-	-	
1,349,810	1,576,952	2,030,092	1,168,312	884,959	42,460,465	
-	-	7,557	-	-	-	
28,240	374,708	398,283	464,708	479,079	485,986	
-	-	-	1,238	11,970	699,320	
-	-	-	-	-	10,564	
170	189	280	73,868	79,483	34,322,444	
10,396,237	10,509,086	8,677,129	5,997,703	19,943,994	15,304,776	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
\$ <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>	\$ <u>117,855,323</u>	

Wayne County, North Carolina
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues				
Ad valorem taxes	\$ 57,928,863	\$ 57,149,804	\$ 58,611,538	\$ 57,873,488
Local option sales taxes	17,485,548	18,775,454	19,486,558	20,985,491
Other taxes and licenses	586,728	601,781	586,345	582,477
Unrestricted intergovernmental	795,501	3,675,237	799,519	642,827
Restricted intergovernmental	21,966,970	21,896,044	25,570,656	23,439,360
Permits and fees	1,813,760	1,982,384	2,115,803	2,260,700
Sales and services	4,055,767	3,741,525	3,882,954	3,456,995
Investment earnings	57,787	70,645	76,805	157,371
Miscellaneous	1,192,089	949,531	1,941,563	1,340,810
Client account income	-	-	-	-
Payments from other municipalities	-	195,988	190,955	210,656
Total revenues	<u>105,883,013</u>	<u>109,038,393</u>	<u>113,262,696</u>	<u>110,950,175</u>
Expenditures				
General government	11,858,726	11,414,481	12,029,395	12,140,294
Public safety	20,936,011	21,965,497	23,514,436	26,539,211
Transportation	455,646	294,890	223,495	343,488
Economic and physical development	3,180,155	3,915,820	1,772,339	1,510,719
Human services	29,772,137	30,983,424	30,398,607	29,390,247
Cultural and recreational	1,854,046	2,305,648	2,181,044	2,388,494
Intergovernmental: education	25,138,251	24,546,990	24,538,805	26,835,179
Capital outlay	7,227,501	44,065,315	20,461,562	5,558,304
Debt service:				
Principal	1,470,000	2,058,838	4,308,703	4,279,692
Interest and other charges	823,724	1,488,737	2,073,005	1,734,533
Total expenditures	<u>102,716,197</u>	<u>143,039,640</u>	<u>121,501,391</u>	<u>110,720,161</u>
Excess of revenues over (under) expenditures	3,166,816	(34,001,247)	(8,238,695)	230,014
Other Financing Sources (Uses)				
Issuance from long-term debt	-	-	-	-
Issuance from SBITA/lease financing	-	-	-	-
Transfers from other funds	4,798,797	38,452,000	590,001	7,001,682
Transfers to other funds	(7,327,949)	28,260,732	(5,229,354)	(11,057,292)
Permanent fund donation	-	2,100	5,000	-
Issuance of debt	3,069,192	(30,743,580)	971,527	28,005,133
Sale of capital assets	82,917	690,687	414,351	124,892
Total other financing sources (uses)	<u>622,957</u>	<u>36,661,939</u>	<u>(3,248,475)</u>	<u>24,074,415</u>
Net change in fund balances	<u>\$ 3,789,773</u>	<u>\$ 2,660,692</u>	<u>\$ (11,487,170)</u>	<u>\$ 24,304,429</u>
Debt service as a percentage of noncapital expenditures	2.4%	3.6%	6.3%	5.7%

Source: Annual audited financial statements of this entity.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	58,783,137	59,700,310	61,947,311	64,777,343	69,875,885	74,586,678
21,107,894	25,299,702	25,265,261	28,663,508	32,104,621	33,875,817	
552,138	541,101	523,216	534,310	1,857,110	1,760,800	
595,438	461,815	657,955	1,533,607	2,226,188	792,802	
19,419,311	20,714,942	23,586,511	22,086,490	18,061,231	52,908,100	
2,241,981	2,305,821	2,739,881	3,029,219	1,995,270	1,969,946	
5,305,173	5,345,270	4,741,164	14,070,895	17,203,610	19,079,396	
650,832	1,014,569	664,534	80,092	107,671	2,564,817	
1,129,108	1,578,945	1,371,258	2,219,098	2,623,276	3,824,921	
-	-	-	225,411	284,602	461,232	
<u>210,366</u>	<u>210,077</u>	<u>59,444</u>	<u>63,981</u>	<u>20,635</u>	<u>10,540</u>	
<u>109,995,378</u>	<u>117,172,552</u>	<u>121,556,535</u>	<u>137,283,954</u>	<u>146,360,099</u>	<u>191,835,049</u>	
12,696,719	12,061,266	13,036,811	13,721,176	13,429,401	19,081,286	
26,649,302	28,220,163	28,773,357	41,221,937	42,876,594	50,083,693	
2,204,696	386,776	430,519	220,785	478,367	472,952	
1,947,853	4,369,580	7,474,373	2,456,432	2,782,884	5,044,019	
27,986,240	27,388,883	25,750,258	26,398,199	26,524,812	28,533,780	
2,427,910	2,537,030	2,368,228	2,480,640	2,701,527	2,836,872	
27,299,175	26,920,372	33,669,871	29,213,559	27,963,903	29,808,806	
8,419,620	10,551,952	9,318,264	5,893,797	2,433,337	45,587,535	
5,019,267	5,049,747	3,674,484	3,303,000	4,410,497	4,827,094	
<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>	<u>2,221,661</u>	
<u>117,134,356</u>	<u>119,933,203</u>	<u>126,866,385</u>	<u>127,180,061</u>	<u>125,944,652</u>	<u>188,497,698</u>	
(7,138,978)	(2,760,651)	(5,309,850)	10,103,893	20,415,447	3,337,351	
-	-	-	-	-	94,648,000	
-	-	-	-	293,646	925,928	
6,568,119	641,673	13,414,433	15,784,044	28,445,641	31,258,293	
(18,963,786)	(7,551,133)	(18,640,744)	(17,215,892)	(30,429,668)	(33,354,162)	
-	-	-	500	1,000	-	
-	-	-	9,930,468	-	-	
<u>277,443</u>	<u>51,796</u>	<u>163,223</u>	<u>313,552</u>	<u>214,031</u>	<u>33,339</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>93,511,398</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>	<u>\$ 96,848,749</u>	
6.9%	7.1%	5.3%	4.6%	5.5%	3.8%	

