

Comprehensive Annual Financial Report

For the Year Ended June 30, 2020

Duplin County



North Carolina

**Duplin County  
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June 30, 2020**

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## FINANCIAL SECTION

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## **Independent Auditors' Report**

To the Board of County Commissioners  
Duplin County, North Carolina

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Duplin County, North Carolina, as of and for the year then ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Duplin County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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 Duplin County TDA were not audited in accordance with *Governmental Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors

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consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinions, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Duplin County, North Carolina as of June 30, 2020, 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.

### ***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 Benefits Schedules of Changes in the 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, and the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, 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 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 Duplin County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards, *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the *State Single Audit Implementation Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2021 on our consideration of Duplin County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Duplin County's internal control over financial reporting and compliance.

*Thompson, Price, Scott, Adams & Co., PA*

*Wilmington, North Carolina*

*March 17, 2021*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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## Management's Discussion and Analysis

As management of Duplin County, we offer readers of Duplin County's (the "County") financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

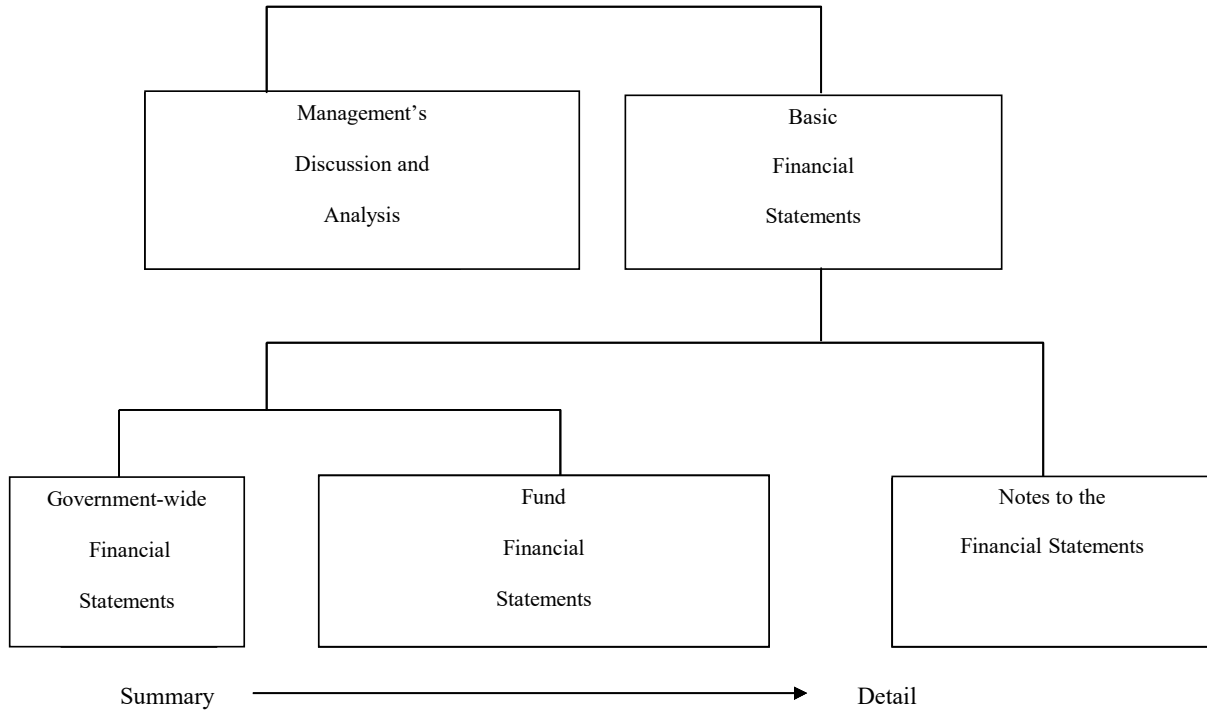
### Financial Highlights

- The assets and deferred outflows of resources of Duplin County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$30,639,765 (net position).
- The government's total net position increased by \$8,284,261 primarily due to a increase in net position in the governmental activities and business activities.
- As of the close of the current fiscal year, Duplin County's governmental funds reported combined ending fund balances of \$32,736,747, after a net increase in fund balance of \$2,353,707. Approximately 45% of this total amount, or \$14,754,820, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the consolidated General Fund was \$10,575,453, or 20% of total General Fund expenditures.
- Duplin County's total debt decreased by \$3,274,067 during the current fiscal year.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Duplin 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 the Duplin County.

**Required Components of Annual Financial Report**  
**Figure 1**



**Basic Financial Statements**

The first two statements (Exhibits 1&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 3-9) 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 government fund statements; 2) the budgetary comparison statements; 3) the proprietary governmental funds statements; 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** is the required **Supplemental Information**. This section contains funding information about the County's Other Post Employment Benefit Plan and Pension Plans.

Following the **Supplemental Information** is the **General Fund** section, provided to show details about the County's major and non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

## Government-Wide Financial Statements

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and 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 general government, public safety, human services, cultural and recreational, economic and physical development, environmental protection, and education. Property taxes, local option sales taxes and state grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water operations, solid waste operations, transportation services and airport operations. The final category is the component unit. Duplin County Tourism Development Authority is legally separate from the County however the County is financially accountable for the Authority by approving all new members that are elected by the Authority.

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

## Fund Financial Statements

The Fund Financial Statements (see Figure 1) 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. Duplin 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 North Carolina General Statutes or the County's budget ordinance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary fund.

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 the 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* which provides a current financial 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.

The 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 - Duplin County has two different kinds of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Duplin County uses enterprise funds to account for its water activities, solid waste operations, transportation services, and airport 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 functions of the County. The County uses an internal service fund to account for one activity – to administer its self-insured hospital insurance policy. Because this activity 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. Duplin County has five agency funds.

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

Other Information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Duplin County's progress in funding its obligation to provide pension and other post-employment benefits to its employees.

### Government Wide Financial Analysis

**Duplin County's Net Position  
Figure 2**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 49,207,561	\$ 43,245,391	\$ 15,890,996	\$ 14,963,902	\$ 65,098,557	\$ 58,209,293
Capital assets	20,603,175	20,872,060	59,011,664	58,365,263	79,614,839	79,237,323
Total assets	69,810,736	64,117,451	74,902,660	73,329,165	144,713,396	137,446,616
Deferred outflows of resources	5,259,188	4,974,181	628,841	682,513	5,888,029	5,656,694
Long-term liabilities outstanding	91,042,297	91,522,439	1,950,712	18,829,107	92,993,009	110,351,546
Other liabilities	6,286,645	4,591,137	17,610,797	2,514,697	23,897,442	7,105,834
Total liabilities	97,328,942	96,113,576	19,561,509	21,343,804	116,890,451	117,457,380
Deferred inflows of resources	2,842,116	3,032,971	229,093	257,455	3,071,209	3,290,426
Net Position:						
Net investment						
in capital assets	11,487,660	11,562,302	43,355,119	41,296,881	54,842,779	52,859,183
Restricted	-	19,983,788	1,937,760	1,816,258	1,937,760	21,800,046
Unrestricted	(36,588,794)	(61,601,005)	10,448,020	9,297,280	(26,140,774)	(52,303,725)
Total net position	\$ (25,101,134)	\$ (30,054,915)	\$ 55,740,899	\$ 52,410,419	\$ 30,639,765	\$ 22,355,504

As noted earlier, net position, over time, may serve as a useful indicator of a government's financial position. For Duplin County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$30,639,765 at the close of the most recent fiscal year.

By far, the largest portion, \$54,842,779 (179%), of Duplin County’s net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. Duplin County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Duplin County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to repay these liabilities.

At the end of the current fiscal year, Duplin County had an additional portion net position \$1,937,760 (6%) that represents resources subject to external restrictions on how they may be used. The remaining balance of (\$26,140,744) is unrestricted.

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

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 96.56%.
- Management’s proactive stance on monitoring spending across County departments to ensure compliance with the budget.

**Duplin County**  
**Changes in Net Position**  
**Figure 3**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
Program Revenues						
Charges for Services	\$ 8,696,830	\$ 8,085,539	\$ 7,925,969	\$ 8,374,627	\$ 16,622,799	\$ 16,460,166
Operating grants and contributions	7,935,413	12,410,678	2,497,735	5,196,016	10,433,148	17,606,694
Capital grants and contributions	172,474	503,617	834,586	426,575	1,007,060	930,192
General revenues:						
Property taxes	34,439,548	31,780,326	-	-	34,439,548	31,780,326
Other taxes	14,504,532	13,433,677	130,304	137,939	14,634,836	13,571,616
Other	-	637,154	439,162	482,380	439,162	1,119,534
<b>Total revenues</b>	<b>65,748,797</b>	<b>66,850,991</b>	<b>11,827,756</b>	<b>14,617,537</b>	<b>77,576,553</b>	<b>81,468,528</b>
<b>Expenses:</b>						
General government	7,997,483	7,132,556	-	-	7,997,483	7,132,556
Public Safety	17,584,552	25,331,288	-	-	17,584,552	25,331,288
Economic and physical development	4,684,001	2,770,173	-	-	4,684,001	2,770,173
Human services	14,643,693	14,338,168	-	-	14,643,693	14,338,168
Cultural and recreation	1,515,920	1,517,286	-	-	1,515,920	1,517,286
Environmental protection	101,174	409,397	-	-	101,174	409,397
Education	11,504,625	11,232,820	-	-	11,504,625	11,232,820
Interest on long-term debt	2,156,347	2,273,890	-	-	2,156,347	2,273,890
Airport	-	-	1,637,671	1,274,624	1,637,671	1,274,624
Water	-	-	2,718,092	3,907,398	2,718,092	3,907,398
Transportation/Solid Waste	-	-	4,748,734	4,992,615	4,748,734	4,992,615
<b>Total expenses</b>	<b>60,187,795</b>	<b>65,005,578</b>	<b>9,104,497</b>	<b>10,174,637</b>	<b>69,292,292</b>	<b>75,180,215</b>
Increase (decrease) in net position before transfers and special items	5,561,002	1,845,413	2,723,259	4,442,900	8,284,261	6,288,313
Transfers	(607,221)	(109,746)	607,221	109,746	-	-
Increase (decrease) in net position	4,953,781	1,735,667	3,330,480	4,552,646	8,284,261	6,288,313
Net position, beginning, previously reported	(30,054,915)	(31,790,582)	52,410,419	47,857,773	22,355,504	16,067,191
Restatement	-	-	-	-	-	-
Net position, beginning, restated	(30,054,915)	(31,790,582)	52,410,419	47,857,773	22,355,504	16,067,191
Net position, ending	<b>\$ (25,101,134)</b>	<b>\$ (30,054,915)</b>	<b>\$ 55,740,899</b>	<b>\$ 52,410,419</b>	<b>\$ 30,639,765</b>	<b>\$ 22,355,504</b>

**Governmental activities:** Governmental activities increased the County's net position by \$4,953,781.

**Business-type activities:** Business-type activities increased the County's net position by \$3,330,480.

## Financial Analysis of the County's Funds

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

**Governmental Funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Duplin 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 the County. At the end of the current fiscal year, the County's fund balance available in the General Fund was \$10,575,453 while total fund balance reached \$20,553,149. The County currently has an unassigned fund balance of 20% of GF expenditures while total fund balance represents 38% of the same amount.

At June 30, 2020, the governmental funds of the County reported a combined fund balance of \$32,736,747, a \$2,353,707 increase over last year.

### General Fund Budgetary Highlights:

During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

**Proprietary Funds:** The County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The total increase in net position was \$3,330,480.

### Capital Asset and Debt Administration

Capital assets. The Duplin County's investment in capital assets for its governmental and business-type activities as of June 30, 2020, totals \$79,614,839 (net of accumulated depreciation). These assets include land, buildings, automotive equipment, office and other equipment, and water and sewer lines.

Major capital assets transactions during the year include:

- 2020 Kenworth Daycab
- 3 2019 Starcraft Starlite
- 2019 Dodge Cgrand Caravan



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

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 2,476,331	\$ 2,476,331	\$ 1,272,297	\$ 1,272,297	\$ 3,748,628	\$ 3,748,628
Buildings	14,946,277	15,286,023	4,964,476	2,105,558	19,910,753	17,391,581
Plant and systems	-	-	40,436,443	41,652,955	40,436,443	41,652,955
Airport terminals and runways	-	-	10,634,100	11,401,588	10,634,100	11,401,588
Equipment	1,835,302	2,025,261	578,399	683,468	2,413,701	2,708,729
Vehicles	1,345,265	1,084,445	1,125,949	1,249,397	2,471,214	2,333,842
<b>Total</b>	<b>\$ 20,603,175</b>	<b>\$ 20,872,060</b>	<b>\$ 59,011,664</b>	<b>\$ 58,365,263</b>	<b>\$ 79,614,839</b>	<b>\$ 79,237,323</b>

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

**Long-Term Debt.** At the end of the current fiscal year, Duplin County had a total long-term debt of \$76,611,459.

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

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Limited obligation bonds	\$ 51,839,399	\$ 54,078,112	\$ 12,423,035	\$ 13,027,127	\$ 64,262,434	\$ 67,105,239
Notes Payable	9,115,515	9,309,758	3,233,510	3,470,529	12,349,025	12,780,287
<b>Total</b>	<b>\$ 60,954,914</b>	<b>\$ 63,387,870</b>	<b>\$ 15,656,545</b>	<b>\$ 16,497,656</b>	<b>\$ 76,611,459</b>	<b>\$ 79,885,526</b>

Duplin County's total governmental debt decreased by \$3,274,067 during the past fiscal year. This decrease is primarily due to current debt service payments.

Duplin County maintains an AA- bond rating from Standard and Poor's Corporation and was assigned an A+ long-term rating on the 2016 Series Limited-Obligation Bonds that were issued for County school facility enhancements. This bond rating is a clear indication of the sound financial condition of Duplin County.

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 Duplin County is \$ 304,532,030.

Additional information regarding Duplin County's long-term debt can be found in the Notes to the Financial Statements.

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

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

- Our population of 58,967 has grown over the past few years mainly due to the growth of the Hispanic population being permanently located in Duplin as compared to being a seasonal workforce.

### **Budget Highlights for the Fiscal Year Ending June 30, 2021**

#### **Governmental Activities**

The County approved an original \$58,716,771 general fund budget. This represents a slight increase over the original budget adopted for FY 2020 a increase over the final budget for FY 2020. The property rate for tax year FY 2021 remains at \$.735 per hundred dollar valuation.

#### **Business-type Activities**

The County has not increased its tipping fees in the solid waste fund. The water funds' rates remained at prior year amounts. The Transportation fund rate schedule for FY 2020-2021 remained at a flat rate fee per trip of \$8.00.

#### **Economic Forecast**

Duplin County's economy has historically been based on agriculture. According to the North Carolina Department of Agriculture's 2019 statistics, Duplin County ranks number 1 in the state in cash receipts from the sale of pork and poultry with total sales for all livestock and crops county wide of \$1.27 billion. Duplin County is also recognized as an important agricultural producer nationally. The 2017 U.S. Census of Agriculture ranks Duplin County 19th of 3,077 U.S. counties in market value of agricultural products sold; with 92% of the value generated by livestock sales.

Poultry production continues to expand in Duplin County. Following a 2018 fire that destroyed the House of Raeford's Wallace plant, the company announced plans to partner with the county and the state to invest \$30 million in a new processing plant thereby retaining 600 existing jobs and creating 600 new jobs over the next two years.

The Duplin County Economic Development Commission has identified 4 strategic markets as potential growth segments: Logistics and distribution, Alternative Energy Production, Food Processing and Defense.

A network of 6 primary highways intersects with I-40, the state's major east-west artery. The county has four-lane access to the region's population centers; deep water ports at Wilmington and Morehead City; and the military installations of Marine Corps Base Camp Lejeune, Fort Bragg, and Seymour Johnson Air Force Base.

The production of alternative clean energy is an emerging agribusiness growth opportunity for the county.

Manufacturing, including agricultural related food processing, is an important segment of the County's employment. Approximately 30% of the county's workforce is employed in agricultural related processing and manufacturing. Of the ten largest employers in the county, six are engaged in agricultural production, manufacturing or food processing.

**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 Duplin County Finance Office, PO Box 950, Kenansville, N.C. 28349.

## BASIC FINANCIAL STATEMENTS

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**Duplin County, North Carolina**  
**Statement of Net Position**  
**June 30, 2020**

	Primary Government			Component Unit Duplin County Tourism Development Authority
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 28,031,133	\$ 12,156,323	\$ 40,187,456	\$ 663,406
Restricted cash and cash equivalents	4,284,080	1,937,760	6,221,840	-
Accounts receivable, net	16,616,866	1,750,682	18,367,548	20,487
Inventories	208,097	46,231	254,328	-
	49,140,176	15,890,996	65,031,172	683,893
<b>Noncurrent assets:</b>				
Net pension asset	67,385	-	67,385	-
Capital assets:				
Land, non-depreciable improvements, and construction in progress	2,476,331	1,272,297	3,748,628	-
Other capital assets, net of depreciation	18,126,844	57,739,367	75,866,211	-
Total capital assets	20,603,175	59,011,664	79,614,839	-
Total assets	69,810,736	74,902,660	144,713,396	683,893
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	5,259,188	628,841	5,888,029	21,443
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	2,464,307	567,246	3,031,553	9,469
Advance from other governments	935,083	-	935,083	-
Customer deposits	-	502,641	502,641	-
Compensated absences payable	750,000	68,000	818,000	-
Notes payable current	202,255	212,825	415,080	-
Limited obligation bonds - current	1,935,000	600,000	2,535,000	-
Long term liabilities				
Compensated absences payable	491,313	74,926	566,239	-
Other post-employment benefit	21,982,014	1,973,974	23,955,988	-
Total pension liability - LEO	1,753,750	-	1,753,750	-
Notes payable	8,913,260	3,020,685	11,933,945	-
Limited obligation bonds	49,904,399	11,823,035	61,727,434	-
Net pension liability - LGERS	7,997,561	718,177	8,715,738	42,602
Total long-term liabilities	91,042,297	17,610,797	108,653,094	42,602
Total liabilities	97,328,942	19,561,509	116,890,451	52,071
<b>DEFERRED INFLOWS OF RESOURCES</b>	2,842,116	229,093	3,071,209	4,919
<b>NET POSITION</b>				
Net investment in capital assets	11,487,660	43,355,119	54,842,779	-
Restricted	-	1,937,760	1,937,760	20,487
Unrestricted	(36,588,794)	10,448,020	(26,140,774)	627,859
Total net position	\$ (25,101,134)	\$ 55,740,899	\$ 30,639,765	\$ 648,346

**Duplin County, North Carolina**  
**Statement of Activities**  
**For the Year Ended June 30, 2020**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Duplin County Tourism Development Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
<b>Primary government:</b>								
Governmental Activities:								
General government	\$ 7,997,483	\$ 1,882,101	\$ 363,343	\$ -	\$ (5,752,039)	\$ -	\$ (5,752,039)	
Public safety	17,584,552	4,116,654	641,288	-	(12,826,610)	-	(12,826,610)	
Environmental protection	101,174	119,616	51,166	-	69,608	-	69,608	
Economic and physical development	4,684,001	-	-	172,474	(4,511,527)	-	(4,511,527)	
Human services	14,643,693	990,376	6,879,616	-	(6,773,701)	-	(6,773,701)	
Cultural and recreational	1,515,920	-	-	-	(1,515,920)	-	(1,515,920)	
Education	11,504,625	1,588,083	-	-	(9,916,542)	-	(9,916,542)	
Interest on long-term debt	2,156,347	-	-	-	(2,156,347)	-	(2,156,347)	
Total governmental activities	<u>60,187,795</u>	<u>8,696,830</u>	<u>7,935,413</u>	<u>172,474</u>	<u>(43,383,078)</u>	<u>-</u>	<u>(43,383,078)</u>	
Business-type activities:								
Airport	1,637,671	447,391	2,495,735	-	-	1,305,455	1,305,455	
Water and sewer	2,718,092	3,794,623	-	-	-	1,076,531	1,076,531	
Solid waste	3,726,249	3,081,537	2,000	-	-	(642,712)	(642,712)	
Transportation	1,022,485	602,418	-	834,586	-	414,519	414,519	
Total business-type activities	<u>9,104,497</u>	<u>7,925,969</u>	<u>2,497,735</u>	<u>834,586</u>	<u>-</u>	<u>2,153,793</u>	<u>2,153,793</u>	
Total primary government	<u>\$ 69,292,292</u>	<u>\$ 16,622,799</u>	<u>\$ 10,433,148</u>	<u>\$ 1,007,060</u>	<u>\$ (43,383,078)</u>	<u>\$ 2,153,793</u>	<u>\$ (41,229,285)</u>	
Component units:								
Tourism development authority	\$ 190,883	-	-	-	-	-	-	(190,883)
General revenues:								
Taxes:								
Property taxes, levied for general purpose					34,439,548	-	34,439,548	-
Local option sales tax					12,214,749	-	12,214,749	-
Other taxes and licenses					1,813,276	130,304	1,943,580	229,180
Investment earnings, unrestricted					476,507	178,417	654,924	7,411
Miscellaneous, unrestricted					-	260,745	260,745	-
Transfers					(607,221)	607,221	-	-
Total general revenues, special items, and transfers					<u>48,336,859</u>	<u>1,176,687</u>	<u>49,513,546</u>	<u>236,591</u>
Change in net position					4,953,781	3,330,480	8,284,261	45,708
Net position, beginning					(30,054,915)	52,410,419	22,355,504	602,638
Net position, ending					<u>\$ (25,101,134)</u>	<u>\$ 55,740,899</u>	<u>\$ 30,639,765</u>	<u>\$ 648,346</u>

**Duplin County, North Carolina**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2020**

	Major			NonMajor	Total Governmental Funds
	General Fund	Capital Project Fund	Debt Service Fund	Other Governmental Funds	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 256,080	\$ 120,007	\$ -	\$ 6,231,092	\$ 6,607,179
Restricted cash	-	-	31,460	4,252,620	4,284,080
Investments	19,999,435	-	609,197	-	20,608,632
Taxes receivable, net	1,530,453	-	-	51,823	1,582,276
Due from other governments	272,659	-	-	-	272,659
Inventories	208,097	-	-	-	208,097
Accounts receivable, net	12,415,559	-	-	2,183,850	14,599,409
Total assets	<u>\$ 34,682,283</u>	<u>\$ 120,007</u>	<u>\$ 640,657</u>	<u>\$ 12,719,385</u>	<u>\$ 48,162,332</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued liabilities	1,629,807	-	1,250	319,134	1,950,191
Total liabilities	<u>1,629,807</u>	<u>-</u>	<u>1,250</u>	<u>319,134</u>	<u>1,950,191</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	9,856,861	-	-	923,620	10,780,481
Property taxes receivable	1,530,453	-	-	51,823	1,582,276
Prepaid taxes	176,930	-	-	624	177,554
Advance from other governments	935,083	-	-	-	935,083
Total deferred inflows of resources	<u>12,499,327</u>	<u>-</u>	<u>-</u>	<u>976,067</u>	<u>13,475,394</u>
Fund balances:					
Nonspendable - inventory	208,097	-	-	-	208,097
Restricted:					
Stabilization by State Statute	2,831,357	-	-	2,183,850	5,015,207
Register of Deeds	-	-	-	14,537	14,537
Federally seized assets	75,424	-	-	-	75,424
Grants and projects	547,642	-	-	-	547,642
Health	551,039	-	-	-	551,039
Sheriff	69,364	-	-	-	69,364
Daycare	-	-	-	-	-
Economic development	16,319	-	-	-	16,319
Inspections	208,674	-	-	-	208,674
Events Center	24,074	-	-	-	24,074
Schools	-	-	-	7,545,211	7,545,211
E-911	-	-	-	479,232	479,232
Committed:					
Capital improvements	2,440,952	-	-	3,190	2,444,142
Debt service	-	-	639,407	-	639,407
Economic development	-	-	-	578,700	578,700
Tax revaluation	-	-	-	738,956	738,956
Various programs	-	120,007	-	196,118	316,125
Assigned:					
Subsequent year's expenditures	3,004,754	-	-	-	3,004,754
Unassigned:	10,575,453	-	-	(315,610)	10,259,843
Total fund balances	<u>20,553,149</u>	<u>120,007</u>	<u>639,407</u>	<u>11,424,184</u>	<u>32,736,747</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 34,682,283</u>	<u>\$ 120,007</u>	<u>\$ 640,657</u>	<u>\$ 12,719,385</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	20,603,175
Net pension asset - Register of Deeds	67,385
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position	5,259,188
Internal service fund net assets that primarily support governmental activities	691,068
Deferred inflows of resources for taxes and special assessments receivable	12,362,757
OPEB and Pension related deferrals	(2,664,562)
General obligation bonds payable	(51,839,399)
Notes payable	(9,115,515)
Compensated absences	(1,241,313)
Other postemployment benefit obligation	(21,982,014)
Net pension liability - LEO	(1,753,750)
Net pension liability - LGERS	(7,997,561)
Accrued interest	(227,340)
Net position of governmental activities	<u>\$ (25,101,134)</u>