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
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	0.708
2022	6,553,112	1,918,868	605,772	7,866,208	812,983	8,679,191	0.743
2023	7,427,508	2,040,261	605,283	8,862,486	778,861	9,641,347	0.743

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,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Wayne County (Note 2)	0.743	0.743	0.708	0.664	0.664	0.664	0.664	0.664	0.664	0.664
Municipality Rates:										
City of Goldsboro	0.730	0.680	0.680	0.650	0.650	0.650	0.650	0.650	0.650	0.650
Town of Mount Olive	0.670	0.670	0.680	0.640	0.640	0.640	0.640	0.640	0.640	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	0.680	0.670	0.660	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	0.690	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	0.750	0.700
Village of Walnut Creek	0.480	0.480	0.420	0.420	0.420	0.420	0.420	0.380	0.380	0.380
Fire Districts:										
Antioch Fire District	N/A	N/A	N/A	N/A	N/A	N/A	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	0.080	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	0.080								
Elroy Fire District	0.060	0.060	0.060	0.063	0.063	0.063	0.063	0.063	0.063	0.065
Eureka Fire District	N/A	0.080								
Faro Fire District	N/A	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	0.060	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	0.075	0.063	0.063	0.063
Northeast Wayne Fire District	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080	0.080
Northern Wayne Fire District	0.070	0.070	0.070	0.070	0.053	0.053	0.053	0.053	0.053	0.053
Oakland Fire District	0.070	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	0.063	0.070	0.063	0.050
Pinewood Fire District	N/A	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	0.080	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	0.075	0.075	0.060	0.060	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	0.070	0.070	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	2023			2014			Percentage of Total Assessed Value
		Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank		
Duke Progress Energy	Electric/Utility	\$ 631,372,791	1	7.31%	\$ 529,172,405	1	6.56%	
Mount Olive Pickle, Inc.	Pickle Processing	86,342,506	2	1.00%	34,932,926	4	0.43%	
Georgia Pacific Corporation	Wood Processing	69,617,225	3	0.81%	35,225,138	3	0.44%	
Case Farms Processing, Inc.	Poultry Prod/Processing	66,412,583	4	0.77%	34,820,133	5	0.43%	
Piedmont Natural Gas	Gas/Utility	50,508,020	5	0.58%	32,415,574	6	0.40%	
Walmart Stores East LP	Retail Stores	32,855,683	6	0.38%	28,839,678	7	0.36%	
Tri-County EMC	Electric/Utility	30,966,191	7	0.36%	26,004,528	9	0.32%	
Butterball, LLC	Poultry Prod/Processing	28,400,538	8	0.33%				
Bobby Denning Properties, LLC	Real Estate	24,594,640	9	0.28%				
Franklin Baking	Baking Manufacturer	24,037,383	10	0.28%				
BellSouth Telephone Company	Telephone/Utility				26,318,891	8	0.33%	
Cooper-Standard Automotive, Inc.	Auto Parts Manufacturer				35,727,051	2	0.44%	
Uchiyama America	Parts Manufacturer				22,865,464	10	0.28%	
Total		\$ <u>1,045,107,560</u>		<u>12.10%</u>	\$ <u>806,321,788</u>		<u>9.99%</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
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%
2023	61,319	60,390	98.48%	858	61,248	99.88%

Source: Original levy as reported by the Tax Assessor for the entity.

Table 2-E

Wayne County, North Carolina
Taxable Sales by Category
Last Ten Fiscal Years
(in thousands of dollars)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Apparel stores	\$ 37,391	\$ 41,369	\$ 45,938	\$ 47,334	\$ 47,569	\$ 51,624	\$ 49,391	\$ 68,167	\$ 73,180	\$ 86,249
Automotive	75,410	82,502	91,737	98,760	95,839	100,684	106,059	116,625	124,368	134,863
Food	187,338	199,681	215,165	214,756	219,211	234,088	232,880	257,750	282,292	303,077
Furniture	34,727	38,087	38,649	40,616	43,656	54,660	52,541	48,364	49,379	48,489
General merchandise	312,997	334,453	352,116	380,903	362,419	388,098	414,840	505,709	524,084	550,370
Lumber and building material	92,697	106,667	103,803	114,143	120,676	134,567	148,613	155,674	167,394	183,359
Unclassified	231,063	241,149	244,945	265,501	275,256	298,311	325,442	369,497	416,052	426,751
Total	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	1,733,158
1% Tax	-	-	-	-	-	-	-	-	-	-
2%, 2.5%, 3%, 4.75% Tax	5,564	5,538	7,035	6,975	9,148	10,176	13,759	15,439	20,132	22,501
Total Taxable Sales	\$ 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	\$ 1,755,659
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					Promissory Notes Payable
	General Obligation Bonds	Limited Obligation Bonds	Certificates of Participation	Installment Purchase Contracts		
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		-
2023	-	15,595	-	140,856		-