**Duplin County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

	Major			NonMajor	Total Governmental Funds
	General Fund	Capital Project Fund	Debt Service Fund	Other Governmental Funds	
<b>REVENUES</b>					
Ad valorem taxes	\$ 32,887,015	\$ -	\$ -	\$ 1,155,308	\$ 34,042,323
Local option sales taxes	7,982,734	-	-	4,232,015	12,214,749
Other taxes and licenses	131,141	-	-	-	131,141
Unrestricted intergovernmental	1,311,351	-	-	-	1,311,351
Restricted intergovernmental	10,213,739	664,169	-	1,027,192	11,905,100
Sales and services	4,580,086	-	-	-	4,580,086
Investment earnings	285,045	-	-	191,461	476,506
Miscellaneous	425,311	-	-	820,877	1,246,188
Total revenues	<u>57,816,422</u>	<u>664,169</u>	<u>-</u>	<u>7,426,853</u>	<u>65,907,444</u>
<b>EXPENDITURES</b>					
Current:					
General government	7,320,643	-	-	205,324	7,525,967
Public safety	16,737,315	-	-	2,951,178	19,688,493
Economic and physical development	3,147,329	-	-	843,346	3,990,675
Human services	13,898,225	-	-	26,510	13,924,735
Cultural and recreational	1,144,492	-	-	-	1,144,492
NCDAS Stream Cleanout	-	518,508	-	-	518,508
BFG Sewer DWI	-	24,718	-	-	24,718
Intergovernmental:					
Education	11,504,625	-	-	-	11,504,625
Debt service:					
Principal	-	-	2,086,392	-	2,086,392
Interest	-	-	2,536,661	-	2,536,661
Bond issuance cost	-	-	1,250	-	1,250
Total expenditures	<u>53,752,629</u>	<u>543,226</u>	<u>4,624,303</u>	<u>4,026,358</u>	<u>62,946,516</u>
Excess (deficiency) of revenues over expenditures	<u>4,063,793</u>	<u>120,943</u>	<u>(4,624,303)</u>	<u>3,400,495</u>	<u>2,960,928</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	-	355,664	4,630,302	(2,736,871)	2,249,095
Transfers to other funds	<u>(2,856,316)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,856,316)</u>
Total other financing sources and uses	<u>(2,856,316)</u>	<u>355,664</u>	<u>4,630,302</u>	<u>(2,736,871)</u>	<u>(607,221)</u>
Net change in fund balance	1,207,477	476,607	5,999	663,624	2,353,707
Fund balances-beginning	19,352,389	(356,600)	633,408	10,760,560	30,389,757
Increase in inventory	(6,717)	-	-	-	(6,717)
Fund balances-ending	<u>\$ 20,553,149</u>	<u>\$ 120,007</u>	<u>\$ 639,407</u>	<u>\$ 11,424,184</u>	<u>\$ 32,736,747</u>



**Duplin County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

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

Net changes in fund balance - total government funds	\$	2,353,707
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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 expense. This is the amount by which capital outlays exceeded depreciation in the current year.

Capital outlay expenditures which were capitalized.	1,300,020	
Depreciation expense for governmental assets.	<u>(1,568,905)</u>	(268,885)

Change in inventory	(6,717)
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Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	1,731,607
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Internal service fund operations that primarily support governmental activities.	(608,688)
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Revenues reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds - change in deferred inflows of resources for tax revenues.	3,199,513
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	(3,485,999)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net of these differences in the treatment of long-term debt and related items.	2,039,243
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Total changes in net position of governmental activities	<u><u>\$ 4,953,781</u></u>
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**Duplin County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the Year Ended June 30, 2020**

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Ad valorem taxes	\$ 32,079,557	\$ 32,079,557	\$ 32,887,015	\$ 807,458
Local option sales tax	7,232,188	7,232,188	7,982,734	750,546
Other taxes and licenses	103,000	103,000	131,141	28,141
Unrestricted intergovernmental revenues	63,800	63,800	1,311,351	1,247,551
Restricted intergovernmental revenues	8,568,021	10,855,173	10,213,739	(641,434)
Restricted grants	-	-	-	-
Permits and fees	489,020	489,020	579,181	90,161
Restricted Revenue	-	-	-	-
Sales and services	6,723,672	6,801,800	4,000,905	(2,800,895)
Investment earnings	100,000	100,000	265,763	165,763
Miscellaneous	250,603	251,358	425,311	173,953
Total revenues	<u>55,609,861</u>	<u>57,975,896</u>	<u>57,797,140</u>	<u>(178,756)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	7,884,658	7,922,946	7,320,643	602,303
Public safety	16,301,892	16,778,643	16,737,315	41,328
Economic and physical development	3,365,627	3,504,540	3,147,329	357,211
Human Services	15,863,279	15,770,379	13,898,225	1,872,154
Cultural and recreational	1,207,441	1,338,995	1,144,492	194,503
<b>Intergovernmental:</b>				
Education	11,579,320	11,815,150	11,504,625	310,525
Total expenditures	<u>56,202,217</u>	<u>57,130,653</u>	<u>53,752,629</u>	<u>3,378,024</u>
Revenues over (under) expenditures	(592,356)	845,243	4,044,511	3,199,268
<b>Other financing sources (Uses):</b>				
Sale of fixed assets	-	-	-	-
Transfers from (to) other funds	(3,333,505)	(3,683,505)	(3,614,435)	69,070
Contingency	-	-	-	-
Fund Balance Appropriated	3,925,861	2,838,262	-	(2,838,262)
Total other financing sources and uses	<u>592,356</u>	<u>(845,243)</u>	<u>(3,614,435)</u>	<u>(2,769,192)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	430,076	<u>\$ 430,076</u>
Fund Balances - Beginning			18,440,015	
Increase in inventory			(6,717)	
Fund Balances - Ending			<u>\$ 18,863,374</u>	
A legally budgeted Capital Reserve Fund is consolidated into the General Fund for reporting purposes:				
Interest Income			19,282	
Transfer-in			758,119	
Transfer out			-	
Expenditures			-	
Fund Balance, Beginning			912,374	
Fund Balance, Ending (Exhibit 4)			<u>\$ 20,553,149</u>	

**Duplin County, North Carolina**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**June 30, 2020**

	Major Enterprise Funds			Nonmajor		Internal Service Fund
	Airport Commission Fund	Water Fund	Solid Waste Fund	Transportation Development Plan Fund	Total	
<b>Assets</b>						
Current Assets:						
Cash and cash equivalents	\$ 60,190	\$ 9,257,487	\$ 1,418,820	\$ 1,419,826	\$ 12,156,323	\$ 815,322
Accounts receivable, net	47,419	726,172	780,948	196,143	1,750,682	162,522
Inventories	19,000	27,231	-	-	46,231	-
Restricted cash	302,352	502,641	1,132,767	-	1,937,760	-
Total Current Assets	<u>428,961</u>	<u>10,513,531</u>	<u>3,332,535</u>	<u>1,615,969</u>	<u>15,890,996</u>	<u>977,844</u>
Noncurrent assets:						
Capital assets:						
Land and non-depreciable assets	666,451	389,498	216,348	-	1,272,297	-
Other capital assets, net of depreciation	13,646,408	40,522,660	3,058,138	512,161	57,739,367	-
Capital assets (net)	<u>14,312,859</u>	<u>40,912,158</u>	<u>3,274,486</u>	<u>512,161</u>	<u>59,011,664</u>	<u>-</u>
Total noncurrent assets	<u>14,312,859</u>	<u>40,912,158</u>	<u>3,274,486</u>	<u>512,161</u>	<u>59,011,664</u>	<u>-</u>
Total Assets	<u>14,741,820</u>	<u>51,425,689</u>	<u>6,607,021</u>	<u>2,128,130</u>	<u>74,902,660</u>	<u>977,844</u>
Deferred Outflows of Resources	<u>35,070</u>	<u>302,635</u>	<u>199,843</u>	<u>91,293</u>	<u>628,841</u>	<u>-</u>
<b>Liabilities</b>						
Current Liabilities:						
Accounts payable & accrued liabilities	216,576	171,727	165,515	13,428	567,246	286,776
Customer deposits	-	502,641	-	-	502,641	-
Compensated absences	6,000	20,000	30,000	12,000	68,000	-
Notes payable current	-	212,825	-	-	212,825	-
Due to other funds	-	-	-	-	-	-
Due to County-GO Bonds-current	-	600,000	-	-	600,000	-
Total Current Liabilities	<u>222,576</u>	<u>1,507,193</u>	<u>195,515</u>	<u>25,428</u>	<u>1,950,712</u>	<u>286,776</u>
Noncurrent liabilities:						
Compensated absences	8,724	20,346	32,447	13,409	74,926	-
Other postemployment benefits	150,923	570,153	860,020	392,878	1,973,974	-
Notes payable - noncurrent	-	3,020,685	-	-	3,020,685	-
Due to County-GO Bonds	-	11,823,035	-	-	11,823,035	-
Net pension liability	54,909	207,435	312,895	142,938	718,177	-
Total noncurrent liabilities	<u>214,556</u>	<u>15,641,654</u>	<u>1,205,362</u>	<u>549,225</u>	<u>17,610,797</u>	<u>-</u>
Total Liabilities	<u>437,132</u>	<u>17,148,847</u>	<u>1,400,877</u>	<u>574,653</u>	<u>19,561,509</u>	<u>286,776</u>
Deferred Inflows of Resources	<u>17,516</u>	<u>66,170</u>	<u>99,811</u>	<u>45,596</u>	<u>229,093</u>	<u>-</u>
<b>Net Position</b>						
Net investment in capital assets	14,312,859	25,255,613	3,274,486	512,161	43,355,119	-
Restricted	302,352	502,641	1,132,767	-	1,937,760	691,068
Unrestricted	(292,969)	8,755,053	898,923	1,087,013	10,448,020	-
Total Net Position	<u>\$ 14,322,242</u>	<u>\$ 34,513,307</u>	<u>\$ 5,306,176</u>	<u>\$ 1,599,174</u>	<u>\$ 55,740,899</u>	<u>\$ 691,068</u>

**Duplin County, North Carolina**  
**Statement of Revenues and Expenditures and**  
**Changes in Fund Net Position**  
**Proprietary Funds**  
**For The Year Ended June 30, 2020**

	Major Enterprise Funds			Nonmajor	Total	Internal Service Fund
	Airport Commission Fund	Water Fund	Solid Waste Fund	Transportation Development Plan Fund		
Operating revenues:						
Water sales	\$ -	\$ 226,537	\$ -	\$ -	\$ 226,537	\$ -
Administration fees	-	2,595	-	-	2,595	-
Sales and rentals	428,012	-	-	-	428,012	-
Miscellaneous	16,667	46	-	-	16,713	-
Charges for Services	2,712	3,565,445	3,081,537	602,418	7,252,112	5,250,711
Total Operating Revenues	<u>447,391</u>	<u>3,794,623</u>	<u>3,081,537</u>	<u>602,418</u>	<u>7,925,969</u>	<u>5,250,711</u>
Operating expenses:						
Cost of operations	<u>1,637,671</u>	<u>2,194,013</u>	<u>3,726,249</u>	<u>1,022,485</u>	<u>8,580,418</u>	<u>6,624,162</u>
Total operating expenses	<u>1,637,671</u>	<u>2,194,013</u>	<u>3,726,249</u>	<u>1,022,485</u>	<u>8,580,418</u>	<u>6,624,162</u>
Total Operating Income (Loss)	<u>(1,190,280)</u>	<u>1,600,610</u>	<u>(644,712)</u>	<u>(420,067)</u>	<u>(654,449)</u>	<u>(1,373,451)</u>
Nonoperating Revenues(Expenses):						
Investment earnings	3,008	116,621	44,693	14,095	178,417	17,895
Federal and state grants	2,465,735	-	2,000	834,586	3,302,321	-
Disposal tax revenues	-	-	130,304	-	130,304	-
Interest expense	-	(524,079)	-	-	(524,079)	-
Gain (loss) on disposal of capital assets	-	-	28,593	83,615	112,208	-
COVID	30,000	-	-	-	30,000	-
Miscellaneous	125,284	6,361	8,225	8,667	148,537	-
Total Nonoperating Revenues (Expenses)	<u>2,624,027</u>	<u>(401,097)</u>	<u>213,815</u>	<u>940,963</u>	<u>3,377,708</u>	<u>17,895</u>
Transfers in	607,221	-	-	-	607,221	746,868
Transfers (out)	-	-	-	-	-	-
Total other financing sources and uses	<u>607,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>607,221</u>	<u>746,868</u>
Changes in net position	2,040,968	1,199,513	(430,897)	520,896	3,330,480	(608,688)
Net Position, beginning	<u>12,281,274</u>	<u>33,313,794</u>	<u>5,737,073</u>	<u>1,078,278</u>	<u>52,410,419</u>	<u>1,299,756</u>
Total net position, Ending	<u>\$ 14,322,242</u>	<u>\$ 34,513,307</u>	<u>\$ 5,306,176</u>	<u>\$ 1,599,174</u>	<u>\$ 55,740,899</u>	<u>\$ 691,068</u>

**Duplin County, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For The Year Ended June 30, 2020**

	Major Enterprise Funds			Nonmajor		Internal Service Fund
	Airport Commission Fund	Water Fund	Solid Waste Fund	Transportation Development Plan Fund	Total	
<b>Cash Flows From Operating Activities:</b>						
Cash Received from Customers/others	\$ 443,082	\$ 3,517,709	\$ 3,019,340	\$ 564,494	\$ 7,544,625	\$ 15,089,250
Cash paid to suppliers for goods and services	(677,534)	(790,755)	(3,022,580)	(924,937)	(5,415,806)	(17,231,080)
Cash paid to employees for services	(229,126)	(611,150)	(594,756)	-	(1,435,032)	-
Net cash provided by (used for) operating activities	<u>(463,578)</u>	<u>2,126,812</u>	<u>(592,641)</u>	<u>(360,443)</u>	<u>710,150</u>	<u>(1,437,755)</u>
<b>Cash Flows from (use by) capital and related financing activities:</b>						
Capital contributions	2,465,735	-	2,000	834,586	3,302,321	-
Proceeds from the sale of capital assets	-	-	28,593	83,615	112,208	-
Acquisition and construction of capital assets	(2,939,311)	(23,390)	(139,927)	(222,041)	(3,324,669)	-
Principal paid on bond maturities and note payable	-	(841,111)	-	-	(841,111)	-
Interest paid on bond maturities and notes payable	-	(506,181)	-	-	(506,181)	-
Interest income	3,008	116,621	44,693	14,095	178,417	17,895
Net cash flows provided (used) by capital financing activities	<u>(470,568)</u>	<u>(1,254,061)</u>	<u>(64,641)</u>	<u>710,255</u>	<u>(1,079,015)</u>	<u>17,895</u>
<b>Cash Flows from (used for) noncapital financing activities:</b>						
Miscellaneous	155,284	6,361	138,529	8,667	308,841	-
Transfers in/out (net)	607,221	-	-	-	607,221	746,868
Net cash flows provided (used) by noncapital financing activities	<u>762,505</u>	<u>6,361</u>	<u>138,529</u>	<u>8,667</u>	<u>916,062</u>	<u>746,868</u>
Net increase (decrease) in cash and cash equivalents	(171,641)	879,112	(518,753)	358,479	547,197	(672,992)
Cash and cash equivalents, beginning of year	534,183	\$ 8,881,016	\$ 3,070,340	\$ 1,061,347	\$ 13,546,886	\$ 1,555,864
Cash and cash equivalents, end of year	<u>\$ 362,542</u>	<u>\$ 9,760,128</u>	<u>\$ 2,551,587</u>	<u>\$ 1,419,826</u>	<u>\$ 14,094,083</u>	<u>\$ 882,872</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>						
Operating income (loss)	\$ (1,190,280)	\$ 1,600,610	\$ (644,712)	\$ (420,067)	\$ (654,449)	\$ (1,373,451)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Gain (Loss) on sale of capital assets	-	-	5,355	28,420	33,775	67,550
Depreciation expense	801,150	1,250,940	404,973	187,431	2,644,494	-
Changes in Assets and Liabilities:						
(Increase) decrease in accounts receivable	(4,309)	(302,450)	(62,197)	(37,924)	(406,880)	(122,305)
(Increase) decrease in inventory	160	9,408	-	-	9,568	-
Increase (decrease) in accounts payable and accrued liabilities	(85,187)	(543,044)	(401,708)	(163,226)	(1,193,165)	(9,549)
Increase (decrease) in deposits	-	25,536	-	-	25,536	-
Increase (decrease) in net pension liability	6,521	24,634	37,158	16,975	85,288	-
Increase (decrease) in OPEB liability	9,910	37,436	56,467	25,795	129,608	-
(Increase) decrease in deferred outflows of resources for pensions	2,433	31,041	13,864	6,334	53,672	-
Increase (decrease) in deferred inflows of resources for pensions	(2,168)	(8,192)	(12,357)	(5,645)	(28,362)	-
Increase (decrease) in accrued vacation pay	(1,808)	893	10,516	1,464	11,065	-
Net cash provided (used) by operating activities	<u>\$ (463,578)</u>	<u>\$ 2,126,812</u>	<u>\$ (592,641)</u>	<u>\$ (360,443)</u>	<u>\$ 710,150</u>	<u>\$ (1,437,755)</u>

**Duplin County, North Carolina**  
**Statement of Fiduciary Net Position**  
**June 30, 2020**

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	<u>Agency Funds</u>
<b>Assets</b>	
Cash and cash equivalents	217,538
Accounts receivable	729
Miscellaneous receivables	154,310
Due from other governments	-
Total assets	\$ <u><u>372,577</u></u>
 <b>Liabilities</b>	
Miscellaneous liabilities	210,796
Due to governmental units	161,781
Total liabilities	\$ <u><u>372,577</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

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DUPLIN COUNTY, NORTH CAROLINA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2020

I. Summary of Significant Accounting Policies

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

A. Reporting Entity

The County, which is governed by a five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally-separate entities for which the County is financially accountable. The Duplin County Water Districts (the "Districts"), which have a June 30th year-end, are presented as if they were a separate proprietary fund of the County (blended presentation). The Districts do not issue separate financial statements. Duplin County Industrial Facility and Pollution Control Financing Authority (the Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Duplin County Tourism Development Authority has elected not to issue separate financial statements, but to include all relevant information required by generally accepted accounting principles as supplementary information in the County's Comprehensive Annual Financial Report.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statement
Duplin County Water District	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District	None issued.
Duplin County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a six-member board of commissioners that is appointed by the County commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued.
Duplin County Tourism Development Authority	Discrete	The Authority exists to promote tourism within the county. The County commissioners appointed the original governing board of the Authority. All new members to the board are now nominated and selected by the Authority board, but subject to the approval of the County commissioners.	None issued.

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's net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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



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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, 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 Capital Reserve Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 they are consolidated in the General Fund.

*Capital Projects Fund* - This fund accounts for various capital projects undertaken by the County, including the capital improvements projects for the County school system.

*Debt Service Fund* - This fund accounts for cash reserves that are used to pay principal and interest for governmental activity type debt.

The County reports the following major enterprise funds:

*Water Fund* - This fund is used to account for the operations of the County water districts.

*Airport Commission Fund* - This fund is used to account for the operations of the County airport.

*Solid Waste Fund* - This fund is used to account for the operations of the County solid waste.

The County reports the following fund types:

*Agency Funds*: Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following agency funds: the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the County Agency Fund which accounts for monies deposited for various cooperative extension programs, sheriff execution monies collected from individuals and businesses; the Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed by the State and collected by the State and the County for various municipalities within the County but that are not revenues to the County; the Register of Deeds Fund which accounts for the \$5 of each fee collected by the register of deeds for registering a deed of trust or mortgage; and the Board of Education Fines and Forfeitures Fund which accounts for various legal fines and forfeitures required to be remitted to the Board of Education.

*Internal Service Fund* - This fund is used to account for the County's participation in the self-insured hospital insurance plan.

*Non-major Funds*: The Emergency Telephone System Fund, Automation Enhancement and Preservation Fund, Revaluation Fund, Community Development Revolving Loan Fund, School Planning Allocation Fund, Fire District Fund, CDBG 12-C-2494 Fund, CDBG 12-C-2414 Fund, CDBG 2015-I-Project Fund, and County Trust Fund, are reported as non-major special revenue funds. The Industrial Expansion Capital Project Fund, Capital Project School Fund, and Capital Project JSCC Fund are reported as a non-major capital project funds. The Transportation Development Plan Fund, and Solid Waste Fund are reported as non-major enterprise funds.

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

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

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

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

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2014 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 beer and wine 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.

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General, Special Revenue (excluding the Capital Reserve and Grant projects), and the Enterprise Funds. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the Capital Projects, Capital Reserve, Grant projects, and Enterprise Capital Project funds. The Enterprise Capital Project funds are consolidated with the enterprise operating funds for reporting purposes. All budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting system used to record transactions. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments by the board are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$10,000. The County manager may move up to \$10,000 between line items appropriations and must provide a list of such changes to the Board at the next meeting. The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget to cover that time until the annual ordinance can be adopted. A budget calendar is included in the North Carolina General Statutes, which prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

April 30	Each department head will transmit to the budget officer the departmental budget requests and revenue estimates for the budget year.
June 1	The budget and the budget message shall be submitted to the governing board. The public hearing on the budget should be scheduled at this time.
July 1	The budget ordinance shall be adopted by the governing board.

As required by State law [G.S. 159-26(d)], the County maintains encumbrance accounts, which are considered to be "budgetary accounts". Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in progress at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities.

E. Assets, Liabilities, Deferred Outflow/Inflows of Resources and Fund Equity

1. Deposits and Investments

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

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

The County's investments are carried at fair value. Non-participating interest earning investment contracts are accounted for at cost. The North Carolina Capital Management Trust (NCCMT), which consists of two SEC-registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P. The second fund, the Term Portfolio, is a short-term bond fund investing in treasuries, government agencies, and money market instruments allowed under G.S. 159-30. The Term Portfolio has no rating. Both the Government Portfolio and the Term Portfolios are reported at fair value.

2. Cash and Cash Equivalents

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

**3. Restricted Assets**

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. In the Solid Waste Fund, funds have been restricted to provide for future environmental contingencies. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Planning Allocation Fund is classified as restricted assets because its use is restricted to education by the North Carolina Public School Building Capital Fund. Restricted cash and cash equivalents consists of the following at June 30, 2020:

<b>Governmental Activities:</b>	
Revaluation	\$ 721,304
Debt Service Fund	31,460
School Planning Allocation Fund - Public School	3,531,316
Building Capital Fund	
Total governmental activities	<u>\$ 4,284,080</u>
<b>Business-Type Activities:</b>	
Water Fund:	
Customer Deposits	\$ 502,641
Airport Commission Fund	302,352
Solid Waste Fund - Environmental Contingencies	1,132,767
Total business-type activities	<u>\$ 1,937,760</u>
 Total restricted cash	 <u><u>\$ 6,221,840</u></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<sup>st</sup>, the beginning of the fiscal year. The taxes are due on September 1<sup>st</sup> (lien date); however, penalties and interest do not accrue until the following January 6<sup>th</sup>. These taxes are based on the assessed values as of January 1, 2019.

**5. Allowance for Doubtful Accounts**

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

**6. Inventories and Prepaid Items**

The inventories of the County are valued at average cost, which approximates market. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when purchased. The inventory of the County's enterprise funds consists of materials and supplies held for consumption or resale. The cost of the inventory carried in the County's enterprise funds is recorded as an expense as it is consumed or sold. Occasionally, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

7. 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. The County's minimum capitalization amount for capital assets is \$5,000. Certain items acquired before July 1, 1970, are recorded at an estimated historical cost. The total of such estimates is not considered large enough that errors would be material when the capital assets are considered as a whole. 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.

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

<u>Asset Class</u>	<u>Years</u>
Water plants and distribution systems	50
Airport terminals and runways	20 - 50
Building and improvements	20 - 50
Equipment	10
Vehicles	5

8. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion – a deferred loss on refunding of debt, pension related deferrals, and contributions made to the pension plan in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet the criterion for this category – taxes receivable, accounts receivable, and prepaid taxes, and other pension related deferrals.

9. Long-term Obligations

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

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

10. Compensated Absences

The vacation policy of the County and the Tourism Development Authority provides 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 sick leave policies of the County and Tourism Development Authority provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither entity has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

11. Interfund Transactions

Interfund services provided are accounted for as revenue or expenses in the government-wide financial statements since they would be treated as such if they involved organizations external to the County. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

12. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### 13. 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.

#### 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.

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

**Restricted Fund Balance** - This classification includes amounts 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 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 Grants/Projects - portion of fund balance that is restricted by revenue source to pay for grant related expenditures or remaining portion of projects in process.

Restricted for Register of Deeds - portion of fund balance restricted by State statute for automation enhancement (software) improvements.

Restricted for Federally Seized Assets - portion of fund balance that is restricted by revenue source to pay for public safety expenditures.

Restricted for Health - portion of fund balance that is restricted by revenue source for health services to citizens.

Restricted for Economic Development - portion of fund balance that is restricted by revenue source for economic and physical development activities.

Restricted for Sheriff - portion of fund balance that is restricted by revenue source for sheriff expenditures.

Restricted for Inspections - portion of fund balance that is restricted by revenue source for inspection expenditures.

Restricted for Event Center - portion of fund balance that is restricted by revenue source for event center expenditures.

Restricted for Schools - portion of fund balance that can only be used for School Capital per G.S. 159-18-22.

Restricted for E-911 - portion of fund balance that is restricted by revenue source for emergency services.

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

Restricted fund balance at June 30, 2020 is as follows:

<b>Purpose</b>	<b>General Fund</b>	<b>Other Governmental Funds</b>
<b>Restricted:</b>		
Stabilization by State Statute	\$ 2,831,357	\$ 2,183,850
Register of Deeds	-	14,537
School Capital	-	7,545,211
Human services	551,039	-
Economic development	588,035	-
Public safety	353,462	479,232
<b>Total</b>	<b>\$ 4,323,893</b>	<b>\$ 10,222,830</b>

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Duplin County’s governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for Economic Development – portion of fund balance in the Community Development Revolving Loan Fund that can only be used for economic development activities.

Committed for Capital Improvements – portion of fund balance that can only be used for capital improvements.

Committed for Debt Service - portion of fund balance committed by the Board to be used to service outstanding debt.

Committed for Various Programs - portion of fund balance committed by the Board to be used for various programs.

Committed for Tax Revaluation - portion of fund balance committed by the Board to be used for tax revaluation.

<b>Purpose</b>	<b>General Fund</b>	<b>Other Governmental Funds</b>
<b>Committed:</b>		
Various Programs	\$ 120,007	\$ 196,118
Tax Revaluation	-	738,956
Economic Development	-	578,700
Capital Improvements	2,440,952	3,190
Debt Service	-	639,407
<b>Total</b>	<b>\$ 2,560,959</b>	<b>\$ 2,156,371</b>

Assigned Fund Balance – portion of fund balance that the County intends to use for specific purposes.

Subsequent year’s expenditures - portion of fund balance that is appropriated in the next year’s budget that is not already classified in restricted or committed.

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

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

#### 14. Defined Benefit Pension Plans and OPEB Plans

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

15. Adoption of New Financial Accounting Standards

The following GASB Statements recently issued and adopted by the GASB impacted the Board's financial statements:

GASB Statement No. 77, Tax Abatement Disclosures ("GASB 77"), requires governments that enter into tax abatement agreements to disclose: (1) Brief descriptive information concerning the agreement; (2) The gross dollar amount of taxes abated during the period; and (3) Commitments made by government, other than to abate taxes, that are part of the tax abatement agreement. GASB 77 will be effective for fiscal years beginning after December 15, 2015. Currently, this new standard has minimal effect on the County's financial statements.

The County implemented GASB issued Statement No. 82 – Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) The classification of payments made by employers to satisfy employee (plan member) contribution requirements. The County has implemented this provision for the year ended June 30, 2018. The implementation of this statement had no effect on net position of the County.

The County implemented GASB issued Statement No. 80 – Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14. The objective of this Statement is to improve financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, determining whether certain organizations are component units.

In June 2015, the GASB issued Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. **The County is currently assessing the impact of GASB 84 on the financial statements for the year ending June 30, 2020.**

In March 2017, the GASB issued Statement No. 85 – Omnibus 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). **The County is currently assessing the impact of GASB 85 on the financial statements for the year ending June 30, 2020.**

In March 2016, the GASB issued Statement No. 81 – Irrevocable Split-Interest Agreements. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. **The County is currently assessing the impact of GASB 81 on the financial statements for the year ending June 30, 2020.**

Future Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83 – Certain Asset Retirement Obligations. This Statement will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs. The County is currently assessing the impact of GASB 83 on the financial statements for the year ending June 30, 2020.

In January 2017, the GASB issued Statement No. 84 – Fiduciary Activities. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The County is currently assessing the impact of GASB 84 on the financial statements for the year ending June 30, 2020.



In June 2017, the GASB issued Statement No. 87 – Leases which seeks to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational 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, thereby enhancing the relevance and consistency of information about governments' leasing activities. The County is currently assessing the impact of GASB 87 on the financial statements for the year ending June 30, 2021.

Reconciliation of Government-wide & 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 (\$57,837,881) consists of the following elements as follows:

<b>Description</b>	<b>Amount</b>
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 44,147,020
Less accumulated depreciation.	<u>(23,543,845)</u>
Net capital assets.	20,603,175
Internal service fund activities to benefit governmental activities	691,068
Net pension asset.	67,385
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position.	5,259,188
Deferred inflows of resources reported in the fund statements but not the government-wide. Unavailable taxes and accounts receivable, net.	12,362,757
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide. 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:	(2,664,562)
Long-term debts, including bonds and notes payable	(60,954,914)
Accrued interest payable	(227,340)
Net pension liability - LGERS	(7,997,561)
Net pension liability - LEOSSA	(1,753,750)
OPEB payable	(21,982,014)
Compensated absences	<u>(1,241,313)</u>
Total adjustment	<u>\$ (57,837,881)</u>

**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 assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$2,600,074 as follows:

<u>Description</u>	<u>Amount</u>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities	\$ 1,300,020
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the Statement of Activities but not in the fund statements	(1,568,905)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements	2,039,243
Change in inventory.	(6,717)
Internal service fund activities to benefit governmental activities	(608,688)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	1,731,607
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in fund statements	
Increase/Decrease in deferred inflows of resources- taxes receivable- at year end	
Taxes receivable	397,225
Unavailable revenues	2,802,288
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. This includes accrued interest payable, compensated absences, pension expense and OPEB.	<u>(3,485,999)</u>
Total adjustment	<u>\$ 2,600,074</u>

II. Stewardship, Compliance, and Accountability

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

Noncompliance with North Carolina General Statutes

None.

B. Deficit Fund Balance or Net Position of Individual Funds

None.

C. Excess of Expenditures over Appropriations

None.

III. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County and 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 or the 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 and 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 Tourism Development Authority, or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or 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 and Tourism Development Authority rely on the State Treasurer to monitor those financial institutions. The County and Tourism Development Authority analyze the financial soundness of any other financial institution used by the County or Tourism Development Authority. The County and Tourism Development Authority comply with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. Neither the County nor Tourism Development Authority has a policy regarding custodial credit risk for deposits.

At June 30, 2020 the carrying amount of the County’s deposits was \$ 6,757,695 and the bank balance was \$8,073,509 . Of the bank balance, \$250,000 was covered by federal depository insurance and the rest was covered by collateral held under the Pooling Method.

At June 30, 2020 the carrying amount of the Tourism Development Authority’s deposits was \$32,142 and the bank balance was \$32,228 . The entire bank balance was covered by federal depository insurance at June 30, 2020.

2. Investments

At June 30, 2020, the County’s investment balances consisted of \$39,651,601 held in the North Carolina Capital Management Cash Portfolio, which carried a credit rating of AAAM by Standard and Poor’s. The County’s investments in the North Carolina Capital Management Trust are exempt from risk categorization because the County does not own any identifiable securities in these mutual funds. The County has no policy regarding credit risk. These amounts are included within cash on the statement of net position.

At June 30, 2020, the Tourism Development Authority’s investments consisted of \$631,264 in the North Carolina Capital Management Trust’s Cash Portfolio, which carried a credit rating of AAAM by Standard and Poor’s. The Authority has no policy on credit risk. These amounts are included within cash on the statement of net position.

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

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

Year Levied	Tax	Interest	Total
2020	\$ 5,139,754	-	\$ 5,139,754
2019	5,124,020	29,463	5,153,483
2018	4,845,162	71,466	4,916,628
2017	4,845,162	115,073	4,960,235
Total	\$ 19,954,098	\$ 216,002	\$ 20,170,100

4. Receivables

Receivables at the government-wide level at June 30, 2020 were as follows:

	Accounts	Taxes & Related Accrued Interest	Due From Other Governments	Total
Governmental Activities:				
General	\$ 15,550,920	\$ 2,278,604	\$ 272,659	\$ 18,102,183
Other Governmental	2,183,850	51,823	-	2,235,673
Total Receivables	17,734,770	-	-	17,734,770
Allowance for Doubtful Accounts	(2,972,839)	(748,151)	-	(3,720,990)
Activities	<u>\$ 14,761,931</u>	<u>\$ 1,582,276</u>	<u>\$ 272,659</u>	<u>\$ 16,616,866</u>
Business-Type Activities:				
Airport	\$ 47,419	\$ -	\$ -	\$ 47,419
County Water Fund	805,379	-	-	805,379
Solid Waste Fund	780,948	-	-	780,948
Transportation	196,143	-	-	196,143
Allowance for Doubtful Accounts	(79,207)	-	-	(79,207)
Activities	<u>\$ 1,750,682</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,750,682</u>

The Tourism Development Authority's receivables are accounts receivable. Management expects all accounts receivable to be collected; therefore, no allowance for doubtful accounts has been recorded.

5. Capital Assets**Primary Government**

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balances July 1, 2019	Increases	Decreases	Adjustment	Ending Balances June 30, 2020
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 2,476,331	\$ -	\$ -	\$ -	\$ 2,476,331
Construction in Progress	-	-	-	-	-
Total capital assets not being depreciated	2,476,331	-	-	-	2,476,331
Capital assets being depreciated:					
Buildings	26,661,196	192,070	-	41,260	26,894,526
Equipment	8,688,908	297,242	-	-	8,986,150
Vehicles	5,847,424	769,448	(826,859)	-	5,790,013
Total capital assets being depreciated	41,197,528	1,258,760	(826,859)	41,260	41,670,689
Less accumulated depreciation for:					
Buildings	11,375,173	573,076	-	-	11,948,249
Equipment	6,663,647	487,201	-	-	7,150,848
Vehicles	4,762,979	508,628	(826,859)	-	4,444,748
Total accumulated depreciation	22,801,799	\$ 1,568,905	\$ (826,859)	\$ -	23,543,845
Total capital assets being depreciated, net	18,395,729				18,126,844
<b>Governmental activity capital assets, net</b>	<b>\$ 20,872,060</b>				<b>\$ 20,603,175</b>

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

General government	\$ 270,160
Public Safety	751,034
Human Services	190,340
Economic and physical development	131,369
Environmental protection	9,323
Cultural and Recreational	216,679
Total Depreciation Expense	<u>\$ 1,568,905</u>

	Beginning Balances	Increases	Decreases	Adjustment	Ending Balances
<b>Business-type Activities</b>					
<b>Water Fund</b>					
Capital assets not being depreciated:					
Land	\$ 389,498	\$ -	\$ -	\$ -	\$ 389,498
Construction in progress	-	-	-	-	-
Total capital assets not being depreciated	389,498	-	-	-	389,498
Capital assets being depreciated:					
Plant and systems	61,915,343	-	-	-	61,915,343
Equipment and furniture	130,289	-	-	-	130,289
Vehicles	247,770	23,390	-	-	271,160
Total capital assets being depreciated	62,293,402	23,390	-	-	62,316,792
Less accumulated depreciation for:					
Plant and systems	20,262,388	1,216,513	-	-	21,478,901
Equipment and furniture	118,518	1,457	-	-	119,975
Vehicles	162,286	32,970	-	-	195,256
Total accumulated depreciation	20,543,192	\$ 1,250,940	\$ -	\$ -	21,794,132
Total capital assets being depreciated, net	41,750,210				40,522,660
<b>Water Fund capital assets, net</b>	<b>\$ 42,139,708</b>				<b>\$ 40,912,158</b>

	Beginning Balances	Increases	Decreases	Adjustment	Ending Balance
Business-type Activities					
<b>Transportation Activities</b>					
Capital assets being depreciated:					
Equipment and furniture	\$ 46,970	\$ -	\$ -	\$ -	\$ 46,970
Vehicles	1,015,410	222,041	(444,893)	-	792,558
Total capital assets being depreciated	1,062,380	222,041	(444,893)	-	839,528
Less accumulated depreciation for:					
Equipment and furniture	19,960	2,947	-	-	22,907
Vehicles	536,449	184,484	(416,473)	-	304,460
Total accumulated depreciation	556,409	\$ 187,431	\$ (416,473)	\$ -	327,367
<b>Transportation activities capital assets, net</b>	<b>\$ 505,971</b>				<b>\$ 512,161</b>

	Beginning Balances	Increases	Decreases	Adjustment	Ending Balances
Business-type Activities					
<b>Airport Activities</b>					
Capital assets not being depreciated:					
Land	\$ 666,451	\$ -	\$ -	\$ -	\$ 666,451
Construction in progress	-	-	-	-	-
Total capital assets not being depreciated	666,451	-	-	-	666,451
Capital assets being depreciated:					
Building	-	2,939,311	-	-	2,939,311
Terminal and runways	20,775,818	-	-	-	20,775,818
Equipment and furniture	551,138	-	-	-	551,138
Vehicles	6,650	-	-	-	6,650
Total capital assets being depreciated	21,333,606	2,939,311	-	-	24,272,917
Less accumulated depreciation for:					
Building	-	16,379	-	-	16,379
Terminal and runways	9,374,230	767,488	-	-	10,141,718
Equipment and furniture	444,479	17,283	-	-	461,762
Vehicles	6,650	-	-	-	6,650
Total accumulated depreciation	9,825,359	801,150	-	-	10,626,509
Total capital assets being depreciated, net	11,508,247				13,646,408
<b>Airport Fund capital assets, net</b>	<b>\$ 12,174,698</b>				<b>\$ 14,312,859</b>

	Beginning Balances	Increases	Decreases	Adjustment	Ending Balances
Business-type Activities					
<b>Solid Waste Activities</b>					
Capital assets not being depreciated:					
Land	\$ 216,348	\$ -	\$ -	\$ -	\$ 216,348
Construction in progress	-	-	-	-	-
Total capital assets not being depreciated	216,348	-	-	-	216,348
Capital assets being depreciated:					
Buildings	3,554,423	-	-	-	3,554,423
Equipment and furniture	1,681,005	21,753	-	-	1,702,758
Vehicles	2,183,025	118,174	(5,355)	-	2,295,844
Total capital assets being depreciated	7,418,453	139,927	(5,355)	-	7,553,025
Less accumulated depreciation for:					
Buildings	1,448,865	64,014	-	-	1,512,879
Equipment and furniture	1,142,977	105,135	-	-	1,248,112
Vehicles	1,498,073	235,824	-	-	1,733,897
Total accumulated depreciation	4,089,915	\$ 404,973	\$ -	\$ -	4,494,888
Total capital assets being depreciated, net	3,328,538				3,058,137
<b>Solid Waste Fund capital assets, net</b>	<b>\$ 3,544,886</b>				<b>\$ 3,274,485</b>

**Net Investment in Capital Assets**

The total net investment in capital assets at June 30, 2020 is composed of the following elements:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Capital assets	\$ 20,603,175	\$ 59,011,663
Notes payable	(9,115,515)	(3,233,510)
Limited obligation bonds	-	(12,423,035)
Net investment in capital assets	<u>\$ 11,487,660</u>	<u>\$ 43,355,118</u>

**B. Liabilities****1. Payables**

Payables at the government-wide level at June 30, 2020, were as follows:

	<b>Vendors</b>	<b>Salaries and Benefits</b>	<b>Accrued Interest</b>	<b>Total</b>
<b>Governmental Activities:</b>				
General	\$ 1,468,091	\$ 763,058	\$ -	\$ 2,231,149
Other governmental	233,158	-	-	233,158
Total governmental activities	<u>\$ 1,701,249</u>	<u>\$ 763,058</u>	<u>\$ -</u>	<u>\$ 2,464,307</u>
<b>Business-Type Activities:</b>				
Airport	\$ 208,755	\$ 7,821	\$ -	\$ 216,576
County Water Fund	150,648	21,079	-	171,727
Solid Waste Fund	124,555	40,960	-	165,515
Transportation	738	12,690	-	13,428
Total business-type activities	<u>\$ 484,696</u>	<u>\$ 82,550</u>	<u>\$ -</u>	<u>\$ 567,246</u>

**3. Pension Plan and Other Post Employment Obligations****a. Local Governmental Employees' Retirement System**

*Plan Description.* Duplin 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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

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

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

*Contributions.* Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2020, was 9.70% of compensation for law enforcement officers and 9.04% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$1,867,488 for the year ended June 30, 2020.

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

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

At June 30, 2020, the County reported a liability of \$8,715,738 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 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, 2019, the County's proportion was 0.31915%, which was a decrease of 0.00461% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$3,821,726. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,492,355	\$ -
Changes of assumptions	1,420,521	-
Net difference between projected and actual earnings on pension plan investments	212,589	-
Changes in proportion and differences between County contributions and proportionate share of contributions	9,298	325,706
County contributions subsequent to the measurement date	1,867,488	-
Total	<u>\$ 5,002,251</u>	<u>\$ 325,706</u>



\$1,867,488 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30</b>	
2021	1,457,211
2022	371,997
2023	764,189
2024	215,660
2025	-
Thereafter	-
Total	<u>\$ 2,809,057</u>

At June 30, 2020 the TDA reported a liability of \$42,602 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The TDA's proportion of the net pension liability was based on a projection of the TDA's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2019, the TDA's proportion was 0.00156% which was a decrease of 0.00011% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the TDA recognized pension expense of \$19,848. At June 30, 2020, the TDA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,295	\$ -
Changes of assumptions	6,943	-
Net difference between projected and actual earnings on pension plan investments	1,039	-
Changes in proportion and differences between County contributions and proportionate share of contributions	1,741	4,919
County contributions subsequent to the measurement date	4,425	-
Total	<u>\$ 21,443</u>	<u>\$ 4,919</u>

\$4,425 reported as deferred outflows of resources related to pensions resulting from TDA contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30</b>	
2021	7,772
2022	774
2023	3,000
2024	553
2025	-
Thereafter	-
Total	<u>\$ 12,099</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2018 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	7.00 percent, net of pension plan investment expense, including inflation

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

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

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, 2020 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	<u>100%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

*Discount rate.* The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate.* The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 7.00 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<b>1 % Decrease (6.00%)</b>	<b>Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
County's proportionate share of the net pension liability (asset)	\$19,934,486	\$8,715,738	(\$609,315)
TDA's proportionate share of the net pension liability (asset)	\$97,439	\$42,602	(\$2,978)

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

b. Law Enforcement Officers Special Separation Allowance

(1) Plan Description

Duplin 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 0.85 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 the December 31, 2018, the Separation Allowance's membership consisted of:

Inactive Members Currently Receiving Benefits	8
Active members	66
Total Membership	<u>74</u>

(2) Summary of Significant Accounting Policies

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

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

(3) Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2018 valuation. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent per annum
Salary increases	1.0% per annum
Discount rate	2.79% per annum, compounded annually

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2019.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2014.

(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 benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The County paid \$113,761 as benefits came due for the reporting period.

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

At June 30, 2020, the County reported a total pension liability of \$1,753,750. The total pension liability was measured as of June 30, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the County recognized pension expense of \$141,508.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 43,712	\$ 52,299
Changes of assumptions and other inputs	96,851	57,858
Benefit payments and administrative expenses subsequent to the measurement date.	-	-
	\$ 140,563	\$ 110,157

\$0 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2021	2,529
2022	2,529
2023	7,207
2024	10,087
2025	8,054
Thereafter	-
	\$ 30,406

*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 3.26 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 (2.26 percent) or 1-percentage-point higher (4.26 percent) than the current rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total pension liability	\$ 1,903,845	\$ 1,753,750	\$ 1,617,338

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

	2020
Beginning balance	\$ 1,655,277
Service Cost	79,983
Interest on the total pension liability	58,182
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	20,669
Changes of assumptions or other inputs	53,400
Benefit payments	(113,761)
Other changes	-
Ending balance of the total pension liability	\$ 1,753,750

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 3.64 percent at June 30, 2019 to 3.26 percent at June 30, 2020.

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

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

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

c. Supplemental Retirement Income Plan for Law Enforcement Officers

*Plan Description.* Duplin 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 on the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR 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, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

*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, 2020 were \$267,758 which includes \$119,678 from the County and \$148,080 from the employees.

d. Deferred Compensation Plan

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

e. Register of Deeds' Supplemental Pension Fund

*Plan Description.* Duplin County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. ROSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

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

*Contributions.* Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$3,407 for the year ended June 30, 2020.

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

At June 30, 2020, the County reported an asset of \$67,385 for its proportionate share of the net pension asset. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability 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, 2019, the County's proportion was 0.34133%, which was a decrease of 0.02885% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$11,443. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 3,249
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	689	-
Changes in proportion and differences between County contributions and proportionate share of contributions	6,574	-
County contributions subsequent to the measurement date	3,407	-
Total	<u>\$ 10,670</u>	<u>\$ 3,249</u>

\$3,407 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year Ended June 30**

2021	1,374
2022	2,610
2023	1,360
2024	(1,330)
2025	-
Total	<u>\$ 4,014</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2018 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.

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

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, 2020 is 1.4%.