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

Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
Limited Obligation Bonds	Installment Purchase Contracts	Promissory Notes Payable				
\$	\$	\$	\$	\$	%	\$
-	-	-	24,580	24,580	0.80%	197
-	-	-	60,973	60,973	1.21%	489
-	699	-	59,155	59,155	1.17%	473
11,000	528	-	90,649	90,649	1.92%	708
12,820	2,480	-	87,031	87,031	1.90%	701
12,270	2,073	-	81,024	81,024	1.77%	657
11,200	1,662	-	76,419	76,419	1.61%	620
10,680	1,430	-	82,364	82,364	1.72%	669
10,160	1,198	-	77,384	77,384	1.54%	661
9,640	966	-	167,057	167,057	4.93%	1,424

Wayne County, North Carolina
Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years
(amounts expressed in thousands)

	2014	2015	2016	2017
General bonded debt outstanding				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Total	- -	- -	- -	- -
Assessed value	7,823,933	7,071,385	8,128,442	8,232,459
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	<u>625,915</u>	<u>565,711</u>	<u>650,275</u>	<u>658,597</u>
Legal debt margin	<u>\$ 625,915</u>	<u>\$ 565,711</u>	<u>\$ 650,275</u>	<u>\$ 658,597</u>
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.

2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8,304,811	8,424,537	8,771,026	9,103,769	9,276,833	9,467,769
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
0.00	0.00	0.00	0.00	0.00	0.00
—	—	—	—	—	—
—	—	—	—	—	—
664,385	673,963	701,682	728,302	742,147	757,422
\$ <u>664,385</u>	\$ <u>673,963</u>	\$ <u>701,682</u>	\$ <u>728,302</u>	\$ <u>742,147</u>	\$ <u>757,422</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 3-C

Wayne County, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2023
 (amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Direct Bonded Debt Wayne County	\$ -	100%	\$ -
Overlapping Bonded Debt			
Goldsboro	44,937	100%	44,937
Eureka	-	100%	-
Fremont	560	100%	560
Town of Mount Olive	6,290	100%	6,290
Pikeville	2,184	100%	<u>2,184</u>
Subtotal, overlapping debt			53,971
Other debt			
Limited Obligation Bonds	27,125	100%	27,125
Installment Purchase Contracts	50,259	100%	50,259
Promissory Notes Payable	-	100%	<u>-</u>
Total direct and overlapping debt			\$ <u>131,355</u>

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)			
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		N/A		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		N/A		18,223	4.7%		1,272,208
2020	123,248		N/A	25,520		18,037		8.2%		1,343,525
2021	123,131		N/A		N/A		17,352	6.3%		1,537,225
2022	116,989		N/A		N/A		17,402	3.8%		1,656,881
2023	117,286		N/A	28,874		17,224		4.0%		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	2023			2014		
		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	22.38%	6,730	1	12.52%
Wayne UNC Healthcare	Health Care	2,925	2	5.68%	1,804	3	3.35%
Wayne County Public Schools	Public Education	2,390	3	4.64%	3,046	2	5.66%
Mount Olive Pickle Company, Inc.	Pickle Production (seasonal)	1,234	4	2.40%	625	10	1.16%
Case Farms Processing, Inc.	Poultry Processing	1,100	5	2.14%	1,095	5	2.04%
County of Wayne	Local Government (full & part-time)	1,007	6	1.96%	1,258	4	2.34%
O'Berry Center	State Center for Handicapped	624	7	1.21%	859	8	1.60%
Cherry Hospital	State Psychiatric Hospital	580	8	1.13%	956	6	1.78%
City of Goldsboro	Local Government (full & part-time)	560	9	1.09%			
AP Exhaust Technologies	Auto Parts Manufacturer	550	10	1.07%			
Goldsboro Milling Company	Turkey Feed Products				800	9	1.49%
Cooper Standard Automotive Co.	Auto Parts Manufacturer				938	7	1.74%
Total		<u><u>22,486</u></u>		<u><u>43.69%</u></u>	<u><u>18,111</u></u>		<u><u>33.68%</u></u>
Total County Employment		<u><u>51,464</u></u>			<u><u>53,772</u></u>		

Table 5-A

Wayne County, North Carolina
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
Board of commissioners	7	7	7	7	7	7	7	7	7	7
County manager	3	4	4	5	4	4	4	4	4	4
Finance	8	8	9	9	9	9	10	12	11	11
Human resources	3	3	4	4	4	4	4	4	4	6
Tax administration	16	15	15	15	16	15	14	15	14	14
GIS	2	2	2	2	2	2	2	2	2	2
County attorney	1	1	1	1	2	2	3	3	3	1
Court facility	-	1	2	2	2	4	4	3	-	-
Public affairs	2	2	2	2	3	3	3	3	2	2
Board of elections	7	5	5	5	4	4	4	5	7	7
Register of deeds	8	8	8	8	8	7	8	9	7	8
Central services	2	2	2	2	2	2	2	1	2	2
IT department	10	9	10	10	11	14	14	16	14	14
Building and grounds	35	35	37	38	39	40	40	42	38	40
Public safety										
Sheriff	106	100	119	127	128	151	120	132	124	121
Detention center	67	64	80	94	103	103	99	107	98	94
Day reporting	6	6	6	6	6	6	6	7	5	5
NC school resource officers	9	11	12	12	11	16	17	18	18	18
Emergency management	34	34	38	38	38	32	33	26	32	32
Inspections	7	7	7	7	7	7	7	8	7	7
Animal control	13	13	13	14	15	15	15	13	12	12
EM telephone	1	1	1	1	-	-	-	-	3	4
622 EMS	100	97	107	108	110	110	106	124	120	120
Wayne Net	24	22	26	50	49	40	30	3	-	-
Transportation										
Goldsboro Wayne Airport	3	3	3	3	3	3	2	3	2	3
Goldsboro/Wayne Transp. Authority	1	1	-	-	-	1	1	1	1	1
Economic and physical development										
Economic development	4	4	3	3	4	4	4	2	-	1
Cooperative extension	1	2	2	3	3	2	2	3	3	3
Soil and water conservation	4	4	4	4	4	4	4	3	4	4
Environmental protection										
Planning	4	4	3	4	5	5	5	5	4	4