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

*Discount rate.* The discount rate used to measure the total pension liability was 3.75%. 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 3.75 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 (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	<b>1 % Decrease (2.75%)</b>	<b>Discount Rate (3.75%)</b>	<b>1% Increase (4.75%)</b>
County's proportionate share of the net pension liability (asset)	(\$4,540)	\$67,385	(\$5,053)

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

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

The net pension liability for LGERS and ROD was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of June 30, 2019, with an actuarial valuation date of December 31, 2018. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	<b>LGERS</b>	<b>ROD</b>	<b>LEOSSA</b>	<b>Total</b>
Proportionate Share of Net Pension Liability (Asset)	\$ 8,715,738	\$ (67,385)	\$ -	\$ 8,648,353
Proportion of the Net Pension Liability (Asset)	0.31915%	0.34133%	n/a	
Total Pension Liability	\$ -	\$ -	\$ 1,753,750	\$ 1,753,750
Pension Expense	\$ 3,821,726	\$ 11,443	\$ 141,508	\$ 3,974,677

As June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>		<u>ROD</u>		<u>LEOSSA</u>		<u>Total</u>
<b><u>Deferred Outflows of Resources</u></b>							
Differences between expected and actual experience	\$ 1,492,355	\$	-	\$	43,712	\$	1,536,067
Changes of assumptions	1,420,521		-		96,851		1,517,372
Net difference between projected and actual earnings on pension plan investments	212,589		689		-		213,278
Changes in proportion and differences between County contributions and proportionate share of contributions	9,298		6,574		-		15,872
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	1,867,488		3,407		-		1,870,895
<b><u>Deferred Inflows of Resources</u></b>							
Difference between expected and actual experience	\$ -	\$	3,249	\$	52,299	\$	55,548
Changes of assumptions	-		-		57,858		57,858
Changes in proportion and differences between County contributions and proportionate share of contributions	325,706		-		-		325,706

g. Other Post Employment Benefits

Healthcare Benefits

Plan Description - Under the terms of the County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). As of July 1, 2006, 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 twenty years of creditable service with the County. The County pays the full cost of coverage for these benefits through private insurers. The County Board may amend the benefit provisions. A separate report was not issued for the plan. If hired after January 8, 2013 no health benefits will be paid for retirees.

Membership of the HCB Plan consisted of the following at June 30, 2019 the date of latest actuarial valuation:

	General Employees	Law Enforcement Officers
Inactive Members or Beneficiaries Currently Receiving Benefits	125	8
Inactive Members Entitled To But Not Yet Receiving Benefits	-	-
Active Members	420	66
Total Membership	545	74

Funding Policy - The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Board. The County has chosen to fund the healthcare benefits on a pay as you go basis.

**Total OPEB Liability**

The County's total OPEB liability of \$23,955,988 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.50-7.75 percent, average, including inflation
Discount rate	3.50 percent
Healthcare cost trend rates	7.00% for 2019 decreasing to an ultimate rate of 4.50% by 2026



The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of the measurement date.

<b>Total OPEB Liability</b>	
<b>Balance at July 1, 2019</b>	\$ 22,383,088
<b>Changes for the year</b>	
Service cost	1,003,440
Interest	855,532
Changes of benefit terms	-
Differences between expected and actual experience	636,042
Changes in assumptions or other inputs	(134,625)
Benefit Payments	(787,489)
<b>Net changes</b>	<u>1,572,900</u>
<b>Balance at June 30, 2020</b>	<u>\$ 23,955,988</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.89% to 3.50%.

Mortality rates were based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 2010 through December 2014.

*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 (2.89 percent) or 1-percentage-point higher (3.50 percent) than the current discount rate:

	<b>1 % Decrease (2.50%)</b>	<b>Discount Rate (3.50%)</b>	<b>1% Increase (4.50%)</b>
Total OPEB Liability	\$28,034,114	\$23,955,988	\$20,716,138

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

	<b>1 % Decrease</b>	<b>Current</b>	<b>1% Increase</b>
Total OPEB Liability	\$20,318,089	\$23,955,988	\$28,660,692

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

For the year ended June 30, 2020, the County recognized OPEB expense of \$1,493,832. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 564,396	\$ 48,710
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	-
Changes of assumptions	-	2,405,833
County contributions subsequent to the measurement date	-	-
Total	<u>\$ 564,396</u>	<u>\$ 2,454,543</u>

\$0 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30</b>	
2021	(375,780)
2022	(375,780)
2023	(375,780)
2024	(375,780)
2025	(358,676)
Thereafter	(28,351)
Total	<u>\$ (1,890,147)</u>

**Deferred Outflows and Inflows of Resources**

	Deferred Outflows of Resources	Deferred Inflows of Resources
(Pensions, OPEB) - difference between expected and actual experience	\$ 2,100,463	\$ 104,258
(Pensions, OPEB) - Net difference between projected and actual investment earnings	213,278	-
(Pensions) - change in proportion and difference between employer contributions and proportionate share of contributions	15,872	325,706
(Pensions, OPEB) - change in assumptions	1,517,372	2,463,691
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	1,870,895	-
Deferred loss on refunding	170,149	
Prepaid taxes not yet earned (General)	-	176,930
Prepaid taxes not yet earned (Special Revenue)	-	624
Taxes receivable, net, less penalties (General)	-	1,530,453
Taxes receivable, net, less penalties (Special Revenue)	-	51,823
Total	<u>\$ 5,888,029</u>	<u>\$ 4,653,485</u>

**h. Other Employment Benefits**

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

**4. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The County obtains property insurance coverage and general liability coverage for these risks through commercial carriers. The County also obtains health insurance for County employees through a self-insured plan. Based on past experience, management believes that the County's coverage's are sufficient.

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

The County carries commercial insurance for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims from these risks have not exceeded the total commercial insurance coverage in any of the last three fiscal years. The County does not carry flood insurance as there doesn't appear to be any exposure to County-owned properties.

**5. Contingent Liabilities**

At June 30, 2020, in the opinion of the County's management and the County attorney, there are no legal matters that will have a material adverse effect on the County's financial position.

6. Long-Term Obligations

All general obligation bonds serviced by the County's Water Districts are collateralized by the full faith, credit and taxing power of the County. Duplin County Water Districts issue general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in each individual Water District's Fund, are collateralized by the full faith, credit, and taxing power of the Districts. Principal and interest payments are appropriated when due. In the event of a default, the County agrees to pay the purchaser, on demand, interest on any and all amounts due and owing by the County under this agreement.

All of the 2012 Advance Refunding Bonds issued by the water districts (blended component unit) were sold to Duplin County. Due to the blended presentation of the water districts these bonds have been reclassified as Due from water districts – GO Bonds and Due to County – GO Bonds in the Statement of Fund Net Position (Exhibit 6). Subsequently, these balances, along with the associated investment earnings and interest expense have been eliminated in the government-wide financial statements (Exhibits 1 and 2)

In April, 2016, the County issued \$52,640,000 in Limited Obligation Bonds to finance various school improvement projects. The bonds were issued at a premium of \$7,874,251, which is being amortized over the term of the bonds.

The County's limited obligation bonds payable at June 30, 2020 are comprised of the following individual issues:

Limited obligation bonds serviced by the General Fund:

\$52,640,000 Limited Obligation Bonds, requiring annual payments ranging from \$1,775,000 due in 2017 up to \$3,875,000 in the final year of 2036. Interest is payable semiannually at rates ranging from 3-5% through the life of the debt issue.	\$ 45,540,000
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Limited obligation bonds serviced by the Water Districts:

Water District B - \$1,920,000 2012 Advance Refunding Bonds due in annual principal installments ranging from \$70,000 to \$100,000 plus semi-annual interest payments through June 1, 2034; interest at 3.68 percent.	\$ 1,290,000
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Water District D - \$3,760,000 2012 Advance Refunding Bonds due in annual principal installments ranging from \$110,000 to \$185,000 plus semi-annual interest payments through June 1, 2037; interest at 3.98 percent.	2,805,000
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Water District E - \$3,595,000 2012 Advance Refunding Bonds due in annual principal installments ranging from \$95,000 to \$190,000 plus semi-annual interest payments through June 1, 2037; interest at 4.02 percent.	2,720,000
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Water District F - \$4,275,000 2012 Advance Refunding Bonds due in annual principal installments ranging from \$120,000 to \$205,000 plus semi-annual interest payments through June 1, 2037; interest at 3.97 percent.	3,175,000
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Water District G - \$2,840,000 2012 Advance Refunding Bonds due in annual principal installments ranging from \$80,000 to \$135,000 plus semi-annual interest payments through June 1, 2037; interest at 3.97 percent.	<u>2,115,000</u>
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Total general obligation bonds	<u><u>\$ 12,105,000</u></u>
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Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

Fiscal Year Ending June 30,	Governmental-type Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2021	1,935,000	2,059,444	600,000	489,288
2022	2,035,000	1,962,694	620,000	474,288
2023	2,135,000	1,860,944	645,000	449,488
2024	2,245,000	1,754,194	675,000	423,688
2025	2,355,000	1,641,944	690,000	403,438
2026-2030	13,660,000	6,321,220	3,725,000	1,646,267
2031-2035	17,300,000	2,689,670	3,790,000	847,250
2036-2040	3,875,000	121,094	1,360,000	130,500
	<u>45,540,000</u>	<u>\$ 18,411,204</u>	<u>12,105,000</u>	<u>\$ 4,864,207</u>

Unamortized premiums on general obligation bonds	6,299,399	318,035
	<u>\$ 51,839,399</u>	<u>\$ 12,423,035</u>

As of June 30, 2020, Duplin County had a legal debt margin of \$304,532,030.

**b. Notes Payable**

As authorized by state law [G.S. 160A-20 and 153A-158.1], the County has financed various property acquisitions and improvements through notes payable with the United States Department of Agriculture and the North Carolina Department of Environment and Natural Resources. The County's notes payable at June 30, 2020 are comprised of the following individual notes:

Serviced by the County's General Fund:

\$11,000,000 2005 United States Department of Agriculture Loan to finance the construction of the Duplin County Events Center; due in annual installments of \$578,270 including interest through 2045; interest at 4.125 percent.	<u>\$ 9,115,515</u>
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Serviced by the County's Water Districts:

Albertson Water Fund - \$368,110 2001 North Carolina Clean Water Revolving Loan to finance water system improvements; due in annual installments of \$18,406 plus interest through 2023; interest at 2.87 percent.	55,218
Water District D - \$463,507 2010 ARRA Revolving Loan to finance water system improvements; due in annual installments of \$23,170 through 2030; no stated interest rate.	231,700
Water District E - \$183,531 State Revolving Loan to finance water system improvements; due in annual installments of \$9,177 through 2034; no stated interest rate.	109,564
Water District F - \$2,349,157 State Revolving Loan to finance water system improvements; due in annual installments of \$117,421 through 2034; interest at 2.01 percent.	1,643,901
Water District G - \$202,554 State Revolving Loan to finance water system improvements; due in annual installments of \$8,899 through 2034; no stated interest rate.	124,586
Water Districts E and G - \$646,000 2014 United States Department of Agriculture Loan to finance the construction of a sewer system near Interstate 40; due in annual installments of \$29,852 including interest beginning in 2017 and ending in 2054; interest at 3.25 percent. Payments due in 2015 and 2016 are interest only.	608,827
Albertson - BF Grady Sewer - \$1,175,000 Revolving Loan to finance sewer system improvements; due in annual installments of \$58,750 through 2037; no stated interest rate. The principle forgiveness was given for this loan in 2019 in the amount of \$629,494.	459,714
Total business-type activities notes payable	<u>\$ 3,233,510</u>

For Duplin County, the following summarizes the annual requirements for notes payable, including interest of \$5,913,079 for governmental activities and \$706,694 for business-type activities:

Fiscal Year Ending June 30,	Governmental-type Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2021	202,255	376,015	212,825	54,418
2022	210,598	367,672	213,152	51,202
2023	219,285	358,985	213,490	47,976
2024	228,330	349,940	195,433	44,739
2025	237,749	340,521	890,124	232,220
2026-2030	1,344,197	1,547,151	993,387	113,072
2031-2035	1,645,277	1,246,073	165,132	65,254
2036-2040	2,013,789	877,561	98,574	50,686
2041-2045	2,464,843	426,507	115,667	33,593
2046-2050	549,192	22,654	135,726	13,534
	<u>\$ 9,115,515</u>	<u>\$ 5,913,079</u>	<u>\$ 3,233,510</u>	<u>\$ 706,694</u>

#### Advance Refunding

On July 12, 2012, the County issued \$16,861,772 in general obligation advance refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$16,593,300 of general obligation bonds in all of the County's water districts. As a result, the refunded bonds are considered to be deceased and the liability will be removed from the business-type activities column of the statement of net position beginning with the fiscal year that began on July 1, 2012. The reacquisition price exceeded the net carrying amount of the old debt by \$268,471. This amount is being netted against the new debt and amortized over the life of the refunded debt which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 25 years by \$3,137,797 and resulted in an economic gain of \$1,853,412.

#### Debt Related to Capital Activities

Of the total Governmental Activities debt listed, only \$9,115,515 relates to assets the County holds title.

#### c. Long-Term Obligation Activity

The following is a summary of the changes in the County's long-term obligations for the year ended June 30, 2020:

	Balance 6/30/2019	Increases	Decreases	Balance 6/30/2020	Current Portion
<b>Governmental Activities</b>					
Limited obligation bonds	\$ 54,078,112	\$ -	\$ (2,238,713)	\$ 51,839,399	\$ 1,935,000
Notes payable	9,309,758	-	(194,243)	9,115,515	202,255
Net pension liability (LGERS)	7,047,827	949,734	-	7,997,561	-
Other post-employment benefit	20,538,721	1,443,293	-	21,982,014	-
Compensated absences	1,164,984	-	76,329	1,241,313	750,000
LEO Special Separation Allowance	1,655,277	98,473	-	1,753,750	-
Total governmental activities	<u>\$ 93,794,679</u>	<u>\$ 2,491,500</u>	<u>\$ (2,356,627)</u>	<u>\$ 93,929,552</u>	<u>\$ 2,887,255</u>
<b>Business-like Activities</b>					
<b>Water Activities</b>					
Limited obligation bonds	\$ 13,027,127	\$ -	\$ (604,092)	\$ 12,423,035	\$ 600,000
Notes payable	3,470,529	-	(237,019)	3,233,510	212,825
Net pension liability (LGERS)	182,801	24,634	-	207,435	-
Other post-employment benefit	532,717	37,436	-	570,153	-
Compensated absences	39,453	893	-	40,346	20,000
Total water activities	<u>\$ 17,252,627</u>	<u>\$ 62,963</u>	<u>\$ (841,111)</u>	<u>\$ 16,474,479</u>	<u>\$ 832,825</u>

	Balance 6/30/2019	Increases	Decreases	Balance 6/30/2020	Current Portion
<b>Airport Activities</b>					
Net pension liability (LGERS)	\$ 48,388	\$ 6,521	\$ -	\$ 54,909	\$ -
Other post-employment benefit	141,013	9,910	-	150,923	-
Compensated absences	16,532	-	(1,808)	14,724	6,000
Total airport activities	\$ 205,933	\$ 16,431	\$ (1,808)	\$ 220,556	\$ 6,000
<b>Solid Waste Activities</b>					
Net pension liability (LGERS)	\$ 275,737	\$ 37,158	\$ -	\$ 312,895	\$ -
Other post-employment benefit	803,553	56,467	-	860,020	-
Compensated absences	51,931	10,516	-	62,447	30,000
Total solid waste activities	\$ 1,131,221	\$ 104,141	\$ -	\$ 1,235,362	\$ 30,000
<b>Transportation Waste Activities</b>					
Net pension liability (LGERS)	\$ 125,963	\$ 16,975	\$ -	\$ 142,938	\$ -
Other post-employment benefit	367,083	25,795	-	392,878	-
Compensated absences	23,945	1,464	-	25,409	12,000
Total transportation activities	\$ 516,991	\$ 44,234	\$ -	\$ 561,225	\$ 12,000
Total business-type activities	\$ 19,106,772	\$ 227,769	\$ (842,919)	\$ 18,491,622	\$ 880,825

Net pension liability, total pension liability, and net 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 leave time as it is earned.

d. Conduit Debt Obligations

Duplin County Industrial Facility and Pollution Control Financing Authority have issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses served by the bond issuance. The County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2020, there were no industrial revenue bonds outstanding.

IV. Interfund Balances and Activity

a. Transfers to/from Other Funds

Transfers in (out) for the year ended June 30, 2020 are summarized below:

<u>Fund</u>	<u>To</u>	<u>From</u>
From School reserve	\$ 355,644	
To Capital Project Fund		\$ 355,664
From General Fund	\$ 2,231,648	
To Debt Service Fund		2,231,648
From General Fund	\$ 758,119	
To Capital Reserve Fund		758,119
From Capital Projects Fund - School Fund	\$ 2,754,318	
To Debt Service Fund		2,754,318
From General Fund	\$ 17,447	
To Automation Preservation Fund		17,447
From General Fund	\$ 257,221	
To Airport Commission Fund		257,221
From General Fund	\$ 350,000	
To Airport Commission Fund Capital Project		\$ 350,000
<b>Total</b>	<b>\$ 6,724,397</b>	<b>\$ 6,724,417</b>

All of the above were for operating expenditures.

c. Fund Balance

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

<b>Total fund balance - General Fund</b>	<b>\$ 20,553,149</b>
<b>Less:</b>	
<b>Stabilization by State Statute</b>	2,831,357
<b>Nonspendable - inventory</b>	208,097
<b>Appropriated Fund Balance</b>	3,004,754
<b>Public Safety</b>	353,462
<b>Economic development</b>	3,028,987
<b>Human services</b>	551,039
<b>Remaining Fund Balance</b>	<b>\$ 10,575,453</b>

Duplin County had adopted a minimum fund balance policy for the General Fund which instructs management to conduct business of the County in such a manner that available fund balance is at least equal to or greater than 8% of budgeted expenditures.

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

<u>June 30</u>	<u>2020</u>
Encumbrances:	
General Fund	\$ -

V. Related Organization

The County's governing board is responsible for appointing the members of the board of the Industrial Revenue Bond Authority, but the County's accountability for this organization does not extend beyond making these appointments. The Authority exists to issue and service revenue bond debt for private business for economic development purposes. Its primary revenues are the payments to service the issued debt that are received from the businesses involved. The County is not responsible for the debt issued by the Authority and the Authority's debt is not included in determining the County's legal debt limit.

VI. Joint Ventures

The County in conjunction with several other counties participates in a joint venture to operate Eastpointe Human Services, a managed care organization. Each participating government appoints board members to Eastpointe's board. The County has an ongoing financial responsibility for the joint venture because Eastpointe's continued existence depends on the participating governments' continued funding. The County contributed \$224,474 to the joint venture during the year ended June 30, 2020. None of the participating governments have any equity interest in the joint venture, so no equity interest has been reflected in the County's financial statements at June 30, 2020. Complete financial statements for Eastpointe Human Services can be obtained from their office in Beulaville, North Carolina.

The County in conjunction with the State of North Carolina and the Duplin County Board of Education participates in a joint venture to operate James Sprunt Community College. Each of the three participants appoints four members of the thirteen member board of trustees of the community college. The president of the community college's student government serves as an ex officio non-voting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. 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 \$2,360,420 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2020. 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, 2020. Complete financial statements for the community college may be obtained from the community college's administrative offices at Highway 11 South, Kenansville, North Carolina.

VIII. Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

The County has received proceeds from 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.

IX. Significant Effects of Subsequent Events

There are no subsequent events that would have a material affect on the financial statements. Subsequent events have been analyzed through the date that the financial statements were available to be issued.



## REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

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Schedule of the Proportionate Share of the Net Pension Asset – Local Government Employees’ Retirement System

Schedule of Contributions – Local Government Employees’ Retirement System

Schedule of the Proportionate Share of the Net Pension Asset – Register of Deeds

Schedule of Contributions – Register of Deeds

Schedule of Changes in Total Pension Liability - Law Enforcement Officer’s Special Separation Allowance

Schedule of Total Pension Liability as a Percentage of Covered Payroll

Schedule of Changes in Net OPEB Liability and Related Ratios

**Duplin County, North Carolina**  
**Duplin County's Proportionate Share of Net Pension Liability (Asset)**  
**Required Supplementary Information**  
**Last Seven Fiscal Years\***

**Local Government Employees' Retirement System**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Board's proportion of the net pension liability (asset) (%)	0.31915%	0.32376%	0.35159%	0.35800%	0.33000%	0.3220%	0.3120%
Board's proportion of the net pension liability (asset) (\$)	\$ 8,715,738	\$ 7,680,694	\$ 5,371,321	\$ 7,591,805	\$ 1,479,764	\$ (1,899,277)	\$ 3,762,003
Board's covered-employee payroll	\$ 20,514,022	\$ 20,548,575	\$ 20,849,942	\$ 19,977,306	\$ 19,241,121	\$ 16,399,727	\$ 15,288,431
Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	42.49%	37.38%	25.76%	38.00%	7.69%	( 11.58%)	24.61%
Plan fiduciary net position as a percentage of the total pension liability**	92.00%	94.18%	91.47%	98.09%	98.79%	102.64%	94.35%

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

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

**Duplin County, North Carolina  
Duplin County's Contributions  
Required Supplementary Information  
Last Seven Fiscal Years**

**Local Government Employees' Retirement System**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,867,488	\$ 1,627,860	\$ 1,580,375	\$ 1,545,389	\$ 1,373,736	\$ 1,370,791	\$ 1,339,314
Contributions in relation to the contractually required contribution	1,867,488	1,627,860	1,580,375	1,545,389	1,373,736	1,370,791	1,339,314
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered-employee payroll	\$ 20,442,007	\$ 20,514,022	\$ 20,548,575	\$ 20,849,942	\$ 19,977,306	\$ 19,241,121	\$ 16,399,727
Contributions as a percentage of covered-employee payroll	9.14%	7.94%	7.69%	7.41%	6.88%	7.12%	8.17%

**Duplin County, North Carolina**  
**Duplin County's Proportionate Share of Net Pension Liability (Asset)**  
**Required Supplementary Information**  
**Last Seven Fiscal Years\***

**Registers of Deeds' Supplemental Pension Fund**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
County's proportion of the net pension liability (asset) (%)	0.34133%	0.37017%	0.39174%	0.42500%	0.41600%	0.4150%	-0.3870%
County's proportion of the net pension liability (asset) (\$)	\$ (67,385)	\$ (63,185)	\$ (66,866)	\$ (78,482)	\$ (96,367)	\$ (93,996)	\$ (82,685)
Plan fiduciary net position as a percentage of the total pension liability**	153.31%	153.77%	160.17%	197.29%	193.88%	190.50%	188.75%

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

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

**Duplin County, North Carolina  
Duplin County's Contributions  
Required Supplementary Information  
Last Seven Fiscal Years**

**Registers of Deeds' Supplemental Pension Fund**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,407	\$ 5,094	\$ 5,017	\$ 5,283	\$ 4,877	\$ 3,386	\$ 3,386
Contributions in relation to the contractually required contribution	3,407	5,094	5,017	5,283	4,877	3,386	3,386
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Duplin County, North Carolina**  
**Schedule of Changes in Total Pension Liability**  
**Law Enforcement Officers' Special Separation Allowance**  
**June 30, 2020**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Beginning balance	1,655,277	1,632,207	1,535,414	1,481,357
Service Cost	79,983	88,663	81,883	91,536
Interest on the total pension liability	58,182	50,150	58,401	52,010
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	20,669	41,175	(107,544)	-
Changes of assumptions or other inputs	53,400	(66,536)	108,923	(40,512)
Benefit payments	(113,761)	(90,382)	(44,870)	(48,977)
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 1,753,750</u>	<u>\$ 1,655,277</u>	<u>\$ 1,632,207</u>	<u>\$ 1,535,414</u>

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

**Duplin County, North Carolina**  
**Schedule of Total Pension Liability as a Percentage of Covered Payroll**  
**Law Enforcement Officers' Special Separation Allowance**  
**June 30 2020**

	<b>2020</b>		<b>2019</b>		<b>2018</b>		<b>2017</b>
Total pension liability	\$ 1,753,750	\$	1,655,277	\$	1,632,207	\$	1,535,414
Covered payroll	3,051,838		3,201,689		3,384,695		3,399,215
Total pension liability as a percentage of covered payroll	57.47%		51.70%		48.22%		45.17%

Notes to the schedules:

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

**Duplin County, North Carolina**  
**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
**Healthcare Benefits Plan**  
**For the Year Ended June 30, 2020\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 1,003,440	1,061,558	1,196,036
Interest	855,532	784,397	688,654
Changes of benefit terms	-	-	-
Differences between expected and actual experience	636,042	12,813	(78,293)
Changes of assumptions	(134,625)	(1,242,135)	(2,184,539)
Benefit payments	(787,489)	(529,718)	(406,111)
<b>Net change in total OPEB liability</b>	<u>1,572,900</u>	<u>86,915</u>	<u>(784,253)</u>
<b>Total OPEB liability - beginning</b>	<u>22,383,088</u>	<u>22,296,173</u>	<u>23,080,426</u>
<b>Total OPEB liability - ending</b>	<u>\$ 23,955,988</u>	<u>22,383,088</u>	<u>22,296,173</u>
County's covered-employee payroll	\$ 17,060,784	18,737,085	18,737,085
County's OPEB liability as a percentage of its covered-employee payroll	140.42%	119.46%	118.99%

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

**Notes to Schedule**

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

<u>Fiscal year</u>	<u>Rate</u>
2018	3.56%
2019	3.89%
2020	3.50%



## GENERAL FUND

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

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**Duplin County, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
June 30, 2020**

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Ad Valorem Taxes:			
Taxes	\$	\$ 32,536,981	\$
Penalties and Interest		350,034	
Total	<u>32,079,557</u>	<u>32,887,015</u>	<u>807,458</u>
Other Taxes and Licenses:			
Local option sales tax		7,982,734	
Other taxes and licenses		131,141	
Total	<u>7,335,188</u>	<u>8,113,875</u>	<u>778,687</u>
Unrestricted Intergovernmental:			
ABC profit distribution		41,284	
Video franchise tax		19,662	
Medicaid hold harmless distribution		1,250,405	
Total	<u>63,800</u>	<u>1,311,351</u>	<u>1,247,551</u>
Restricted Intergovernmental:			
State and Federal Grants		9,190,043	
COVID		367,561	
Other grants		520,807	
Court facilities fees		101,902	
Social services fraud collections		21,696	
Law Enforcement Reserve		11,730	
Total	<u>10,855,173</u>	<u>10,213,739</u>	<u>(641,434)</u>
Permits and Fees:			
Register of Deeds		202,695	
Permits and Inspection fees		376,486	
Total	<u>489,020</u>	<u>579,181</u>	<u>90,161</u>
Sales and Services:			
Rents and parking		109,823	
Sheriff and jail fees		388,675	
Event center revenue		96,700	
Other fees and services		1,106,029	
School resource officer		989,814	
Social services fees		51,093	
Health department fees		1,093,938	
Emergency medical service fees		164,833	
Total	<u>6,801,800</u>	<u>4,000,905</u>	<u>(2,800,895)</u>
Investment Earnings: Interest	<u>100,000</u>	<u>265,763</u>	<u>165,763</u>
Miscellaneous:			
Various contributions		27,001	
In-kind contributions		24,971	
Sale of fixed assets		53,808	
Other revenues		319,531	
Total	<u>251,358</u>	<u>425,311</u>	<u>173,953</u>
<b>TOTAL REVENUES</b>	<u><b>57,975,896</b></u>	<u><b>57,797,140</b></u>	<u><b>(178,756)</b></u>

**Duplin County, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
June 30, 2020**

	Final Budget	Actual	Variance Positive (Negative)
<b>Expenditures:</b>			
General Government:			
Governing body		281,877	
Finance		619,529	
Tax administration		1,274,968	
Management information systems		477,222	
County Manager		206,920	
Personnel		267,012	
Legal		56,384	
Register of deeds		311,608	
Elections		244,856	
Public buildings		656,981	
Non-departmental		1,657,114	
Central Supply		787,128	
Housekeeping		235,336	
Garage		243,708	
Total general government	<u>7,922,946</u>	<u>7,320,643</u>	<u>602,303</u>
Public Safety:			
Sheriff		4,081,382	
Court facilities		293,621	
Jury Commission		109	
Adult probation		1,845	
Mental health transportation		10,734	
Special separation allowance		104,407	
Fingerprinting		9,585	
Communications		1,448,454	
Special response team		12,254	
School resource officer		731,693	
Federally seized assets		57,273	
Jail		2,987,869	
Emergency management		207,279	
NC Communities Foundation Grant		5,819	
Jail annex - State prison facility		-	
SCAPP - 2016 H1734-NC-AP		12,065	
Emergency medical services		5,618,165	
Fire marshall		127,710	
Concealed Weapon		8,587	
Faison Substation		99,538	
Building inspections		282,655	
Medical examiner		42,050	
Animal control		381,287	
Third courtroom renovation		-	
JCPC		212,934	
Total	<u>16,778,643</u>	<u>16,737,315</u>	<u>41,328</u>
Economic and physical development:			
Economic Development		1,376,698	
Soil/water conservation		1,321,971	
Agricultural extension		18,509	
Cooperative extension prevention block grant		430,151	
Total	<u>3,504,540</u>	<u>3,147,329</u>	<u>357,211</u>
Human services:			
Health:			
Nutrition programs		505,326	
Environmental Health		426,761	
Administration		356,088	
COVID		369,805	
Immunizations		181,223	
Other health programs		2,216,966	
Total human services	<u>4,304,899</u>	<u>4,056,169</u>	<u>248,730</u>
Mental Health:			
Regional mental health		224,474	
Total	<u>224,474</u>	<u>224,474</u>	<u>-</u>

**Duplin County, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
June 30, 2020**

	Final Budget	Actual	Variance Positive (Negative)
Social services:			
Administration		6,444,349	
Temporary Assistance for Needy Families		737	
Medical assistance		76,803	
Child support enforcement		101,966	
Adult daycare		376,227	
Aging services		626,098	
Food assistance		368,527	
County wellness program		332,524	
Adoption assistance		115,156	
Human Services Grant		225,576	
Foster care		224,310	
Services to the blind		6,025	
Crisis intervention		402,754	
Other assistance		69,459	
Total social services	<u>10,995,781</u>	<u>9,370,511</u>	<u>1,625,270</u>
Bioterrorism	<u>39,992</u>	<u>40,056</u>	<u>(64)</u>
Veteran's Services	<u>205,233</u>	<u>207,015</u>	<u>(1,782)</u>
Total Human Services	<u>15,770,379</u>	<u>13,898,225</u>	<u>1,872,154</u>
Cultural and Recreational:			
Museum		118,193	
Recreation		441,116	
Library		585,183	
Total Cultural and Recreational	<u>1,338,995</u>	<u>1,144,492</u>	<u>194,503</u>
Education:			
Public Schools:			
Current Expense		8,968,900	
Capital outlay		175,305	
Community college		2,360,420	
Total Education	<u>11,815,150</u>	<u>11,504,625</u>	<u>310,525</u>
TOTAL EXPENDITURES	<u>57,130,653</u>	<u>53,752,629</u>	<u>3,378,024</u>
Revenues over Expenditures	<u>845,243</u>	<u>4,044,511</u>	<u>3,199,268</u>
Other financing sources (uses):			
Fund Balance Appropriated	2,838,262	-	(2,838,262)
Transfers (to)/from Other Funds:	<u>(3,683,505)</u>	<u>(3,614,435)</u>	<u>69,070</u>
Total Other Financing Sources (Uses)	<u>(845,243)</u>	<u>(3,614,435)</u>	<u>(2,769,192)</u>
Net change in fund balance	<u>\$ -</u>	<u>430,076</u>	<u>\$ 430,076</u>
Fund balances:			
Beginning of year, July 1		18,440,015	
Increase in inventory		<u>(6,717)</u>	
End of year, June 30		<u>\$ 18,863,374</u>	

**Duplin County, North Carolina**  
**Capital Reserve Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Non-GAAP)**  
**From Inception and For the Fiscal Year Ended June 30, 2020**

	Project Author - ization	Actual			Variance Favorable (Unfavorable)
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Investment earnings	\$ 30,842	\$ 197,825	\$ 19,282	\$ 217,107	\$ 186,265
Total revenues	<u>30,842</u>	<u>197,825</u>	<u>19,282</u>	<u>217,107</u>	<u>186,265</u>
<b>Expenditures:</b>					
Capital Reserve	751,178	20,175	-	20,175	731,003
Total expenditures	<u>751,178</u>	<u>20,175</u>	<u>-</u>	<u>20,175</u>	<u>731,003</u>
Revenues over expenditures	<u>(720,336)</u>	<u>177,650</u>	<u>19,282</u>	<u>196,932</u>	<u>917,268</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	755,633	764,504	758,119	1,509,297	753,664
Transfers to other funds	<u>(35,297)</u>	<u>(29,780)</u>	<u>-</u>	<u>(29,780)</u>	<u>5,517</u>
Total other financing sources	<u>720,336</u>	<u>734,724</u>	<u>758,119</u>	<u>1,479,517</u>	<u>759,181</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>912,374</u>	777,401	\$ <u>1,676,449</u>	\$ <u>1,676,449</u>
<b>Fund Balance:</b>					
Beginning of Year, July 1			<u>912,374</u>		
End of Year, June 30			<u>1,689,775</u>		

**Duplin County, North Carolina**  
**Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2020**

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
<b>Revenues:</b>					
Restricted intergovernmental					
Federal and state grants	\$ 5,947,021	\$ 2,424,339	\$ 664,169	\$ 3,088,508	\$ (2,858,513)
Sales tax refund	18,703	1,121,043	-	1,121,043	1,102,340
Total revenues	<u>5,965,724</u>	<u>3,545,382</u>	<u>664,169</u>	<u>4,209,551</u>	<u>(1,756,173)</u>
<b>Expenditures:</b>					
Education	62,261,411	62,158,679	-	62,158,679	102,732
NCDAS Stream Cleanout	3,790,724	968,853	518,508	1,487,361	2,303,363
NC Found of S&W	-	4,118	-	4,118	(4,118)
BFG Sewer DWI	2,244,814	1,646,421	24,718	1,671,139	573,675
Total expenditures	<u>68,296,949</u>	<u>64,778,071</u>	<u>543,226</u>	<u>65,321,297</u>	<u>2,975,652</u>
Revenues over expenditures	<u>(62,331,225)</u>	<u>(61,232,689)</u>	<u>120,943</u>	<u>(61,111,746)</u>	<u>1,219,479</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from debt issuance	60,514,251	60,514,251	-	60,514,251	-
Interest	-	190,511	-	190,511	190,511
Transfers from other funds	1,816,974	171,327	355,664	526,991	(1,289,983)
Total other financing sources	<u>62,331,225</u>	<u>60,876,089</u>	<u>355,664</u>	<u>61,231,753</u>	<u>(1,099,472)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (356,600)</u>	<u>\$ 476,607</u>	<u>\$ 120,007</u>	<u>\$ 120,007</u>
<b>Fund Balance:</b>					
Beginning of Year, July 1			<u>(356,600)</u>		
End of Year, June 30			<u>\$ 120,007</u>		

**Duplin County, North Carolina**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2020**

	Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,214,007	\$ 4,017,085	\$ 6,231,092
Restricted cash	4,252,620	-	4,252,620
Accounts receivable, net	1,398,712	785,138	2,183,850
Taxes receivable (net)	51,823	-	51,823
Due from other governments	-	-	-
	<u>7,917,162</u>	<u>4,802,223</u>	<u>12,719,385</u>
Total Assets	\$ <u>7,917,162</u>	\$ <u>4,802,223</u>	\$ <u>12,719,385</u>
<b>Liabilities and Fund Balances:</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ 319,134	\$ -	\$ 319,134
Due to other funds	-	-	-
Total liabilities	<u>319,134</u>	<u>-</u>	<u>319,134</u>
<b>Deferred Inflows of Resources</b>			
Total deferred inflows of resources	<u>976,067</u>	<u>-</u>	<u>976,067</u>
<b>Fund Balances:</b>			
Restricted			
Stabilization by State Statute	1,398,712	785,138	2,183,850
Register of Deeds	14,537	-	14,537
Tax revaluation and mapping	738,956	-	738,956
Emergency services	479,232	-	479,232
School Capital	3,531,316	4,013,895	7,545,211
Committed			
Capital improvements	-	3,190	3,190
Economic Development	578,700	-	578,700
Various Programs	196,118	-	196,118
Unassigned	<u>(315,610)</u>	<u>-</u>	<u>(315,610)</u>
Total fund balances	<u>6,621,961</u>	<u>4,802,223</u>	<u>11,424,184</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 7,917,162</u>	<u>\$ 4,802,223</u>	<u>\$ 12,719,385</u>

**Duplin County, North Carolina**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2020**

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Ad Valorem Taxes	\$ 1,155,308	\$ -	\$ 1,155,308
Local option sales tax	1,138,661	3,093,354	4,232,015
Restricted intergovernmental	1,027,192	-	1,027,192
Investment earnings	128,587	62,874	191,461
Other	820,877	-	820,877
Total revenues	<u>4,270,625</u>	<u>3,156,228</u>	<u>7,426,853</u>
<b>Expenditures:</b>			
General government	205,324	-	205,324
Public safety	2,951,178	-	2,951,178
Human services	26,510	-	26,510
Economic and physical development	-	843,346	843,346
Total Expenditures	<u>3,183,012</u>	<u>843,346</u>	<u>4,026,358</u>
Revenues Over (Under) Expenditures	<u>1,087,613</u>	<u>2,312,882</u>	<u>3,400,495</u>
<b>Other Financing Sources (Uses):</b>			
Transfers from (to) other sources	<u>17,447</u>	<u>(2,754,318)</u>	<u>(2,736,871)</u>
Total other financing sources (uses)	<u>17,447</u>	<u>(2,754,318)</u>	<u>(2,736,871)</u>
Net change in Fund Balance	1,105,060	(441,436)	663,624
<b>Fund balances:</b>			
Beginning of Year, July 1	<u>5,516,901</u>	<u>5,243,659</u>	<u>10,760,560</u>
End of year, June 30	<u>\$ 6,621,961</u>	<u>\$ 4,802,223</u>	<u>\$ 11,424,184</u>



## SPECIAL REVENUE FUNDS

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

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**Duplin County, North Carolina**  
**Nonmajor Governmental Funds - Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2020**

	School Planning Allocation Fund	Community Development Revolving Loan Fund	Revaluation Reserve Fund	Fire District Funds	Emergency Telephone System Fund	Automation Preservation Fund	County Trust Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>								
Cash and cash equivalents	\$ -	\$ 1,502,320	\$ 19,774	\$ -	\$ 481,016	\$ 14,620	\$ 196,277	\$ 2,214,007
Restricted cash	3,531,316	-	721,304	-	-	-	-	4,252,620
Accounts receivable, net	-	1,073,619	-	325,093	-	-	-	1,398,712
Taxes receivable (net)	-	-	-	51,823	-	-	-	51,823
Due from Component Units	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 3,531,316</b>	<b>\$ 2,575,939</b>	<b>\$ 741,078</b>	<b>\$ 376,916</b>	<b>481,016</b>	<b>\$ 14,620</b>	<b>\$ 196,277</b>	<b>\$ 7,917,162</b>
<b>Liabilities and Fund Balances:</b>								
<b>Current liabilities:</b>								
Accounts payable	\$ -	\$ -	\$ 2,122	\$ 314,986	1,784	\$ 83	\$ 159	\$ 319,134
Due to other funds	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>2,122</b>	<b>314,986</b>	<b>1,784</b>	<b>83</b>	<b>159</b>	<b>319,134</b>
<b>Deferred Inflows of Resources</b>								
Prepaid Taxes	-	-	-	624	-	-	-	624
Property taxes receivable	-	923,620	-	51,823	-	-	-	975,443
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>923,620</b>	<b>-</b>	<b>52,447</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>976,067</b>
<b>Fund Balances:</b>								
<b>Restricted</b>								
Stabilization by State Statute	-	1,073,619	-	325,093	-	-	-	1,398,712
Register of Deeds	-	-	-	-	-	14,537	-	14,537
Sheriff	-	-	-	-	-	-	-	-
Tax revaluation and mapping	-	-	738,956	-	-	-	-	738,956
Emergency services	-	-	-	-	479,232	-	-	479,232
School Capital	3,531,316	-	-	-	-	-	-	3,531,316
<b>Committed</b>								
Economic Development	-	578,700	-	-	-	-	-	578,700
Various Programs	-	-	-	-	-	-	196,118	196,118
Unassigned	-	-	-	(315,610)	-	-	-	(315,610)
<b>Total fund balances</b>	<b>3,531,316</b>	<b>1,652,319</b>	<b>738,956</b>	<b>9,483</b>	<b>479,232</b>	<b>14,537</b>	<b>196,118</b>	<b>6,621,961</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 3,531,316</b>	<b>\$ 2,575,939</b>	<b>\$ 741,078</b>	<b>\$ 376,916</b>	<b>481,016</b>	<b>\$ 14,620</b>	<b>\$ 196,277</b>	<b>\$ 7,917,162</b>

**Duplin County, North Carolina**  
**Nonmajor Governmental Funds - Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2020**

	School Planning Allocation Fund	Community Development Revolving Loan Fund	Revaluation Reserve Fund	Fire District Funds	Emergency Telephone System Fund	Automation Preservation Fund	County Trust Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>								
Ad Valorem Taxes	\$ -	\$ -	\$ 181,158	\$ 974,150	\$ -	\$ -	\$ -	\$ 1,155,308
Local option sales tax	-	-	-	1,138,661	-	-	-	1,138,661
Restricted intergovernmental	711,947	-	-	-	261,285	-	53,960	1,027,192
Charges for services	-	-	-	-	-	-	-	-
Investment earnings	67,778	44,033	8,998	-	5,589	139	2,050	128,587
Other	-	246,641	-	556,008	-	-	18,228	820,877
Total revenues	<u>779,725</u>	<u>290,674</u>	<u>190,156</u>	<u>2,668,819</u>	<u>266,874</u>	<u>139</u>	<u>74,238</u>	<u>4,270,625</u>
<b>Expenditures:</b>								
General government	-	-	189,265	-	-	16,059	-	205,324
Public safety	-	-	-	2,660,868	258,016	-	32,294	2,951,178
Human Services	-	-	-	-	-	-	26,510	26,510
Economic and community development	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal retirement	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>189,265</u>	<u>2,660,868</u>	<u>258,016</u>	<u>16,059</u>	<u>58,804</u>	<u>3,183,012</u>
Revenues Over (Under) Expenditures	<u>779,725</u>	<u>290,674</u>	<u>891</u>	<u>7,951</u>	<u>8,858</u>	<u>(15,920)</u>	<u>15,434</u>	<u>1,087,613</u>
<b>Other Financing Sources (Uses):</b>								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers from (to) other sources	-	-	-	-	-	17,447	-	17,447
Transfers from (to) CU	-	-	-	-	-	-	-	-
Transfers from (to) other sources	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,447</u>	<u>-</u>	<u>17,447</u>
Net change in Fund Balance	779,725	290,674	891	7,951	8,858	1,527	15,434	1,105,060
<b>Fund balances:</b>								
Beginning of Year, July 1	<u>2,751,591</u>	<u>1,361,645</u>	<u>738,065</u>	<u>1,532</u>	<u>470,374</u>	<u>13,010</u>	<u>180,684</u>	<u>5,516,901</u>
End of year, June 30	<u>\$ 3,531,316</u>	<u>\$ 1,652,319</u>	<u>\$ 738,956</u>	<u>\$ 9,483</u>	<u>\$ 479,232</u>	<u>\$ 14,537</u>	<u>\$ 196,118</u>	<u>\$ 6,621,961</u>

**Duplin County, North Carolina**  
**School Planning Allocation Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Restricted intergovernmental	\$	\$ 711,947	\$
Investment earnings		67,778	
Total Revenues	<u>800,000</u>	<u>779,725</u>	<u>(20,275)</u>
Expenditures:			
Public school building projects		-	
Total Expenditures	<u>800,000</u>	<u>-</u>	<u>800,000</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>779,725</u>	<u>779,725</u>
Other Financing Sources (Uses):			
Transfers in (out)		-	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	<u>-</u>	<u>779,725</u>	<u>779,725</u>
Fund Balance Appropriated	<u>-</u>	<u>-</u>	
Net change in fund balance	\$ <u><u>-</u></u>	779,725	\$ <u><u>779,725</u></u>
Fund Balance:			
Beginning of Year, July 1		<u>2,751,591</u>	
End of Year, June 30		\$ <u><u>3,531,316</u></u>	

**Duplin County, North Carolina**  
**Community Development Revolving Loan Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Loan/lease payments	\$	\$ 246,641	\$
Investment earnings		44,033	
Total Revenue	<u>300,000</u>	<u>290,674</u>	<u>(9,326)</u>
Expenditures			
Community development loans		-	
Total Expenditures	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>290,674</u>	<u>290,674</u>
Other Financing Sources (Uses):			
Transfers in		-	
Transfer in (out)		-	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>-</u>	<u>290,674</u>	<u>290,674</u>
Fund Balance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u><u>-</u></u>	290,674	\$ <u><u>290,674</u></u>
Fund Balance:			
Beginning of Year, July 1		<u>1,361,645</u>	
End of Year, June 30		<u><u>\$ 1,652,319</u></u>	

**Duplin County, North Carolina**  
**Revaluation Reserve Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Ad valorem taxes	\$	\$ 181,158	\$
Investment Earnings		8,998	
Total Revenue	<u>181,741</u>	<u>190,156</u>	<u>8,415</u>
Expenditures			
General government:			
Salaries and benefits		117,255	
Operating expenditures		49,094	
Capital outlay		22,917	
Total Expenditures	<u>220,274</u>	<u>189,266</u>	<u>31,008</u>
Revenues Over (Under) Expenditures	<u>(38,533)</u>	<u>890</u>	<u>39,423</u>
Other Financing Sources (Uses):			
Transfers in		-	
Transfer (out)		-	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(38,533)</u>	<u>890</u>	<u>39,423</u>
Fund Balance Appropriated	<u>38,533</u>	<u>-</u>	<u>(38,533)</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ 890	\$ <u><u>890</u></u>
Fund Balance:			
Beginning of Year, July 1		<u>738,065</u>	
End of Year, June 30		\$ <u><u>738,955</u></u>	

**Duplin County, North Carolina**  
**Fire District Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues</b>			
Ad valorem taxes	\$	\$ 974,150	\$
Local option sales taxes		1,138,661	1,138,661
Investment earnings		-	-
Other		556,008	
Total Revenue		<u>2,674,579</u>	<u>(5,760)</u>
<b>Expenditures</b>			
Commission to General Fund		-	
Collections		42,752	
Payment to State - motor vehicle collections		1,138,662	
Contracted services		1,479,455	
Total Expenditures		<u>2,674,579</u>	<u>13,710</u>
Revenues Over (Under) Expenditures	-	<u>7,950</u>	<u>7,950</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in		-	
Transfer in (out)		-	
Total Other Financing Sources (Uses)		<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	-	<u>7,950</u>	<u>7,950</u>
Fund Balance Appropriated		<u>-</u>	<u>-</u>
Net change in fund balance	\$	<u>7,950</u>	\$ <u>7,950</u>
<b>Fund Balance:</b>			
Beginning of Year, July 1		<u>1,532</u>	
End of Year, June 30		<u>\$ 9,482</u>	