Wayne County, North Carolina
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Education										
Library	28	33	34	36	36	36	35	36	34	34
Literacy connection	3	3	3	3	3	3	3	3	3	3
Human services										
Smart start-PAT	2	2	-	-	-	-	-	-	-	-
4-H	9	7	10	10	5	3	3	-	1	1
Veterans	2	2	3	3	3	3	3	3	3	3
Senior citizens	17	16	15	16	17	16	16	17	16	17
Social services	204	210	201	232	218	194	207	215	165	154
Health	123	121	117	117	114	111	106	110	88	91
Utilities										
Solid waste	46	46	45	45	45	45	47	51	44	45
Genoa sewer	1	1	1	1	1	1	1	-	-	-
Convention Center										
Maxwell	-	-	-	3	3	5	7	7	6	8
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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Inspections department										
Building permits issued	478	443	548	622	543	587	873	886	1,005	840
Building inspections conducted	3,346	3,101	3,836	7,101	6,721	6,742	9,603	8,764	9,456	8,993
Sheriff										
Arrests	3,641	3,862	4,560	5,041	4,503	4,793	4,335	3,973	4,503	3,423
Citations	3,947	5,020	7,502	5,225	3,420	2,787	2,396	1,248	1,163	1,003
Fire										
Inspections	163	175	174	92	91	104	110	113	101	105
Permits	115	112	110	110	107	124	135	92	82	130
EMS										
Calls	16,613	17,690	18,391	18,725	19,520	20,084	20,074	21,328	21,731	22,523
EMS Non-emergency										
Calls	6,524	5,774	6,514	12,832	11,916	20,262	6,198	N/A	N/A	N/A
Solid waste disposal										
MSW (tons)	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	118,163.06
C&D (tons)	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	28,296.06
Storm debris (tons)	-	-	-	12,526.36	2.93	5,770.15	2.39	19.57	21.25	19.78
Recycle (tons)	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	5,504.91
Tires (count)	2,211	1,943	1,971	2,145	2,163	2,222	2,403	2,444	2,458	2,493
Oil (gallons)	22,820	14,965	16,750	16,250	24,500	22,500	18,192	18,850	19,247	14,877
Batteries (count)	207	72	-	-	-	2	2	2	6	8
Jail										
Inmates admitted (average)	552	561	579	545	538	4,300	3,643	2,642	7,428	6,018
Inmates (daily average)	223	214	220	395	363	370	363	313	356	344
Department of social services										
Adult medicaid (active cases)	40,111	40,477	100,551	140,143	145,302	138,255	136,059	131,791	131,780	132,871
Family and childrens medicaid (active cases)	122,788	127,779	255,350	331,271	347,251	294,236	313,435	274,117	260,400	287,802
Food stamps (active cases)	11,843	129,560	143,720	163,359	133,931	129,365	121,385	141,394	153,123	145,798
Children in foster care (avg per month)	71	40	38	56	72	64	57	40	32	41
Children in DSS custody (avg per month)	72	72	89	124	118	107	88	64	63	72
Day care (children served)	15,285	14,863	13,532	12,898	12,898	13,125	11,419	10,816	11,135	12,270
Child support (collections)	\$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	N/A
Work first (active cases)	3,911	4,664	2,858	3,506	3,690	3,278	2,565	2,221	1,911	1,738
Reception services (clients seen)	41,455	41,015	52,173	52,081	54,640	47,140	32,650	13,815	14,459	25,668
Health department										
TB (clients seen)	576	475	340	385	552	815	927	195	1,182	1,429
Communicable disease/STD (client visits)	3,874	3,421	3,508	3,143	2,573	2,721	2,271	400	1,069	1,098
Pharmacy (prescriptions filled)	8,030	5,464	4,189	4,448	4,496	3,384	3,678	2,676	3,688	3,544
BCCCP (client visits)	358	351	274	293	182	216	143	155	237	186
Wisewoman (client visits)	55	171	129	134	81	26	36	30	N/A	N/A
HIV/AIDS (tests)	4,386	2,425	2,181	3,780	1,723	3,448	2,539	1,943	2,466	2,496
Dental (client visits)	2,583	2,331	1,860	517	801	338	527	636	-	-
Immunizations (administered)	4,694	4,503	4,381	4,672	4,182	5,078	3,688	1,894	1,847	4,786
Lab (tests)	50,708	45,611	39,979	43,008	43,297	40,197	30,648	22,164	31,273	27,365
Environmental health (onsite inspections)	674	890	1,235	1,169	1,289	1,920	2,047	2,225	2,383	2,678
Environmental health (restaurant inspections)	1,615	1,531	1,231	1,081	1,227	1,380	776	1,456	1,620	1,856
WIC (caseloads)	4,373	4,373	4,387	4,152	3,916	3,952	4,207	4,118	4,118	4,508
Total prenatal visits	6,204	6,723	6,634	5,936	6,286	6,810	6,698	5,369	6,948	6,875