**Duplin County, North Carolina**  
**Emergency Telephone System Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Restricted intergovernmental	\$	\$ 261,285	\$
Investment earnings		5,589	
Total Revenue	<u>169,175</u>	<u>266,874</u>	<u>97,699</u>
Expenditures			
Public Safety:			
Operating expenditures		258,016	
Miscellaneous expenditures		-	
Capital outlay		-	
Total Expenditures	<u>289,430</u>	<u>258,016</u>	<u>31,414</u>
Revenues Over (Under) Expenditures	<u>(120,255)</u>	<u>8,858</u>	<u>129,113</u>
Other Financing Sources (Uses):			
Transfers in			
Transfer in (out)			
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(120,255)	8,858	129,113
Fund Balance Appropriated	<u>120,255</u>	<u>-</u>	<u>(120,255)</u>
Net change in fund balance	\$ <u><u>-</u></u>	8,858	\$ <u><u>8,858</u></u>
Fund Balance:			
Beginning of Year, July 1		<u>470,374</u>	
End of Year, June 30		\$ <u><u>479,232</u></u>	



**Duplin County, North Carolina**  
**Automation Preservation Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Restricted intergovernmental	\$	\$	\$
Investment earnings		139	
Total Revenue	<u>-</u>	<u>139</u>	<u>139</u>
Expenditures			
General government			
Operating expenditures		16,059	
Total Expenditures	<u>30,727</u>	<u>16,059</u>	<u>14,668</u>
Revenues Over (Under) Expenditures	<u>(30,727)</u>	<u>(15,920)</u>	<u>14,807</u>
Other Financing Sources (Uses):			
Transfers in		17,447	
Transfer in (out)		-	
Total Other Financing Sources (Uses)	<u>19,000</u>	<u>17,447</u>	<u>(1,553)</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(11,727)	1,527	13,254
Fund Balance Appropriated	<u>11,727</u>	<u>-</u>	<u>(11,727)</u>
Net change in fund balance	\$ <u>-</u>	1,527	\$ <u>1,527</u>
Fund Balance:			
Beginning of Year, July 1		<u>13,010</u>	
End of Year, June 30		\$ <u>14,537</u>	

**Duplin County, North Carolina**  
**County Trust Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Restricted intergovernmental	\$	\$ 53,960	\$
Investment earnings		2,050	
Other income		18,228	
Total Revenue	<u>82,231</u>	<u>74,238</u>	<u>(7,993)</u>
Expenditures			
Public safety		32,294	
Human services		26,510	
Animal control		-	
Library programs		-	
Capital outlay		-	
Total Expenditures	<u>262,915</u>	<u>58,804</u>	<u>204,111</u>
Revenues Over (Under) Expenditures	<u>(180,684)</u>	<u>15,434</u>	<u>196,118</u>
Fund Balance Appropriated	<u>180,684</u>	<u>-</u>	<u>(180,684)</u>
Net change in fund balance	\$ <u><u>-</u></u>	15,434	<u><u>15,434</u></u>
Fund Balance:			
Beginning of Year, July 1		<u>180,684</u>	
End of Year, June 30		\$ <u><u>196,118</u></u>	

## CAPITAL PROJECTS FUNDS

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

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**Duplin County, North Carolina**  
**Nonmajor Governmental Funds - Capital Project Funds**  
**Combining Balance Sheet**  
**June 30, 2020**

	Capital Project Fund - School Fund	Industrial Expansion Capital Project Fund	Total
<b>Assets:</b>			
Cash and cash equivalents	\$ 4,013,895	\$ 3,190	\$ 4,017,085
Accounts receivable, net	785,138	-	785,138
Total Assets	<u>\$ 4,799,033</u>	<u>\$ 3,190</u>	<u>\$ 4,802,223</u>
<b>Liabilities and Fund Balances:</b>			
<b>Current liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ -
Due from other funds	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>			
Property taxes receivable	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>			
Restricted			
Stabilization by State Statute	785,138	-	785,138
Restricted for schools	4,013,895	-	4,013,895
Committed			
Capital improvements	-	3,190	3,190
Total fund balances	<u>4,799,033</u>	<u>3,190</u>	<u>4,802,223</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 4,799,033</u>	<u>\$ 3,190</u>	<u>\$ 4,802,223</u>

**Duplin County, North Carolina**  
**Nonmajor Governmental Funds - Capital Project Funds**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2020**

	Capital Projects Fund - School Fund	Industrial Expansion Capital Project Fund	Total
<b>Revenues:</b>			
Local option sales taxes	\$ 3,093,354	\$ -	\$ 3,093,354
Restricted intergovernmental	-	-	-
Investment earnings	62,835	39	62,874
Total revenues	<u>3,156,189</u>	<u>39</u>	<u>3,156,228</u>
<b>Expenditures:</b>			
Economic and community development	-	-	-
Education	843,346	-	843,346
Total Expenditures	<u>843,346</u>	<u>-</u>	<u>843,346</u>
Revenues Over (Under) Expenditures	<u>2,312,843</u>	<u>39</u>	<u>2,312,882</u>
<b>Other Financing Sources (Uses):</b>			
Transfers to/from other funds	<u>(2,754,318)</u>	-	<u>(2,754,318)</u>
Total other financing sources (uses)	<u>(2,754,318)</u>	<u>-</u>	<u>(2,754,318)</u>
Net change in Fund Balance	(441,475)	39	(441,436)
<b>Fund balances:</b>			
Beginning of Year, July 1	<u>5,240,508</u>	<u>3,151</u>	<u>5,243,659</u>
End of year, June 30	<u>\$ 4,799,033</u>	<u>\$ 3,190</u>	<u>\$ 4,802,223</u>

**Duplin County, North Carolina**  
**Capital Project Fund - School Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Local Option Sales Tax	\$	\$ 3,093,354	\$
Investment earnings		62,835	
Total Revenues	<u>2,269,000</u>	<u>3,156,189</u>	<u>887,189</u>
Expenditures:			
Education			
Capital outlay		843,346	
Total Expenditures	<u>854,312</u>	<u>843,346</u>	<u>10,966</u>
Revenues Over (Under) Expenditures	<u>1,414,688</u>	<u>2,312,843</u>	<u>898,155</u>
Other Financing Sources (Uses):			
Transfers in (out)		(2,754,318)	
Total Other Financing Sources (Uses)	<u>(2,341,760)</u>	<u>(2,754,318)</u>	<u>412,558</u>
Revenues and Other Financing Sources Over (Under) Uses	(927,072)	(441,475)	485,597
Fund Balance Appropriated	<u>927,072</u>	<u>-</u>	<u>(927,072)</u>
Net change in fund balance	\$ <u><u>-</u></u>	(441,475)	\$ <u><u>(441,475)</u></u>
Fund Balance:			
Beginning of Year, July 1		<u>5,240,508</u>	
End of Year, June 30		\$ <u><u>4,799,033</u></u>	

**Duplin County, North Carolina**  
**Industrial Expansion Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2020**

	Project Author - ization	Actual		Total to Date	Variance Favorable (Unfavorable)
		Prior Years	Current Year		
<b>Revenues:</b>					
Restricted intergovernmental	\$ 450,000	\$ 447,530	\$ -	\$ 447,530	\$ (2,470)
Investment Earnings	-	1,174	39	1,213	1,213
Total revenues	<u>450,000</u>	<u>448,704</u>	<u>39</u>	<u>448,743</u>	<u>(1,257)</u>
<b>Expenditures:</b>					
Economic and Physical Development	<u>460,477</u>	<u>456,030</u>	<u>-</u>	<u>456,030</u>	<u>4,447</u>
Total expenditures	<u>460,477</u>	<u>456,030</u>	<u>-</u>	<u>456,030</u>	<u>4,447</u>
Revenues over expenditures	<u>(10,477)</u>	<u>(7,326)</u>	<u>39</u>	<u>(7,287)</u>	<u>3,190</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	<u>10,477</u>	<u>10,477</u>	<u>-</u>	<u>10,477</u>	<u>-</u>
Total other financing sources	<u>10,477</u>	<u>10,477</u>	<u>-</u>	<u>10,477</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>3,151</u>	39	\$ <u>3,190</u>	\$ <u>3,190</u>
<b>Fund Balance:</b>					
Beginning of Year, July 1			<u>3,151</u>		
End of Year, June 30			<u>3,190</u>		

DEBT SERVICE FUND

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**Duplin County, North Carolina**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Favorable (Unfavorable)
	Final Budget	Actual	
Revenues			
Investment earnings	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Debt service			
Principal retirement		2,086,392	
Interest and fees		2,536,661	
Bond Issuance Costs		1,250	
Total expenditures	<u>4,714,818</u>	<u>4,624,303</u>	<u>(90,515)</u>
Revenues over (under) expenditures	(4,714,818)	(4,624,303)	90,515
Other Financing Sources and (Uses):			
Transfers from other funds		4,630,302	
Total Other Financing Sources (Uses)	<u>4,714,818</u>	<u>4,630,302</u>	<u>84,516</u>
Net change in fund balance	\$ -	5,999	\$ 5,999
Fund Balance:			
Beginning of Year, July 1		<u>633,408</u>	
End of Year, June 30		<u>\$ 639,407</u>	

## PROPRIETARY FUNDS

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

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**Duplin County, North Carolina**  
**Water Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Positive (Negative)
	Final Budget	Actual	
Revenues:			
Charges for services			
Water Sales	\$	\$ 4,209,245	\$
Water taps		153,466	
Administration fees		2,595	
Other operating revenues		46	
Total operating revenues	<u>3,863,057</u>	<u>4,365,352</u>	<u>502,295</u>
Nonoperating Revenues			
Federal and state grants		-	
Investment earnings		116,620	
Miscellaneous		6,361	
Total nonoperating revenues	<u>12,979</u>	<u>122,981</u>	<u>110,002</u>
Total Revenues	<u>3,876,036</u>	<u>4,488,333</u>	<u>612,297</u>
Expenditures:			
Administration expenditures:			
Salaries and employee benefits		611,150	
Other administration expenditures		731,972	
Capital Outlay		23,390	
Total administration expenditures	<u>2,034,043</u>	<u>1,366,512</u>	<u>667,531</u>
Operating expenditures:			
Repairs		110,932	
Other operating expenditures		-	
Total operating expenditures	<u>315,208</u>	<u>110,932</u>	<u>204,276</u>
Debt service:			
Principal retirements		841,111	
Interest and fees		506,181	
Total debt service	<u>1,441,182</u>	<u>1,347,292</u>	<u>93,890</u>
Total Expenditures	<u>3,790,433</u>	<u>2,824,736</u>	<u>965,697</u>
Revenues Over (Under) Expenditures	<u>85,603</u>	<u>1,663,597</u>	<u>1,577,994</u>
Other Financing Sources and (Uses):			
Transfers in/out	<u>(85,603)</u>	-	-
Total Other Financing Sources (Uses)	<u>(85,603)</u>	-	<u>85,603</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	1,663,597	1,663,597
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 1,663,597</u>	<u>\$ 1,663,597</u>

**Duplin County, North Carolina**  
**Water Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

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**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated	
Fund Balance Over (Under)	
Expenditures and Other Uses	\$ <u>1,663,597</u>
Reconciling items:	
Depreciation	(1,250,940)
Capital outlay	23,390
Debt payments	841,111
Amortization of premium on refunding bonds	19,092
Amortization of deferred loss on refunding bonds	(10,925)
(Increase) decrease in accrued vacation pay	(893)
Increase in other postemployment benefits	(37,436)
Decrease in net pension liability	(24,634)
Decrease in deferred outflows of resources - pension	(31,041)
Increase in deferred inflows of resources - pension	<u>8,192</u>
Total reconciling items	(464,084)
Change in net position	\$ <u><u>1,199,513</u></u>

**Duplin County, North Carolina**  
**Water Debt Service 2012 Limited Obligation Bond Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Positive (Negative)
	Final Budget	Actual	
Non-operating Revenues:			
Investment earnings	\$ 506,182	\$ 506,181	\$ (1)
Expenditures:			
Debt service:			
Principal retirements		585,000	
Interest and fees		506,181	
Total Expenditures	<u>1,091,182</u>	<u>1,091,181</u>	<u>1</u>
Revenues Over (Under) Expenditures	<u>(585,000)</u>	<u>(585,000)</u>	<u>-</u>
Other Financing Sources and (Uses):			
Principal received from water district GO bonds		585,000	
Total Other Financing Sources (Uses)	<u>585,000</u>	<u>585,000</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ <u>-</u>
Reconciling items:	
Principal received from water districts	(585,000)
Debt principal payment	585,000
Amortization of bond premium paid to water districts	(19,092)
Amortization of limited obligation bond premium	19,092
Decrease in accrued uninterest receivable	-
Decrease in accrued interest payable	-
Total reconciling items	<u>-</u>
Change in net position	<u>\$ -</u>

**Duplin County, North Carolina**  
**Transportation Development Plan Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Positive (Negative)
	Final Budget	Actual	
Revenues:			
Charges for services	\$ 634,241	\$ 602,418	\$ (31,823)
Nonoperating Revenues			
Investment earnings		14,095	
State Grants		834,586	
Miscellaneous		8,667	
Total nonoperating revenues	<u>659,978</u>	<u>857,348</u>	<u>197,370</u>
Total Revenues	<u>1,294,219</u>	<u>1,459,766</u>	<u>165,547</u>
Expenditures:			
Salaries and employee benefits		594,756	
Operating expenditures		191,658	
Capital outlay		222,041	
DOT Rural General Public Grant		-	
Workfirst transportation assistance		-	
Elderly/Disabled transportation assistance		-	
Total Expenditures	<u>1,314,219</u>	<u>1,008,455</u>	<u>305,764</u>
Revenues Over (Under) Expenditures	<u>(20,000)</u>	<u>451,311</u>	<u>471,311</u>
Other Financing Sources and (Uses):			
Proceeds from sale of capital assets		83,615	
Total Other Financing Sources (Uses)	<u>-</u>	<u>83,615</u>	<u>83,615</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	<u>(20,000)</u>	<u>534,926</u>	<u>554,926</u>
Appropriated Fund Balance	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 534,926</u>	<u>\$ 534,926</u>

**Duplin County, North Carolina**  
**Transportation Development Plan Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

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**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated	
Fund Balance Over (Under)	
Expenditures and Other Uses	\$ <u>534,926</u>
Reconciling items:	
Depreciation	(187,431)
Capital outlay	222,041
(Increase) decrease in accrued vacation pay	(5,181)
(Increase) Decrease in other postemployment benefits	(25,795)
(Increase) Decrease in net pension liability	(16,975)
Increase (Decrease) in deferred outflows of resources - pension	(6,334)
(Increase) Decrease in deferred inflows of resources - pension	<u>5,645</u>
Total reconciling items	<u>(14,030)</u>
Change in net position	\$ <u><u>520,896</u></u>

**Duplin County, North Carolina**  
**Airport Commission Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Positive (Negative)
	Final Budget	Actual	
Revenues:			
Operating revenues			
Sales and rentals	\$	\$ 444,679	\$
User fees		2,712	
Total operating revenues	<u>504,612</u>	<u>447,391</u>	<u>(57,221)</u>
Nonoperating Revenues			
Rental income		118,679	
COVID		30,000	
Investment earnings		2,987	
Miscellaneous		6,604	
Total nonoperating revenues	<u>161,046</u>	<u>158,270</u>	<u>(2,776)</u>
Total Revenues	<u>665,658</u>	<u>605,661</u>	<u>(59,997)</u>
Expenditures:			
Operating expenditures			
Salaries and employee benefits		227,318	
Purchases		302,837	
Other operating expenditures		308,123	
Total operating expenditures	<u>923,379</u>	<u>838,278</u>	<u>85,101</u>
Revenues Over (Under) Expenditures	<u>(257,721)</u>	<u>(232,617)</u>	<u>25,104</u>
Other Financing Sources and (Uses):			
Sale of capital assets		-	
Transfer from other funds		257,221	
Federal and state grants		-	
Total Other Financing Sources (Uses)	<u>257,721</u>	<u>257,221</u>	<u>(500)</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	<u>-</u>	<u>24,604</u>	<u>24,604</u>
Appropriated Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 24,604</u>	<u>\$ 24,604</u>



**Duplin County, North Carolina**  
**Airport Commission Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

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**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated	
Fund Balance Over (Under)	
Expenditures and Other Uses	\$ <u>24,604</u>
Reconciling items:	
Depreciation	(801,150)
(Increase) decrease in accrued vacation pay	1,808
Increase in other postemployment benefits	(9,910)
Grants revenue from capital project	2,482,402
Decrease in net pension liability	(6,521)
Transfers to capital project	350,000
Decrease in deferred outflows of resources - pension	(2,433)
Increase in deferred inflows of resources - pension	<u>2,168</u>
Total reconciling items	<u>2,016,364</u>
Change in net position	\$ <u><u>2,040,968</u></u>

**Duplin County, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Positive (Negative)
	Final Budget	Actual	
Revenues:			
Operating revenues			
Disposal fees	\$	\$ 1,540,232	\$
User fees		1,344,260	
Landfill fees		148,154	
Sale of recyclables		48,891	
Total operating revenues	<u>3,197,660</u>	<u>3,081,537</u>	<u>(116,123)</u>
Nonoperating Revenues			
Investment earnings		44,693	
Federal grants		2,000	
Disposal tax revenue		130,304	
Sale of Fixed Assets		28,593	
Miscellaneous		8,225	
Total nonoperating revenues	<u>192,905</u>	<u>213,815</u>	<u>20,910</u>
Total Revenues	<u>3,390,565</u>	<u>3,295,352</u>	<u>(95,213)</u>
Expenditures:			
Collections		403,623	
Disposals		2,678,935	
Tire Collection		106,172	
Capital outlay		139,927	
White goods		26,899	
Total expenditures	<u>3,606,969</u>	<u>3,355,556</u>	<u>251,413</u>
Revenues Over (Under) Expenditures	<u>(216,404)</u>	<u>(60,204)</u>	<u>156,200</u>
Appropriated Fund Balance	<u>216,404</u>	<u>-</u>	<u>(216,404)</u>
Revenues, Other Sources and Appropriated Fund Balance Over (Under)			
Expenditures and Other Uses	\$ <u>-</u>	\$ <u>(60,204)</u>	\$ <u>(60,204)</u>

**Duplin County, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2020**

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**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated	
Fund Balance Over (Under)	
Expenditures and Other Uses	\$ <u>(60,204)</u>
Reconciling items:	
Depreciation	(404,972)
Capital outlay	139,927
(Increase) decrease in accrued vacation pay	(10,516)
(Increase) Decrease in other postemployment benefits	(56,467)
(Increase) Decrease in net pension liability	(37,158)
Increase (Decrease) in deferred outflows of resources - pension	(13,864)
(Increase) Decrease in deferred inflows of resources - pension	<u>12,357</u>
Total reconciling items	<u>(370,693)</u>
Change in net position	\$ <u><u>(430,897)</u></u>

**Duplin County, North Carolina**  
**Airport Commission Capital Project Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Non-GAAP)**  
**From Inception and For the Fiscal Year Ended June 30, 2020**

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Favorable (Unfavorable)
<b>Revenues:</b>					
State grants	\$ 14,850,760	\$ 5,875,814	\$ 2,465,735	\$ 8,341,549	\$ (6,509,211)
Contributions	169,092	152,425	16,667	169,092	-
Investment earnings	-	302	21	323	323
Total revenues	<u>15,019,852</u>	<u>6,028,541</u>	<u>2,482,423</u>	<u>8,510,964</u>	<u>(6,508,888)</u>
<b>Expenditures:</b>					
Parking lot #36	382,920	373,114	-	373,114	9,806
State RW Wide/Overlay	5,496,409	5,315,097	-	5,315,097	181,312
State Grant Obstruction/Clearing	9,490,523	340,330	2,753,761	3,094,091	6,396,432
Total expenditures	<u>15,369,852</u>	<u>6,028,541</u>	<u>2,753,761</u>	<u>8,782,302</u>	<u>6,587,550</u>
Revenues over expenditures	<u>(350,000)</u>	<u>-</u>	<u>(271,338)</u>	<u>(271,338)</u>	<u>78,662</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Total other financing sources	<u>350,000</u>	<u>-</u>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	78,662	<u>\$ 78,662</u>	<u>\$ 78,662</u>
<b>Fund Balance:</b>					
Beginning of Year, July 1			-		
End of Year, June 30			<u>\$ 78,662</u>		

INTERNAL SERVICE FUND

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**Duplin County, North Carolina**  
**Hospital Insurance Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2020**

	2020		<b>Variance</b> Positive (Negative)
	Final Budget	Actual	
Revenues:			
Operating Revenues			
Charges for services	\$	\$ 5,250,711	\$
Total operating revenues	<u>6,676,000</u>	<u>5,250,711</u>	<u>(1,425,289)</u>
Nonoperating Revenues			
Interest on Investments		17,896	
Total nonoperating revenues	<u>-</u>	<u>17,896</u>	<u>17,896</u>
Total Revenues	<u>6,676,000</u>	<u>5,268,607</u>	<u>(1,407,393)</u>
Expenditures:			
Operating expenditures		6,624,162	
Total	<u>6,676,000</u>	<u>6,624,162</u>	<u>51,838</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(1,355,555)</u>	<u>(1,355,555)</u>
Other Financing Sources and (Uses):			
Transfer in (out)	<u>-</u>	<u>746,868</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>746,868</u>	<u>746,868</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	<u>-</u>	<u>(608,687)</u>	<u>(608,687)</u>
Fund Balance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(608,687)</u>	<u>\$ (608,687)</u>
Fund Balance:			
Beginning of Year, July 1		<u>1,299,454</u>	
End of Year, June 30		<u>\$ 690,767</u>	

## AGENCY FUNDS

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Agency funds are used to account for assets the County holds on behalf of others.

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**Duplin County, North Carolina**  
**Agency Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2020**

	Motor Vehicle Tax Fund	County Agency Fund	Social Services Fund	Register of Deeds Trust Fund	Board of Education Fines and Forfeitures Fund	Total
<b>Assets:</b>						
Cash and cash equivalents	\$ 7,471	\$ 152,142	\$ 46,007	\$ 9,800	\$ 2,118	\$ 217,538
Accounts receivable	-	-	-	729	-	729
Miscellaneous receivables	154,310	-	-	-	-	154,310
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total Assets	<u>\$ 161,781</u>	<u>\$ 152,142</u>	<u>\$ 46,007</u>	<u>\$ 10,529</u>	<u>\$ 2,118</u>	<u>\$ 372,577</u>
<b>Liabilities</b>						
Miscellaneous liabilities	\$ -	\$ 152,142	\$ 46,007	\$ 10,529	\$ 2,118	\$ 210,796
Due to other governments	161,781	-	-	-	-	161,781
Total liabilities	<u>\$ 161,781</u>	<u>\$ 152,142</u>	<u>\$ 46,007</u>	<u>\$ 10,529</u>	<u>\$ 2,118</u>	<u>\$ 372,577</u>



**Duplin County, North Carolina**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Fiscal Year Ended June 30, 2020**

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<b>Ad Valorem and Motor Vehicle Tax Fund</b>				
Assets				
Cash and cash equivalents	43,718	2,226,771	2,263,018	7,471
Miscellaneous receivables	104,018	58,571	64,948	154,310
Due from other governments	38,903	2,267,015	2,305,918	-
<b>Total Assets</b>	<b>\$ 186,639</b>	<b>\$ 4,552,357</b>	<b>\$ 4,633,884</b>	<b>\$ 161,781</b>
Liabilities				
Due to other governments	186,638	1,934,206	1,845,411	161,781
<b>Total Liabilities</b>	<b>\$ 186,638</b>	<b>\$ 1,934,206</b>	<b>\$ 1,845,411</b>	<b>\$ 161,781</b>
<b>County Agency Fund</b>				
Assets				
Cash and cash equivalents	143,582	363,837	355,277	152,142
Miscellaneous receivables	-	-	-	-
<b>Total Assets</b>	<b>\$ 143,582</b>	<b>\$ 363,837</b>	<b>\$ 355,277</b>	<b>\$ 152,142</b>
Liabilities				
Miscellaneous liabilities	143,582	462,149	453,589	152,142
Due to other fund	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 143,582</b>	<b>\$ 462,149</b>	<b>\$ 453,589</b>	<b>\$ 152,142</b>
<b>Social Services Fund</b>				
Assets				
Cash and cash equivalents	49,139	55,436	58,569	46,007
Miscellaneous receivables	-	-	-	-
Due from other governments	-	-	-	-
<b>Total Assets</b>	<b>\$ 49,139</b>	<b>\$ 55,436</b>	<b>\$ 58,569</b>	<b>\$ 46,007</b>
Liabilities				
Miscellaneous liabilities	49,139	64,329	61,197	46,007
<b>Total Liabilities</b>	<b>\$ 49,139</b>	<b>\$ 64,329</b>	<b>\$ 61,197</b>	<b>\$ 46,007</b>
<b>Register of Deeds Trust Fund</b>				
Assets				
Cash and cash equivalents	10,790	141,272	142,262	9,800
Accounts Receivable	-	729	-	729
Due from other funds	32	-	32	-
Due from other governments	427	105,886	106,313	-
<b>Total Assets</b>	<b>\$ 11,249</b>	<b>\$ 247,887</b>	<b>\$ 248,607</b>	<b>\$ 10,529</b>
Liabilities				
Miscellaneous liabilities	11,249	135,470	134,750	10,529
<b>Total Liabilities</b>	<b>\$ 11,249</b>	<b>\$ 135,470</b>	<b>\$ 134,750</b>	<b>\$ 10,529</b>
<b>Board of Education Fines and Forfeitures Fund</b>				
Assets				
Cash and cash equivalents	63,167	54,722	115,770	2,118
Due from other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 63,167</b>	<b>\$ 54,722</b>	<b>\$ 115,770</b>	<b>\$ 2,118</b>
Liabilities				
Miscellaneous liabilities	63,167	175,303	114,255	2,118
Due to other fund	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 63,167</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,118</b>
<b>Totals - All Agency Funds</b>				
Assets				
Cash and cash equivalents	310,396	2,842,037	2,934,896	217,538
Miscellaneous receivables	104,018	59,300	64,948	155,039
Due from other governments	39,330	2,372,901	2,412,231	0
Due from other funds	32	-	32	-
<b>Total Assets</b>	<b>\$ 453,776</b>	<b>\$ 5,274,239</b>	<b>\$ 5,412,107</b>	<b>\$ 372,577</b>
Liabilities				
Miscellaneous liabilities	267,137	837,251	763,790	210,796
Due to other funds	-	-	-	-
Due to other governments	186,638	1,934,206	1,845,411	161,781
<b>Total Liabilities</b>	<b>\$ 453,775</b>	<b>\$ 2,771,457</b>	<b>\$ 2,609,201</b>	<b>\$ 372,577</b>

## DISCRETELY PRESENTED COMPONENT UNIT

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This section includes schedules for the Tourism Development Authority, which is a discretely presented component unit. A separate report is not issued for the Authority, but these schedules are added to the County report to provide this supplemental information.

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**Duplin County, North Carolina  
Tourism Development Authority  
Supplemental Balance Sheet  
June 30, 2020**

<b>Assets:</b>	
Cash and cash equivalents	\$ 663,406
Accounts receivable, net	20,487
Total Assets	<u>683,893</u>
<b>Deferred Outflows of Resources</b>	<u>21,443</u>
<b>Total assets and deferred outflows</b>	<u>\$ 705,336</u>
<b>Liabilities and Fund Balances:</b>	
Accounts payable and accrued liabilities	\$ 9,469
Net pension liability -LGERS	42,602
Total liabilities	<u>52,071</u>
<b>Deferred Inflows of Resources</b>	<u>4,919</u>
<b>Fund Balances:</b>	
Restricted	20,487
Unrestricted	627,859
Total Fund Balances	<u>648,346</u>
<b>Total liabilities, deferred inflows, and fund balances</b>	<u>\$ 705,336</u>

**Duplin County, North Carolina**  
**Transportation Development Authority**  
**Discretely Presented Component Unit**  
**Supplemental Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Fiscal Year Ended June 30, 2020**

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Revenues:	
Other taxes and licenses	\$ 229,180
Investment earnings	7,411
Total Revenues	<u>236,591</u>
Expenditures:	
Salaries and employee benefits	86,727
Operating expenditures	104,156
Total Expenditures	<u>190,883</u>
Revenues Over (Under) Expenditures	<u>45,708</u>
Fund balance, beginning	<u>602,638</u>
Fund balance, ending	<u>\$ 648,346</u>

**Duplin County, North Carolina**  
**Transportation Development Authority**  
**Discretely Presented Component Unit**  
**Supplemental Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Fiscal Year Ended June 30, 2020**

	2020		Variance Positive (Negative)
	Final Budget	Actual	
Revenues:			
Other taxes and licenses	\$	\$ 229,180	\$
Investment earnings		7,411	
Total Revenues	<u>242,240</u>	<u>236,591</u>	<u>(5,649)</u>
Expenditures:			
Salaries and employee benefits		86,727	
Operating expenditures		104,156	
Total Expenditures	<u>251,240</u>	<u>190,883</u>	<u>60,357</u>
Revenues Over (Under) Expenditures	<u>(9,000)</u>	<u>45,708</u>	<u>54,708</u>
Appropriated Fund Balance	<u>9,000</u>	<u>-</u>	<u>(9,000)</u>
Revenues and Appropriated Fund Balance Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 45,708</u>	<u>\$ 45,708</u>
Fund balance, beginning		602,638	
Fund balance, ending		<u>\$ 648,346</u>	

## OTHER SCHEDULES

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This section includes additional information on property taxes.

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- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy
- Secondary Market Disclosures
- Ten Largest Taxpayers

**Duplin County, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**June 30, 2020**

Exhibit H-1

Fiscal Year	Uncollected Balance June 30, 2019	Additions	Collections And Credits	Uncollected Balance June 30, 2020
2019-2020	\$ -	\$ 33,579,113	\$ 32,423,124	\$ 1,155,989
2018-2019	818,247	-	410,175	408,072
2017-2018	311,794	-	111,700	200,094
2016-2017	172,999	-	44,420	128,579
2015-2016	88,905	-	20,039	68,866
2014-2015	55,972	-	9,566	46,406
2013-2014	80,820	-	4,610	76,210
2012-2013	75,214	-	2,136	73,078
2011-2012	64,883	-	5,666	59,217
2010-2011	58,218	-	1,270	56,948
2009-2010	52,364	-	47,219	5,145
<b>TOTALS</b>	<b>\$ 1,779,416</b>	<b>\$ 33,579,113</b>	<b>\$ 33,079,925</b>	<b>\$ 2,278,604</b>
				<u>(748,151)</u>
				<b>\$ 1,530,453</b>
 <u>Reconciliation with revenues:</u>				
				32,887,015
				Ad valorem taxes - General Fund
				Reconciling items:
				Penalties and Interest (350,034)
				Discounts Allowed 277,253
				Property Tax Allocated to the Revaluation Fund 181,158
				Releases and Refunds 84,533
				<u>Total Reconciling Items 192,910</u>
				Total Collections and Credits \$ <u>33,079,925</u>

**Duplin County, North Carolina**  
**Analysis of Current Tax Levy**  
**County - Wide Levy**  
**For the Fiscal Year Ended June 30, 2020**

Exhibit H - 2

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property Taxes at Current Year Rate	\$ 4,545,705,578	0.7350%	\$ 33,410,936	\$ 29,889,507	\$ 3,521,429
Total Original Levy	<u>4,545,705,578</u>		<u>33,410,936</u>	<u>29,889,507</u>	<u>3,521,429</u>
Discoveries:					
Current year taxes	51,767,483	0.7350%	380,491	380,491	-
Total Discoveries	<u>51,767,483</u>		<u>380,491</u>	<u>380,491</u>	<u>-</u>
Abatements					
Current Year Taxes	(28,886,259)	0.7350%	(212,314)	(212,314)	-
Total Abatements	<u>(28,886,259)</u>		<u>(212,314)</u>	<u>(212,314)</u>	<u>-</u>
Total for Year	<u>\$ 4,568,586,803</u>		33,579,113	30,057,684	3,521,429
Uncollected taxes at June 30, 2020			<u>1,155,989</u>	<u>1,155,989</u>	<u>-</u>
Current year's taxes collected			<u>\$ 32,423,124</u>	<u>\$ 28,901,695</u>	<u>\$ 3,521,429</u>
Current levy collection percentage				<u>96.15%</u>	<u>100.00%</u>



**Duplin County, North Carolina**  
**Analysis of Current Tax Levy**  
**County - wide Levy**  
**For the Fiscal Year Ended June 30, 2020**

Exhibit H-2a

**Secondary Market Disclosures:**

Assessed Valuation:	
Assessment Ratio <sup>1</sup>	100%
Real Property	\$ 3,306,868,027
Personal Property <sup>3</sup>	1,110,772,790
Public Service Companies <sup>2</sup>	<u>150,945,986</u>
Total Assessed Valuation	<u>4,568,586,803</u>
Tax Rate per \$100	0.00735
Levy (includes discoveries, releases and abatements) <sup>3</sup>	<u>\$ 33,579,113</u>

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

<u>Fire Protection Districts</u>	<u>Levy</u>
Albertson	98,103
East Duplin	103,010
Franklin	24,463
Glisson	169,516
Northeast	223,362
Oak Wolfe	64,365
Sarecta	95,197
Stacy Britt	<u>200,211</u>
	<u>\$</u>

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

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

<sup>3</sup> The levy includes penalties and multi-rate for motor vehicles.

**Duplin County, North Carolina**  
**Schedule of Ten Largest Taxpayers**  
**For the Fiscal Year Ended June 30, 2020**

Exhibit H-3

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2020 Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
Butterball LLC	Poultry Processing	\$ 152,220,326	3.33 %
House of Raeford	Livestock	135,857,587	2.97
Smithfield	Livestock	132,237,077	2.89
Duke Energy Progress	Utility	62,807,551	1.37
Guilford Mills	Textiles	51,069,061	1.12
Murphy Family Ventures	Livestock	46,218,860	1.01
Duplin Land Development	Real Estate	46,040,569	1.01
United State Cold Storage	Distribution	45,633,665	1.00
Nash Johnson & Sons	Livestock	38,852,514	0.85
Four County EMC	Utility	28,789,144	0.63
		<u>\$ 739,726,354</u>	<u>16.19 %</u>

## OTHER INFORMATION

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This section includes statistical data

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Net Position by Component

Changes in Net Position

Fund Balances- Governmental Funds

Changes in Fund Balances - Governmental Funds

Assessed Value and Actual Value of Taxable Property

Property Tax Rates - Direct and All Overlapping Governments

Principal Taxpayers

Property Tax Levies and Collections

Ratios of Outstanding Debt by Type

Ratio of General Bonded Debt Outstanding and Legal Debt Margin

Demographic and Economic Statistics

Principal Employers

Full-time County Government Employees by Function/Program

Operating Indicators by Function/Program

Capital Asset Statistics by Function/Program

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

Table 1

<i>June 30,</i>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 12,393,238	\$ 11,798,823	\$ 9,963,445	\$ 10,917,432	\$ 11,733,322	\$ 11,636,291	\$ 11,720,621	\$ 11,724,958	\$ 11,562,302	\$ 11,487,660
Restricted	8,197,122	9,542,550	8,512,963	9,561,211	10,597,209	69,340,867	26,883,229	14,578,586	19,983,788	-
Unrestricted	9,018,185	5,559,432	11,414,280	12,424,277	12,309,865	(48,384,403)	(47,704,323)	(58,094,126)	(61,043,339)	(36,588,794)
Total governmental activities	29,608,545	26,900,805	29,890,688	32,902,920	34,640,396	32,592,755	(9,100,473)	(31,790,582)	(29,497,249)	(25,101,134)
<b>Business-type Activities:</b>										
Net investment in capital assets	36,018,493	35,552,070	36,267,466	39,830,796	37,172,581	36,437,914	36,834,827	36,959,869	41,296,881	43,355,089
Restricted	1,265,805	1,069,259	1,556,484	223,933	21,213	1,703,933	1,552,055	1,553,958	1,816,258	1,937,760
Unrestricted	6,476,995	6,911,589	7,590,329	8,935,579	9,475,946	8,759,025	9,386,918	9,343,947	9,297,280	10,448,050
Total business-type activities	43,761,293	43,532,918	45,414,279	48,990,308	46,669,740	46,900,872	47,773,800	47,857,774	52,410,419	55,740,899
<b>Primary Government:</b>										
Net investment in capital assets	48,411,731	47,350,893	46,230,911	50,748,228	48,905,903	48,074,205	48,555,448	48,684,827	52,859,183	54,842,749
Restricted	9,462,927	10,611,809	10,069,447	9,785,144	10,618,422	71,044,800	28,435,284	16,132,544	21,800,046	1,937,760
Unrestricted	15,495,180	12,471,021	19,004,609	21,359,856	21,785,811	(39,625,378)	(38,317,405)	(48,750,179)	(51,746,059)	(26,140,744)
Total primary government	\$ 73,369,838	\$ 70,433,723	\$ 75,304,967	\$ 81,893,228	\$ 81,310,136	\$ 79,493,627	\$ 38,673,327	\$ 16,067,192	\$ 22,913,170	\$ 30,639,765

Source: Annual audited financial statements of the County.

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

Table 2

<i>Year Ended June 30,</i>	2011	2012	2013	2014	2015
<b>Expenses:</b>					
Governmental Activities:					
General Government	\$ 7,367,762	\$ 6,613,472	\$ 6,215,976	\$ 5,884,447	\$ 5,901,684
Public Safety	14,687,927	18,267,162	18,488,567	17,821,492	17,884,866
Economic & Physical Development	2,613,007	5,088,488	3,107,600	1,363,220	1,157,204
Human Services	15,960,082	17,806,856	17,199,716	16,015,053	16,123,169
Environmental Protection	536,068	728,522	792,256	704,203	784,371
Cultural and Recreational	688,051	864,163	1,239,294	1,204,921	1,316,387
Education	11,580,259	11,933,998	13,238,503	13,334,623	12,370,800
Non-departmental	1,239,610	273,150	281,301	287,491	283,606
Interest on long-term debt	784,577	660,077	527,820	431,245	399,966
<b>Total governmental activities</b>	<b>55,457,343</b>	<b>62,235,888</b>	<b>61,091,033</b>	<b>57,046,695</b>	<b>56,222,053</b>
Business-type Activities:					
Airport	1,102,790	1,214,843	1,138,106	1,796,254	1,178,655
Water and Sewer	4,196,653	4,095,462	4,568,959	3,347,524	3,364,680
Transportation	1,180,039	1,073,935	993,244	1,073,121	982,263
Solid Waste	3,109,941	3,299,368	3,274,051	2,971,828	2,937,828
<b>Total business-type activities</b>	<b>9,589,423</b>	<b>9,683,608</b>	<b>9,974,360</b>	<b>9,188,727</b>	<b>8,463,426</b>
<b>Total primary government expenses</b>	<b>65,046,766</b>	<b>71,919,496</b>	<b>71,065,393</b>	<b>66,235,422</b>	<b>64,685,479</b>
<b>Program Revenues:</b>					
Governmental Activities:					
Charges for Services:					
General Government	4,247,238	2,669,151	2,431,141	1,636,600	338,946
Public Safety	3,608,791	3,037,248	9,156,791	2,907,354	3,205,147
Economic & Physical Development	75,360	241,156	82,813	68,137	2,130,015
Human Services	3,554,262	3,251,599	3,368,702	4,412,664	1,405,313
Environmental Protection	69,975	45,705	44,857	2,198	-
Cultural and Recreational	73,267	253,422	275,133	149,585	141,903
Education	-	-	-	-	-
Non-departmental	-	-	25,069	-	-
Operating Grants & Contributions	11,192,637	9,940,908	10,831,435	10,586,282	12,636,041
Capital Grants & Contributions	2,054,956	4,308,980	2,217,868	920,045	789,856
<b>Total governmental activities</b>	<b>\$ 24,876,486</b>	<b>\$ 23,748,169</b>	<b>\$ 28,433,809</b>	<b>\$ 20,682,865</b>	<b>\$ 20,647,221</b>
Business-type Activities:					
Charges for Services:					
Airport	\$ 507,905	\$ 626,515	\$ 536,690	\$ 498,854	\$ 470,181
Water and Sewer	4,049,271	3,900,461	4,449,982	4,274,645	3,291,059
Transportation	502,920	497,992	570,637	625,597	551,984
Solid Waste	2,836,284	2,963,339	2,753,962	2,740,153	2,925,014
Operating Grants & Contributions	-	-	500,262	586,312	568,871
Capital Grants & Contributions	871,813	1,080,859	2,298,916	3,402,150	909,055
<b>Total business-type activities</b>	<b>8,768,193</b>	<b>9,069,166</b>	<b>11,110,449</b>	<b>12,127,711</b>	<b>8,716,164</b>
<b>Total primary government</b>	<b>33,644,679</b>	<b>32,817,335</b>	<b>39,544,258</b>	<b>32,810,576</b>	<b>29,363,385</b>

(Continued)

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

Table 2

<i>Year Ended June 30,</i>	2011	2012	2013	2014	2015
(Continued)					
<i>Year Ended June 30,</i>	2011	2012	2013	2014	2015
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(30,580,857)	(38,487,719)	(32,657,224)	(36,363,830)	(35,574,832)
Business-type Activities	(821,230)	(614,442)	1,136,089	2,938,984	252,738
Total primary government net (expense)/revenue	(31,402,087)	(39,102,161)	(31,521,135)	(33,424,846)	(35,322,094)
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property Taxes	26,669,740	27,863,938	28,484,431	30,238,201	30,948,358
Local Option Sales Taxes	7,116,858	7,285,383	7,774,019	7,885,364	8,283,242
Other Taxes and Licenses	639,270	341,863	107,583	655,664	94,972
Investment earnings	72,342	50,115	48,818	25,582	80,380
Miscellaneous	(49,445)	438,680	126,967	192,631	148,911
Gain on sale of assets	-	-	-	598,597	-
Transfers	(279,697)	(200,000)	(127,584)	(219,978)	(115,773)
Total governmental activities	34,169,068	35,779,979	36,414,234	39,376,061	39,440,090
Business-type Activities:					
Other Taxes and Licenses	-	-	-	-	131,116
Investment earnings	14,522	8,911	603,100	4,197	90,619
Capital Contributions	-	-	-	236,037	-
Miscellaneous	20,074	177,156	86,164	176,833	33,364
Transfers	279,697	200,000	127,584	219,978	115,773
Total business-type activities	314,293	386,067	816,848	637,045	370,872
Total primary government	34,483,361	36,166,046	37,231,082	40,013,106	39,810,962
<b>Change in Net Position</b>					
Governmental Activities	3,588,211	(2,707,740)	3,757,010	3,012,231	3,865,258
Business-type Activities	(506,937)	(228,375)	1,952,937	3,576,029	623,610
Total primary government	\$ 3,081,274	\$ (2,936,115)	\$ 5,709,947	\$ 6,588,260	\$ 4,488,868

(continued)

Source: Annual audited financial statements of the County.

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

Table 2

<i>Year Ended June 30,</i>	2016	2017	2018	2019	2020
<b>Expenses:</b>					
Governmental Activities:					
General Government	\$ 6,005,791	\$ 8,542,667	\$ 7,800,214	\$ 7,132,556	\$ 7,997,483
Public Safety	18,234,164	19,402,748	21,030,262	25,331,288	17,584,552
Economic & Physical Development	2,212,425	1,976,207	4,835,483	2,770,173	4,684,001
Human Services	15,893,046	16,019,157	14,256,638	14,338,168	14,643,693
Environmental Protection	820,683	1,196,025	39,471	409,397	101,174
Cultural and Recreational	1,247,747	1,252,365	1,296,894	1,517,286	1,515,920
Education	17,458,221	56,099,066	24,465,008	11,232,820	11,504,625
Non-departmental	348,401	338,290	-	-	-
Interest on long-term debt	407,858	2,621,411	2,348,721	2,273,890	2,156,347
<b>Total governmental activities</b>	<b>62,628,336</b>	<b>107,447,936</b>	<b>76,072,691</b>	<b>65,005,578</b>	<b>60,187,795</b>
Business-type Activities:					
Airport	1,171,327	1,219,345	1,654,180	1,274,624	1,637,671
Water and Sewer	3,287,578	3,564,197	4,633,902	3,907,398	2,718,092
Transportation	893,886	1,010,573	1,184,606	3,870,898	1,022,485
Solid Waste	3,054,834	3,450,133	3,719,862	1,121,717	3,726,249
<b>Total business-type activities</b>	<b>8,407,625</b>	<b>9,244,248</b>	<b>11,192,550</b>	<b>10,174,637</b>	<b>9,104,497</b>
<b>Total primary government expenses</b>	<b>71,035,961</b>	<b>116,692,184</b>	<b>87,265,241</b>	<b>75,180,215</b>	<b>69,292,292</b>
<b>Program Revenues:</b>					
Governmental Activities:					
Charges for Services:					
General Government	380,791	380,791	380,791	2,438,862	1,882,101
Public Safety	2,941,953	2,941,953	2,941,953	4,197,491	4,116,654
Economic & Physical Development	2,563,454	2,563,454	2,563,454	-	-
Human Services	1,296,812	1,296,812	1,296,812	1,449,186	990,376
Environmental Protection	-	-	-	-	119,616
Education	159,423	159,423	159,423	-	-
Non-departmental	-	-	-	-	1,588,083
Operating Grants & Contributions	13,236,891	13,236,891	13,236,891	12,410,678	7,935,413
Capital Grants & Contributions	218,971	218,971	218,971	503,617	172,474
<b>Total governmental activities</b>	<b>\$ 20,798,295</b>	<b>\$ 20,798,295</b>	<b>\$ 20,798,295</b>	<b>\$ 20,999,834</b>	<b>\$ 16,804,717</b>
Business-type Activities:					
Charges for Services:					
Airport	\$ 499,186	\$ 499,186	\$ 499,186	\$ 396,775	\$ 447,391
Water and Sewer	3,298,641	3,298,641	3,298,641	3,552,592	3,794,623
Transportation	739,667	739,667	739,667	781,882	602,418
Solid Waste	3,052,257	3,052,257	3,052,257	3,643,378	3,081,537
Operating Grants & Contributions	414,531	414,531	414,531	5,196,016	2,497,735
Capital Grants & Contributions	296,978	296,978	296,978	426,575	834,586
<b>Total business-type activities</b>	<b>8,301,260</b>	<b>8,301,260</b>	<b>8,301,260</b>	<b>13,997,218</b>	<b>11,258,290</b>
<b>Total primary government</b>	<b>29,099,555</b>	<b>29,099,555</b>	<b>29,099,555</b>	<b>40,183,163</b>	<b>41,229,285</b>

(Continued)

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

Table 2

<i>Year Ended June 30,</i>	2016	2017	2018	2019	2020
(Continued)					
<i>Year Ended June 30,</i>	2016	2017	2018	2019	2020
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(41,830,041)	(86,649,641)	(55,274,396)	(44,005,744)	(43,383,078)
Business-type Activities	(106,365)	(942,988)	(2,891,290)	3,822,581	2,153,793
Total primary government net (expense)/revenue	(41,936,406)	(87,592,629)	(58,165,686)	(40,183,163)	(41,229,285)
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property Taxes	30,694,864	30,694,864	30,694,864	31,780,326	34,439,548
Local Option Sales Taxes	8,721,257	8,721,257	8,721,257	12,831,212	12,214,749
Other Taxes and Licenses	106,156	106,156	106,156	602,465	1,813,276
Investment earnings	135,757	135,757	135,757	608,608	476,507
Miscellaneous	202,458	202,458	202,458	28,546	-
Gain on sale of assets	54,395	54,395	54,395	-	-
Transfers	(132,487)	(132,487)	(132,487)	(109,746)	(607,221)
Total governmental activities	39,782,400	39,782,400	39,782,400	45,741,411	48,336,859
Business-type Activities:					
Other Taxes and Licenses	136,548	136,548	136,548	137,939	130,304
Investment earnings	30,113	30,113	30,113	274,026	178,417
Capital Contributions	-	-	-	-	-
Miscellaneous	38,249	38,249	38,249	208,354	260,745
Transfers	132,487	132,488	132,489	109,746	607,221
Total business-type activities	337,397	337,398	337,399	730,065	1,176,687
Total primary government	40,119,797	40,119,798	40,119,799	46,471,476	49,513,546
<b>Change in Net Position</b>					
Governmental Activities	(2,047,641)	(46,867,241)	(15,491,996)	1,735,667	4,953,781
Business-type Activities	231,032	(605,590)	(2,553,891)	4,552,646	3,330,480
Total primary government	\$ (1,816,609)	\$ (47,472,831)	\$ (18,045,887)	\$ 6,288,313	\$ 8,284,261

Source: Annual audited financial statements of the County.