Wayne County, North Carolina
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Health department, continued										
Post partum home assessments	476	432	387	280	391	261	171	407	510	N/A
Family planning visits	11,368	5,345	2,658	5,184	5,083	3,828	4,088	3,808	3,711	3,430
Health Education/H.P. (persons reached)	9,704	17,036	20,992	11,432	2,312	2,990	3,016	1,091	1,204	318
4-H										
Elementary afterschool enrollment	235	185	238	60	158	133	191	-	-	-
Middle school afterschool enrollment	53	92	126	50	45	-	-	-	-	-
Elementary afterschool sites	10	9	9	6	8	4	4	-	-	-
Middle school afterschool sites	1	3	2	1	1	-	-	-	-	-
4H volunteer hours	8,354	3,000	4,400	4,819	4,818	1,406	-	-	-	-
Youth workshop attendance	10,196	1,050	1,440	1,052	2,849	1,247	-	-	-	-
Cooperative extension										
Workshop attendance	3,519	27,965	16,738	32,737	13,069	15,312	14,137	23,385	12,731	11,345
Extension training (farmers)	45	3,483	3,550	4,162	2,968	2,591	3,137	928	2,273	1,162
Home horticulture class attendance	877	2,479	2,071	2,099	1,177	2,466	2,461	380	541	1,227
Master gardeners volunteer hours	2,225	2,009	2,372	2,199	2,401	2,591	2,818	552	1,195	2,400
Equine training participants	50	-	-	-	-	-	-	-	-	-
Family and consumer science nutrition and wellness training attendance	7,037	5,644	1,215	2,721	794	2,241	1,936	1,645	3,533	4,994
Extension and community association volunteer hours	9,560	9,378	9,000	9,800	7,856	9,259	4,874	998	1,432	17,461
Tax										
% of collections	97.27%	97.93%	97.77%	97.78%	98.10%	98.10%	98.06%	98.38%	98.45%	98.48%
Real estate parcels	60,396	60,649	65,721	61,080	66,308	66,494	66,909	67,917	67,785	68,418
Real property value	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	6,655,546,768
Personal property value	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	791,653,404
Licensed vehicles value (Old DMV System)	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	1,167,859,650	1,190,042,223
Airport										
Gallons-Aviation gas sold (yearly)	39,118	39,401	50,782	55,182	64,691	63,577	45,340	57,107	50,777	54,749
Gallons-Jet A fuel sold (yearly)	74,466	51,319	48,825	76,694	90,910	81,685	61,069	64,105	74,081	94,841
Total transient flights (yearly)	1,236	698	627	482	563	357	1,104	557	576	726
Library										
Number of brances	4	4	4	4	4	4	4	4	3	3
Number of hours open to public	8,063	8,044	8,122	8,122	8,104	8,128	6,185	8,260	8,148	8,166
Total book & serial volumes	201,416	151,321	137,849	133,083	129,310	133,465	142,072	144,348	122,461	117,395
Total circulation	263,761	300,075	288,742	264,274	253,177	242,214	163,011	193,727	203,735	244,121
Number of persons entering library	290,049	295,405	280,344	260,598	235,677	211,057	136,557	95,555	114,113	119,281
Total childrens program attendance	13,693	15,537	16,704	20,521	24,368	20,572	10,133	3,381	10,038	26,098
Total adult program attendance	1,423	4,414	3,827	4,019	3,632	3,543	1,964	1,860	4,310	3,897

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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
Buildings and grounds										
Building values										
Contents value	\$ 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	\$ 203,945,320
Sheriff										
Patrol units	114	124	135	138	148	148	150	150	150	180
Canine units	4	4	5	5	6	6	7	7	7	7
Boats	1	2	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	10	10	11	11	11	11
Ambulances	18	18	16	18	16	16	17	21	19	19
Defibrillator	12	12	16	11	9	13	17	14	17	17
WayneNet										
Stations	1	1	3	3	2	2	1	-	-	-
Ambulances	5	4	8	8	11	16	12	-	-	-
Defibrillator	-	1	1	1	2	13	1	-	-	-
Wastewater										
Sanitary sewers (miles)	9.0	9.0	9.0	4.3	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	1,000,000	23,000	23,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Pump stations	2	2	2	1	1	1	1	1	1	1
Solid Waste Disposal										
Sanitation trucks	5	5	5	4	4	4	4	4	6	6
Department of Social Services										
Vehicles	7	8	8	11	10	10	10	10	11	9
Info Technology Services										
Servers	39	43	52	66	48	48	48	53	55	43
Computers	477	497	427	401	559	901	1,136	1,174	1,184	1,056
Laptops	258	268	260	131	184	288	354	416	487	503
Thin Clients	552	658	470	469	598	542	323	-	-	-
4-H										
Vehicles	3	3	3	3	2	3	3	3	3	3
Airport										
Vehicles	3	3	3	3	3	2	3	3	3	3

Source: Various county departments

N/A = Not Available

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, 2023, 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 December 20, 2023. 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

December 20, 2023

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Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act

Independent Auditors' Report

To the Board of 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, 2023. 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, 2023.

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.

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, Brashears & Uzzell, PA

Goldsboro, North Carolina
December 20, 2023

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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, 2023. 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, 2023.

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, Brashears & Uzzell, PA

Goldsboro, North Carolina
December 20, 2023

Wayne County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? Yes No

Significant Deficiency identified that is not considered to be material weaknesses Yes none reported

Noncompliance material to financial statements noted Yes No

Federal Awards

Internal control over major federal programs:

Material weakness identified? Yes No

Significant Deficiencies identified that are not considered to be material weaknesses Yes 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)? Yes No

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
10.561	Supplemental Nutrition Assistance Program (Administrative Funds)
21.027	Coronavirus State Local Fiscal Recovery Funds - ARPA
93.044	Aging Cluster
93.596	Child Care and Development Fund, Mandatory Match (Administrative Funds)
93.658	Foster Care Cluster (Administrative/Training Funds)
93.667	Social Services Block Grant
97.039	Hazard Mitigation Grant 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 No

Wayne County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

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

Public School Building Capital Fund

Industrial Development Fund Utility Account

State Budget and Management - Special Appropriation

Wayne County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

II. Findings Related to the Audit of the Basic Financial Statements of Wayne County

None Noted

III. Federal Awards Findings and Questioned Costs

None Noted

IV. State Awards Findings and Questioned Costs

None Noted

**Wayne County, North Carolina
Corrective Action Plan
For the Fiscal Year Ended June 30, 2023**

II. Basic Financial Statement Findings and Questioned Costs

None Noted

III. Federal Awards Findings and Questioned Costs

None Noted

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, 2023

Finding: 2022-001

Status: Corrected

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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:						
Supplemental Nutrition Assistance Program (SNAP) (Note 5):						
SNAP Administrative	10.561		\$ 1,001,335	\$ -	\$ -	\$ 1,001,335
ARPA-FNS Funds	10.561		367,579			-
SNAP Fraud Administration	10.561		133,853			133,853
ARPA-FNS Funds (Public Health)	10.561		-			-
Total SNAP			1,502,767	-	-	1,135,188
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		1,013,014	-	-	48,199
Total U.S. Dept. of Agriculture			2,515,781	-	-	1,183,387
<u>U.S. Environmental Protection Agency</u>						
Passed-through the N.C. Division of Soil and Water						
Soil Conservation		566001520 01	26,816	-	-	131,374
Soil Conservation - State Matching Funds		566001520 02	-	3,600	-	-
COVID-19 - CARES Act Food Relief	21.019	-	-	-	-	-
Total U. S. Election Assistance Commission			26,816	3,600	-	131,374
<u>U.S. Dept. of Justice</u>						
<u>Department of Homeland Security</u>						
Customs & Border Protection		ICEEQSH	40,962	-	-	-
<u>Department of Justice</u>						
Comprehensive Opiod, Stimulant, and Substance Use Program	16.838		144,004	-	-	14,678
State Criminal Alien Assistance Program	16.606		53,959	-	-	-
Passed-through N.C. Governor's Office						
Byrne JAG Program Grant	16.738		12,580	-	-	-
Total U. S. Department of Justice			251,505	-	-	14,678
<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-2220096	53,407	-	-	1,123,270
Hazard Mitigation Grant Program	97.039	B2769-4285	1,199,910	-	-	-
Total U. S. Department of Homeland Security			\$ 1,253,317	\$ -	\$ -	\$ 1,123,270

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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		\$ 27,256	\$ -	\$ -	\$ -
ARPA-Library Services & Technology Act - Various Grants	21.027		95,467	-	-	-
Total U.S. Institute of Museum and Library Services			<u>122,723</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Treasury</u>						
Passed-through the N.C. Office of State Budget and Management:						
NC Pandemic Recovery Office	21.027		5,615,676	-	-	-
ARPA - State Fiscal Recovery Funds			<u>5,615,676</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Treasury						
<u>U.S. Department of Transportation</u>						
Passed-through the N.C. Dept. of Transportation						
National Priority Safety Programs	20.600	22019.2.8	-	-	-	-
Airport Improvement Program	20.106	36237.22.15.1	83,040	-	-	116
Total U.S. Department of Transportation			<u>83,040</u>	<u>-</u>	<u>-</u>	<u>116</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:						
Aging Cluster:						
Title III Preventive Health - Title III-D	93.043		6,525	384	-	768
Special Programs for the Aging - Title III B:						
Access	93.044		181,161	10,657	-	21,313
In-Home	93.044		346,165	11,876	-	37,168
Special Programs for the Aging - Title III C:						
Congregate Nutrition C-1	93.045		91,379	5,375	107,504	10,750
Home Delivered Meals C-2	93.045		231,316	13,607	272,137	27,214
NSIP - Nutrition	93.053		65,775	-	65,775	-
Total Aging Cluster			<u>922,321</u>	<u>41,899</u>	<u>445,416</u>	<u>97,213</u>
Social Services Block Grant - In-Home Services	93.667					
Family Caregiver Support	93.052		23,472	1,565	-	-
Total Eastern Carolina Council			<u>945,793</u>	<u>43,464</u>	<u>445,416</u>	<u>97,213</u>
Passed-through N.C. Department of Insurance	93.779		\$ -	\$ -	\$ -	\$ -
Senior Health Insurance Information Program						
Total N.C. Department of Insurance						

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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>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	\$	90,468	\$	50,356	\$
COVID-19 - APS/CPS Care	93.658		-		-	-
Title IV-E Foster Care Training	93.658		(52)		-	(17)
Title IV-E Foster Care/Off Trn	93.658		97,506		-	97,506
Title IV-E Adoption/Off Trn	93.659		462		-	462
COVID-19 - Foster Care Title IV	93.658				-	
Title IV-E Admin County Paid to CCI	93.658		41,636	20,818	-	20,818
Total Foster Care and Adoption			230,020	71,174	-	158,881
<u>Temporary Assistance for Needy</u>						
Families (TANF/Work First) - Administration	93.558		93,940	-	-	240,718
Work First Non-Reimbursable			0	-	-	49,942
Division of Public Health: TANF	93.558		20,957	-	-	-
Total Temporary Assistance for Needy			114,897	-	-	290,660
N.C. Child Support Enforcement Section						
Title IV-D Administration	93.563		955,296	-	-	492,122
Title IV-D Offset Fees	93.563		5,463	(1,327)	-	4,142
Low-Income Home Energy Assistance Block Grant:						
Administration	93.568		88,475	-	-	-
ARPA - Low-Income Energy Assistance	93.568		1,095	-	-	-
ARPA - Low-Income Energy Assistance - Administration	93.568		2,321	-	-	-
ARPA - Low-Income Water Assistance	93.568		66,983	-	-	-
ARPA - Low-Income Water Assistance - Administration	93.568		6,577	-	-	-
Energy Assistance Program	93.568		94,046	-	-	-
Water Assistance Program	93.568		160,240	-	-	-
Crisis Intervention Program	93.568		486,135	-	-	-
Total Energy Assistance			905,872	-	-	-
Child Welfare Services - State Grants						
- Permanency Planning - Families for Kids-Special	93.645		9,656	(1,872)	-	1,971
AFDC Payments and Penalties	93.560				-	
SSBG - TANF to SSBG	93.667		286,165		-	
SSBG - Other Service and Training	93.667		553,132		-	184,377
Adult Protective Services	93.674		12,031		-	
Independent Living Transition	93.674		13,518		-	
Independent Living Grant	93.674		11,222	2,805	-	7,702
Division of Public Health:						
Maternal and Child Health Services Block Grant	93.994	\$	149,225	\$	25,832	\$
					-	

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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 Aging and Adult Services:						
Division of Social Services:						
SSBG - In Home Service Fund Over 60	93.667		\$ 15,361	\$	\$ -	\$ 2,194
Division of Child Development:						
<u>Child Care Development Fund:</u>						
Division of Social Services:						
Child Care Development Fund-Administration	93.596		259,215	-	-	-
Smart Start				36,000	-	-
State Appropriations				-	-	-
Total Child Care Development			259,215	36,000	-	-
Passed-through Eastpointe						
Division of Public Health						
Child Substance Abuse Prevention	93.959		40,714	-	-	410
Substance Abuse and Treatment Block Grant	93.959		-	-	-	-
Total Substance Abuse Grants			40,714	-	-	410
<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		438,046			
Division of Social Services:						
Medical Assistance Program/Administration:						
Adult Care Home Case Mgmt/Spec	93.778		207,189	17,338	-	189,850
Medical Assistance Administration	93.778		3,165,574	332,095	-	947,778
Medical Transportation Administration	93.778		120,697		-	120,697
State County Special Assistance	93.778		237,655	25,010	-	70,875
State Children's Ins. Program - N.C. Health Choice (Note 5)	93.767		55,820	4,690	-	8,196
<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		\$ 88,322	\$ -	\$ -	\$ 957,645

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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>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		\$ 40,724	\$	-	\$ 14,525
COVID-19 - Hospital Preparedness Program and Public						
Health Emergency Preparedness	93.074					-
COVID-19 - Epidemiology and Laboratory Capacity for						
Infectious Diseases (ELC)	93.323		172,214		-	53,096
Project Grants and Cooperative Agreements for						
Tuberculosis Control Program	93.116		20,372		-	10,814
COVID-19 Public Health Emergency Response:						
Cooperative Agreement for Emergency Response	93.354		138,198		-	
Cooperative Agreements for State-Based Comprehensive						
Breast and Cervical Cancer Early Detection Programs	93.919				-	
Immunization Grants	93.268		40,605	-	-	107,185
COVID-19 - Immunization Cooperation Agreements	93.268		55,606	-	-	3,219
PPHF Capacity Building Assistance to Strengthen						
Public Health Immunization Infrastructure	93.539				-	
Cancer Prevention and Control Programs for State					-	
Financed in Part by Prevention and Public Health Funds	93.752				-	
Preventive Health and Health Services Block Grant					-	
Preventive Health and Health Services Block Grant	93.991		34,608	-	-	9,624
Cancer Prevention and Control Programs for State	93.898		21,400	-	-	64,034
Preventive Health Services-STD Control Grants	93.977	58			-	-
Total U.S. Dept. of Health and Human Services			9,344,668	555,209	445,416	5,509,187
Total federal awards			\$ 19,213,526	\$ 558,809	\$ 445,416	\$ 7,962,012
State Awards:						
<u>N.C. Administrative Office of the Courts</u>						
NC Court Pilot Program Grant			\$ -	\$ 287,500	\$ -	\$ -
Total N. C. Dept. of Commerce			\$ -	\$ 287,500	\$ -	\$ -
<u>N.C. Dept. of Commerce:</u>						
Industrial Development Fund Utility Account			-	1,294,967	-	-
Building Reuse			-	33,356	-	13,600
Total N. C. Dept. of Commerce			\$ -	\$ 1,328,323	\$ -	\$ 13,600
<u>N.C. Dept. of Military & Veteran Affairs</u>						
Veteran Services			\$ -	\$ 2,083	\$ -	\$ 189,868
Total N.C. Dept. of Military & Veteran Affairs			\$ -	\$ 2,083	\$ -	\$ 189,868

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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. Dept. of State Budget and Management:						
Office of the Governor - Register of Deeds			\$ -	\$ 2,166	\$ -	\$ 2,166
Special Appropriation		7763	<hr/>	<hr/>	<hr/>	<hr/>
Total N. C. Dept. of State Budget and Management			<hr/>	<hr/>	<hr/>	<hr/>
			<hr/>	<hr/>	<hr/>	<hr/>
N.C. Department of Natural and Cultural Resources:						
State Library of North Carolina						
Library State Aid Grant			-	167,153	-	2,036,607
NC Humanities Grant			-	-	-	-
Library State Aid Edge Grant			-	-	-	-
Total N.C. Department of Cultural Resources			<hr/>	<hr/>	<hr/>	<hr/>
			<hr/>	<hr/>	<hr/>	<hr/>
N.C. Department of Environmental Quality						
Division of Environmental Health						
Electronics Management			-	5,702	-	58,308
Scrap Tire Disposal Grant			-	4,359	-	222,115
Community Waste Reduction and Recycling			-	-	-	-
Stream Debris Removal		566001520-02	-	-	-	-
Total N.C. Dept. of Environmental and Natural Resources			<hr/>	<hr/>	<hr/>	<hr/>
			<hr/>	<hr/>	<hr/>	<hr/>
N.C. Dept. of Health and Human Services						
Division of Aging and Adult Services						
Passed through Eastern Carolina Council:						
Operation Fan			-	657	-	-
Senior Center General Purpose			<hr/>	<hr/>	<hr/>	<hr/>
Total Eastern Carolina Council			-	8,174	-	2,725
			<hr/>	<hr/>	<hr/>	<hr/>
Division of Social Services						
Energy Assist Private Grants			-	-	-	-
Repatriation Program			-	1,211	-	-
Non-Allocating County Cost			-	-	-	112,888
County Funded Programs			-	-	-	1,581,716
SFHF Maximization			-	75,453	-	75,453
Foster Care Extended/Risk Maximization			-	66,518	-	926
AFDC Incentive/Prog Integrity			-	-	-	-
State Foster Home			-	85,245	-	84,107
Total Division of Social Service			<hr/>	<hr/>	<hr/>	<hr/>
			<hr/>	<hr/>	<hr/>	<hr/>

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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 Public Health						
Public Health Capacity Building			\$ -	\$ 128,603	\$ -	\$ 293,999
Food and Lodging Fees			\$ -	\$ -	\$ -	\$ -
General Communicable Disease Control			\$ -	\$ 7,921	\$ -	\$ 2,028
Heathly Community Activities			\$ -	\$ 2,987	\$ -	\$ 2,183
School Nurse Funding Initiative			\$ -	\$ 249,528	\$ -	\$ 472
Family Planning - State			\$ -	\$ 11,927	\$ -	\$ 30,973
Healthy Beginnings			\$ -	\$ 73,867	\$ -	\$ -
Maternal Health			\$ -	\$ 115,388	\$ -	\$ 1,235,985
High Risk Maternity Clinics			\$ -	\$ -	\$ -	\$ -
Breast and Cervical Cancer Program			\$ -	\$ 19,550	\$ -	\$ 59,312
Child Health			\$ -	\$ 36,835	\$ -	\$ 44,894
Women's Health Service Fund			\$ -	\$ 13,004	\$ -	\$ -
HIV/STD State			\$ -	\$ 14,070	\$ -	\$ 219,201
Gonorrhea Partner Services			\$ -	\$ -	\$ -	\$ -
TB Control			\$ -	\$ 67,569	\$ -	\$ 33,901
Total Division of Public Health			<hr/> \$ -	<hr/> \$ 741,249	<hr/> \$ -	<hr/> \$ 1,922,948
Total N. C. Department of Health and Human Services				\$ 978,507		\$ 3,780,763
<u>N.C. Dept. of State Budget and Management</u>						
Board of Elections Grant			\$ -	\$ -	\$ -	\$ -
Total N. C. Dept. of State Budget and Management			<hr/> \$ -	<hr/> \$ -	<hr/> \$ -	<hr/> \$ -
<u>N.C. Dept. of Transportation</u>						
State Aid to Airports Program	DOT-8		\$ -	\$ 1,661,577		\$ 193,984
NC DOT Cluster ROAP/SMAP						
- ROAP Elderly and Disabled Transportation Assistance Program	DOT-16CL		\$ -	\$ 98,883	\$ 98,883	\$ -
- ROAP Employment	DOT-16CL		\$ -	\$ 35,985	\$ 35,985	\$ -
- ROAP Rural General Public Program	DOT-16CL		\$ -	\$ 114,347	\$ 114,347	\$ -
Total ROAP Cluster			<hr/> \$ -	<hr/> \$ 1,910,792	<hr/> \$ 249,215	<hr/> \$ 193,984
<u>N.C. Dept. of Administration</u>						
Division of Veterans Affairs						
County Veterans Service Program			\$ -	\$ -	\$ -	\$ -
Total N.C. Division of Veterans Affairs			<hr/> \$ -	<hr/> \$ -	<hr/> \$ -	<hr/> \$ -
<u>N.C. Dept. of Public Instruction:</u>						
Public School Building Capital Fund	LEA 960/2022-23		\$ -	\$ 26,645,287		\$ -
N.C. School Resource Officer Grant	488015683		\$ -	\$ 709,756		\$ 679,893
Total N. C. Dept. of Public Instruction			<hr/> \$ -	<hr/> \$ 27,355,043	<hr/> \$ -	<hr/> \$ 679,893

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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 Public Safety</u>						
Juvenile Crime Prevention Programs		536301	\$ -	\$ 527,040	\$ 527,040	\$ -
JCPC Reimbursements			\$ -	\$ -	\$ -	\$ -
Sheriff State Grant			\$ -	\$ 84,270	\$ -	\$ 603
Total Dept. of Public Safety			\$ -	\$ 611,310	\$ 527,040	\$ 603
<u>N.C. Dept. of Agriculture and Consumer Services</u>						
N.C. Tobacco Trust Fund Commission		2016-008-03	\$ -	\$ -	\$ -	\$ -
Total Dept. of Agriculture and Consumer Services			\$ -	\$ -	\$ -	\$ -
<u>Wayne County Partnership for Children</u>						
Raising a Reader			\$ -	\$ 128,591	\$ -	\$ -
Smart Start - Health Service Team			\$ -	\$ -	\$ -	\$ -
Total Wayne County Partnership for Children			\$ -	\$ 128,591	\$ -	\$ -
Total State awards			\$ -	\$ 33,327,529	\$ 776,255	\$ 7,177,907
Total federal and State awards			\$ 19,213,526	\$ 33,886,338	\$ 1,221,671	\$ 15,139,919

Wayne County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2023

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Unit Assistance Listing</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>
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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, 2023. 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	\$ 4,600,573	-
Supplemental Nutrition Assistance Program	10.551	69,668,340	-
Temporary Assistance for Needy Families/Work First	93.558	1,508,953	
Refugee Assistance	93.566	7,208	-
Foster Care - Title IV-E/Adoption Subsidy	93.658	283,114	13,206
Medical Assistance Program	93.778	214,632,262	82,238,570
Children's Health Insurance Program	93.767	960,445	214,852
Child Welfare Services Adoption			262,679
State/County Special Assistance Program		\$ -	\$ 660,687

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, 2023, 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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