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

Table 3

<i>June 30,</i>	2011	2012	2013	2014	2015
<b>General Fund:</b>					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	256,409	301,552	248,895	292,590	270,487
Restricted	3,420,640	3,934,839	3,668,612	5,496,662	5,315,068
Committed	1,420,897	1,157,686	1,049,178	958,041	928,805
Assigned	4,340,052	3,088,498	1,970,089	2,404,214	2,560,129
Unassigned	3,465,614	3,720,583	6,267,563	6,254,031	7,617,518
<b>Total fund balances</b>	<b>12,903,612</b>	<b>12,203,158</b>	<b>13,204,337</b>	<b>15,405,538</b>	<b>16,692,007</b>
<b>All Other Governmental Funds:</b>					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	4,218,038	5,607,256	4,844,351	4,064,549	5,282,141
Committed	3,074,777	1,553,354	1,139,665	1,690,366	1,742,146
Assigned	1,133,302	870,818	263,849	-	-
Unassigned	(1,628)	(3,111)	(2,669)	(4,655)	(3,748)
<b>Total fund balances</b>	<b>8,424,489</b>	<b>8,028,317</b>	<b>6,245,196</b>	<b>5,750,260</b>	<b>7,020,539</b>
<b>Total Governmental Funds:</b>					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable	256,409	301,552	248,895	292,590	270,487
Restricted	7,638,678	9,542,095	8,512,963	9,561,211	10,597,209
Committed	4,495,674	2,711,040	2,188,843	2,648,407	2,670,951
Assigned	5,473,354	3,959,316	2,233,938	2,404,214	2,560,129
Unassigned	3,463,986	3,717,472	6,264,894	6,249,376	7,613,770
<b>Total fund balances</b>	<b>\$ 21,328,101</b>	<b>\$ 20,231,475</b>	<b>\$ 19,449,533</b>	<b>\$ 21,155,798</b>	<b>\$ 23,712,546</b>

Source: Annual audited financial statements of the County.

Note: The County implemented GASB Statement No. 54 during the year ended June 30, 2011.

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

Table 3

	2016	2017	2018	2019	2020
<b>General Fund:</b>					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	220,892	247,689	262,389	201,380	208,097
Restricted	5,529,512	6,356,806	5,738,633	8,254,708	4,323,893
Committed	912,686	899,367	880,254	899,048	2,440,952
Assigned	4,102,893	2,912,341	2,695,266	2,935,926	3,004,754
Unassigned	7,226,747	7,754,090	6,822,256	7,061,327	10,575,453
Total fund balances	17,992,730	18,170,293	16,398,798	19,352,389	20,553,149
<b>All Other Governmental Funds:</b>					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	63,811,355	20,526,423	8,839,953	9,930,329	10,961,786
Committed	1,465,899	1,365,867	1,938,030	1,111,296	1,537,422
Assigned	-	-	-	-	-
Unassigned	(6,341)	(5,745)	(6,218)	(4,257)	(315,610)
Total fund balances	65,270,913	21,886,545	10,771,765	11,037,368	12,183,598
<b>Total Governmental Funds:</b>					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable	220,892	247,689	262,389	201,380	208,097
Restricted	69,340,867	26,883,229	14,578,586	18,185,037	15,285,679
Committed	2,378,585	2,265,234	2,818,284	2,010,344	3,978,374
Assigned	4,102,893	2,912,341	2,695,266	2,935,926	3,004,754
Unassigned	7,220,406	7,748,345	6,816,038	7,057,070	10,259,843
Total fund balances	\$ 40,056,838	\$ 27,170,563	\$ 30,389,757	\$ 32,736,747	

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

Table 4

<i>Year Ended June 30,</i>	2011	2012	2013	2014	2015
<b>Revenues:</b>					
Ad Valorem Taxes	\$ 26,391,065	\$ 28,095,424	\$ 28,346,279	\$ 30,468,449	\$ 30,948,358
Local Option Sales Taxes	7,116,858	7,285,383	7,774,019	7,885,364	8,283,242
Other Taxes and Licenses	639,270	145,704	97,104	93,773	94,971
Unrestricted Intergovernmental	40,320	47,439	73,019	5,803,596	6,237,452
Restricted Intergovernmental	11,465,028	13,117,770	11,852,896	5,890,692	6,099,987
Restricted Revenue	-	-	195,724	227,379	113,733
Permits and Fees	637,857	557,317	566,950	484,499	485,252
Sales and Services	7,106,383	7,491,979	7,641,452	7,200,636	7,124,707
Investment Earnings	71,566	50,115	47,849	25,329	79,939
Miscellaneous	570,214	1,815,320	1,121,074	382,019	178,916
<b>Total revenues</b>	<b>54,038,561</b>	<b>58,606,451</b>	<b>57,716,366</b>	<b>58,461,736</b>	<b>59,646,557</b>
<b>Expenditures:</b>					
General Government	7,191,915	5,877,641	5,426,249	5,685,098	5,815,830
Public Safety	14,126,640	16,454,417	15,743,723	17,184,943	17,490,472
Economic & Physical Development	1,796,732	2,258,125	950,949	1,237,107	1,036,274
Human Services	15,890,421	15,785,872	15,182,432	15,533,403	15,910,100
Cultural and Recreational	639,411	739,981	1,147,418	1,032,756	1,049,119
Environmental Protection	525,607	659,560	663,609	684,793	773,739
Capital Projects	671,627	3,333,076	3,278,940	-	-
Non-Departmental	302,078	198,766	198,446	222,715	262,439
Education	11,580,259	11,198,335	12,335,205	13,334,623	12,370,800
Debt Service:					
Principal Retirement	1,974,780	1,922,382	1,956,821	1,382,410	1,448,697
Interest and Fees	784,577	697,461	609,929	524,290	472,703
<b>Total expenditures</b>	<b>55,484,047</b>	<b>59,125,616</b>	<b>57,493,721</b>	<b>56,822,138</b>	<b>56,630,173</b>
Revenues over (under) expenditures	(1,445,486)	(519,165)	222,645	1,639,598	3,016,384
<b>Other Financing Sources (Uses):</b>					
Proceeds from the sale of assets	26,689	77,396	72,300	44,351	28,239
Proceeds from the issuance of debt	-	-	-	-	-
Capital Contributions	1,460,672	-	-	-	-
Transfers from other funds	3,290,436	3,187,616	2,931,158	2,879,439	3,028,700
Transfers to other funds	(4,233,907)	(3,887,616)	(3,658,742)	(3,499,417)	(3,494,472)
<b>Total other financing sources (uses)</b>	<b>543,890</b>	<b>(622,604)</b>	<b>(655,284)</b>	<b>(575,627)</b>	<b>(437,533)</b>
Extraordinary Items	-	-	-	598,597	-
<b>Net Change in Fund Balances</b>	<b>\$ (901,596)</b>	<b>\$ (1,141,769)</b>	<b>\$ (432,639)</b>	<b>\$ 1,662,568</b>	<b>\$ 2,578,851</b>
Debt service as a percentage of noncapital expenditures	5.02%	4.54%	4.56%	3.41%	3.44%

Source: Annual audited financial statements of the County.

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

Table 4

<i>Year Ended June 30,</i>	2016	2017	2018	2019	2020
<b>Revenues:</b>					
Ad Valorem Taxes	\$ 30,682,355	\$ 31,514,338	\$ 30,409,202	\$ 32,235,204	\$ 34,042,323
Local Option Sales Taxes	8,721,257	10,549,539	10,594,732	12,831,212	12,214,749
Other Taxes and Licenses	106,156	115,692	117,924	115,064	131,141
Unrestricted Intergovernmental	6,417,293	6,785,550	793,671	946,171	1,311,351
Restricted Intergovernmental	6,819,598	8,629,342	11,487,855	11,448,188	11,905,100
Restricted Revenue	117,630	101,225	-	-	-
Permits and Fees	564,286	532,205	-	-	-
Sales and Services	7,463,901	7,637,284	8,019,944	8,592,637	4,580,086
Investment Earnings	129,377	253,493	366,800	608,608	476,506
Miscellaneous	299,710	265,641	220,312	528,785	1,246,188
<b>Total revenues</b>	<b>61,321,563</b>	<b>66,384,309</b>	<b>62,010,440</b>	<b>67,305,869</b>	<b>65,907,444</b>
<b>Expenditures:</b>					
General Government	5,869,801	6,221,247	7,342,951	6,880,442	7,525,967
Public Safety	17,926,635	19,373,251	18,950,148	23,222,901	19,688,493
Economic & Physical Development	2,123,020	1,989,507	3,446,622	2,756,999	3,990,675
Human Services	15,680,629	15,710,404	13,697,011	13,652,943	13,924,735
Cultural and Recreational	1,100,142	1,133,360	1,134,965	1,249,277	1,144,492
Environmental Protection	807,473	985,831	-	-	-
Capital Projects	-	792,539	1,064,540.00	376,741	543,226
Non-Departmental	298,806	317,920	-	-	-
Education	17,458,221	58,267,779	24,512,586	11,232,820	11,504,625
Debt Service:					
Principal Retirement	164,794	1,947,060	1,884,157	2,029,736	2,086,392
Interest and Fees	434,471	2,627,984	2,779,429	2,636,080	2,537,911
<b>Total expenditures</b>	<b>61,863,992</b>	<b>109,366,882</b>	<b>74,812,409</b>	<b>64,037,939</b>	<b>62,946,516</b>
	(542,429)	(42,982,573)	(12,801,969)	3,267,930	2,960,928
<b>Other Financing Sources (Uses):</b>					
Proceeds from the sale of assets	61,357	69,728	-	-	-
Proceeds from the issuance of debt	60,514,251	-	-	-	-
Capital Contributions	-	-	-	-	-
Transfers from other funds	1,457,953	4,611,256	4,001,554	2,344,260	2,249,095
Transfers to other funds	(1,890,439)	(4,932,013)	(4,100,560)	(2,454,006)	(2,856,316)
<b>Total other financing sources (uses)</b>	<b>60,143,122</b>	<b>(251,029)</b>	<b>(99,006)</b>	<b>(109,746)</b>	<b>(607,221)</b>
Extraordinary Items	-	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ 59,600,693</b>	<b>\$ (43,233,602)</b>	<b>\$ (12,900,975)</b>	<b>\$ 3,158,184</b>	<b>\$ 2,353,707</b>
Debt service as a percentage of noncapital expenditures	0.99%	4.24%	6.30%	7.33%	7.41%

**Duplin County, North Carolina**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Years**

Table 5

<i>Year Ended</i> <i>June 30,</i>	Real Property	Personal Property	Public Service Companies	Total	Total Direct Tax Rate
2011	3,189,344,488	399,644,269	155,891,098	3,744,879,855	0.690
2012	3,300,755,828	379,385,704	117,945,792	3,798,087,324	0.710
2013	3,342,205,527	429,472,306	149,137,943	3,920,815,776	0.710
2014	3,517,298,204	451,627,352	120,450,555	4,089,376,111	0.720
2015	3,441,107,406	492,857,496	118,407,427	4,052,372,329	0.730
2016	3,589,571,682	484,707,825	132,445,072	4,206,724,579	0.730
2017	3,536,160,799	524,295,469	141,488,253	4,201,944,521	0.730
2018	3,613,983,916	540,429,304	144,070,311	4,298,483,531	0.695
2019	3,325,332,975	1,040,628,255	150,945,964	4,516,907,194	0.715
2020	3,306,868,027	1,110,772,790	150,945,986	4,568,586,803	0.735

Source: Duplin County Tax Office

Notes: Property in Duplin County is reassessed every eight years. The most recent revaluation was performed as of January 1, 2017 and went into effect during the year ended June 30, 2018. The County assesses property at approximately 100 percent of actual value.

**Duplin County, North Carolina**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Years**

Table 6

<i>Year Ending June 30,</i>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Duplin County</b>	0.6900	0.7100	0.7100	0.7200	0.7300	0.7300	0.730	0.695	0.715	73.5
<b>Municipality Rates:</b>										
Beulaville	0.4400	0.4400	0.4400	0.4400	0.4400	0.4400	0.440	0.44	0.44	0.44
Calypso	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.470	0.47	0.47	0.47
Faison	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.530	0.53	0.53	0.56
Greenevers	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.300	0.30	0.3	0.3
Kenansville	0.3950	0.3900	0.4200	0.4500	0.4500	0.4500	0.470	0.47	0.47	0.47
Magnolia	0.6500	0.6500	0.6600	0.6600	0.6600	0.6600	0.660	0.66	0.66	0.66
Rose Hill	0.6400	0.6400	0.6400	0.6900	0.6900	0.6900	0.750	0.75	0.75	0.75
Teachey	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.450	0.45	0.45	0.45
Wallace	0.5600	0.5600	0.5600	0.5600	0.5600	0.5900	0.590	0.59	0.62	0.62
Warsaw	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.550	0.55	0.55	0.55
<b>Fire Protection Districts:</b>										
Oak Wolfe	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.05	0.05	0.05
Glisson	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650	0.065	0.065	0.065
Sarecta	0.0550	0.0550	0.0550	0.0550	0.0550	0.0550	0.0550	0.055	0.055	0.055
East Duplin	0.0458	0.0458	0.0458	0.0458	0.0458	0.0458	0.0458	0.0458	0.0458	0.0458
Albertson	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.075	0.075	0.075
Stacy Britt	0.0630	0.0630	0.0630	0.0630	0.0630	0.0630	0.0630	0.063	0.063	0.07
Franklin	0.0800	0.0800	0.0750	0.0750	0.0750	0.0800	0.0800	0.08	0.08	0.08
Northeast	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.06	0.06	0.09

Source: Duplin Finance Office

Note: Tax rates are based on \$100 per assessed valuation for Duplin County and all overlapping governments.

**Duplin County, North Carolina**  
**Principal Taxpayers**  
**Current Year and Nine Years Ago**

Table 7

Taxpayer	Type of Business	Year Ended June 30, 2020			Year Ended June 30, 2011		
		Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Butterball LLC	Poultry Processing	\$ 152,220,326	1	3.33%	92,216,621	2	2.46%
Smithfield	Livestock	132,237,077	2	2.89%			
Murphy-Brown llc	Feed				105,445,663	1	2.82%
House of Raeford	Livestock	135,857,587	3	2.97%	43,936,877	5	1.17%
Duke Energy Progress	Utility	62,807,551	4	1.37%	37,605,503	7	1.00%
Guilford Mills	Textiles	51,069,061	5	1.12%	29,095,526	8	0.78%
Murphy Family Ventures	Livestock	46,218,860	6	1.01%	42,938,954	6	1.13%
Duplin Land Development	Real Estate	46,040,569	7	1.01%	80,519,123	3	2.15%
United State Cold Storage	Distribution	45,633,665	8	1.00%			
Nash Johnson & Sons	Livestock	38,852,514	9	0.85%	46,739,959	4	1.23%
Four County EMC	Utility	28,789,144	10	0.63%	24,457,345	10	0.65%
Coastal Carolina Green Power	Utility	-		0.00%	24,828,918	9	0.66%
		<b>\$ 739,726,354</b>		<b>16.19%</b>	<b>\$ 527,784,489</b>		<b>14.05%</b>

Source: Duplin County Tax Office

**Duplin County, North Carolina**  
**Property Tax Levies and Collections**  
**Last Ten Years**

Table 8

<i>Year Ended June</i> <i>30,</i>	Tax Levy	Collected within the Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	25,952,188	24,537,688	94.55%	1,387,877	25,925,565	99.90%
2012	27,109,094	25,724,577	94.89%	1,357,156	27,081,733	99.90%
2013	28,023,946	26,579,982	94.85%	1,417,079	27,997,061	99.90%
2014	29,583,582	28,461,798	96.21%	1,082,402	29,544,200	99.87%
2015	29,749,210	28,972,293	97.39%	730,720	29,703,013	99.84%
2016	26,948,314	26,102,572	96.86%	776,898	26,879,469	99.74%
2017	27,647,111	26,755,749	96.78%	762,783	27,518,532	99.53%
2018	26,922,617	26,031,164	96.69%	631,359	26,662,523	99.03%
2019	28,076,164	27,257,917	97.09%	410,175	27,668,092	98.55%
2020	29,889,507	28,901,695	96.70%		28,901,695	96.70%

Source: Duplin County Tax Office



**Duplin County, North Carolina**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Years**

Table 9

<i>June 30,</i>	Governmental Activities				Business-type Activities				Total Primary Government
	Certificates of Participation	General Obligation Bonds	Limited Obligation Bonds	Notes Payable	General Obligation Water Bonds	Notes Payable	Capital Leases	Limited Obligation Bonds	
2011	5,451,317	910,000	-	10,633,783	16,958,500	1,294,521	-	-	35,248,121
2012	4,083,487	450,000	-	10,470,245	16,593,300	1,181,224	-	-	32,778,256
2013	2,655,657	-	-	10,323,424	15,915,000	1,711,577	-	15,915,000	46,520,658
2014	1,357,827	-	-	10,171,014	-	1,359,427	-	15,843,587	28,731,855
2015	-	-	-	10,012,316	-	3,883,629	-	15,314,495	29,210,440
2016	-	-	60,514,251	9,847,522	-	3,626,882	-	14,775,403	88,764,058
2017	-	-	58,345,538	9,675,462	-	3,410,297	-	14,221,311	85,652,608
2018	-	-	49,160,000	9,496,305	-	4,309,676	-	13,275,000	76,240,981
2019	-	-	47,385,000	9,309,757	-	3,470,513	-	12,690,000	72,855,270
2020	-	-	45,540,000	9,115,515	-	3,108,910	-	12,105,000	69,869,425
	Total Debt as a Percentage of Personal Income								
<i>June 30,</i>	Income	Per Capita							
2011	2.06%	591							
2012	1.77%	546							
2013	2.51%	774							
2014	1.49%	489							
2015	1.53%	494							
2016	8.38%	1,505							
2017	7.52%	1,424							
2018	3.86%	1,285							
2019	3.68%	1,240							
2020	3.38%	1,189							

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Percentage of personal income and per capita numbers are based on the figures in Table 11.

N/A - Not available

**Duplin County, North Carolina**  
**Ratio of General Bonded Debt Outstanding**  
**and Legal Debt Margin Information**  
**Last Ten Years**

Table 10

<i>June 30,</i>	2011	2012	2013	2014	2015
<b>General Bonded Debt Outstanding:</b>					
General Obligation Bonds	\$ 17,868,500	\$ 17,043,300	\$ 15,915,000	\$ -	\$ -
<b>Percentage of Estimated Actual Property Value</b>					
	0.48%	0.46%	0.42%	0.00%	0.00%
Per Capita	\$ 311.11	\$ 290.46	\$ 267.05	\$ -	\$ -
Assessed Value of Taxable Property	\$ 3,727,688,840	\$ 3,744,879,855	\$ 3,798,087,324	\$ 3,920,815,776	\$ 4,089,376,111
	X 8%	X 8%	X 8%	X 8%	X 8%
<b>Debt Limit - 8 Percent of Assessed Value (Statutory Limitation G.S. 159-55)</b>					
	298,215,107	299,590,388	303,846,986	313,665,262	327,150,089
<b>Gross Debt:</b>					
General Obligation Bonds	17,868,500	17,043,300	15,915,000	-	-
Limited Obligation Bonds	-	-	15,915,000	15,843,587	15,314,495
Certificates of Participation	5,451,317	4,083,487	2,655,657	1,357,827	-
Notes Payable	11,928,304	11,651,469	12,035,001	11,530,441	13,895,945
Capital Leases	-	-	-	-	-
Total gross debt	35,248,121	32,778,256	46,520,658	28,731,855	29,210,440
Less: Debt Incurred for Water Activities	18,253,021	17,774,524	33,541,577	17,203,014	19,198,124
Total Debt Applicable to Debt Limit (Net Debt)	16,995,100	15,003,732	12,979,081	11,528,841	10,012,316
Legal Debt Margin	\$ 281,220,007	\$ 284,586,656	\$ 290,867,905	\$ 302,136,421	\$ 317,137,773
Total Debt Applicable to the Limit as a Percentage of the Debt Limit	5.70%	5.01%	4.27%	3.68%	3.06%

**Duplin County, North Carolina**  
**Ratio of General Bonded Debt Outstanding**  
**and Legal Debt Margin Information**  
**Last Ten Years**

Table 10

<i>June 30,</i>	2016	2017	2018	2019	2020
<b>General Bonded Debt Outstanding:</b>					
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Percentage of Estimated Actual Property Value</b>					
	0.00%	0.00%	0.00%	0.00%	0.00%
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -
Assessed Value of Taxable Property	\$ 4,052,372,329	\$ 4,206,724,579	\$ 4,516,907,194	\$ 4,516,907,194	\$ 4,516,907,194
	X 8%	X 8%	X 8%	X 8%	X 8%
<b>Debt Limit - 8 Percent of Assessed Value (Statutory Limitation G.S. 159-55)</b>					
	324,189,786	336,537,966	361,352,576	361,352,576	361,352,576
<b>Gross Debt:</b>					
General Obligation Bonds	-	-	-	-	-
Limited Obligation Bonds	75,289,654	72,566,849	62,435,000	60,075,000	57,645,000
Certificates of Participation	-	-	-	-	-
Notes Payable	13,474,404	13,085,759	13,805,981	12,780,270	12,224,425
Capital Leases	-	-	-	-	-
Total gross debt	88,764,058	85,652,608	76,240,981	72,855,270	69,869,425
Less: Debt Incurred for Water Activities	18,402,285	17,631,608	17,584,676	16,160,513	15,213,910
Total Debt Applicable to Debt Limit (Net Debt)	70,361,773	68,021,000	58,656,305	56,694,757	54,655,515
Legal Debt Margin	\$ 253,828,013	\$ 268,516,966	\$ 302,696,271	\$ 304,657,819	\$ 306,697,061
Total Debt Applicable to the Limit as a Percentage of the Debt Limit	21.70%	20.21%	16.23%	15.69%	15.13%

**Duplin County, North Carolina**  
**Demographic and Economic Statistics**  
**Last Ten Years**

Table 11

<i>Year Ended</i> <i>June 30,</i>	(1) Population	(1) Personal Income	(1) Per Capita Personal (3) Income	(3) School Enrollment	(3) High School Graduates	(2) Unemployment Rate
2011	59,596	1,709,665,000	28,688	8,945	422	9.7%
2012	60,033	1,849,253,000	30,804	9,158	533	9.9%
2013	60,084	1,851,108,000	31,112	9,315	456	9.4%
2014	58,710	1,932,762,000	32,419	9,597	461	9.4%
2015	59,159	1,911,853,000	32,317	9,703	513	6.1%
2016	58,969	1,059,083,240	17,960	9,952	602	5.1%
2017	60,130	1,139,162,850	18,945	9,860	574	4.6%
2018	59,350	1,974,270,000	33,440	9,660	618	4.5%
2019	58,741	1,978,665,000	19,455	9,877	611	4.0%
2020	58,741	2,068,142,000	35,208	9,634	638	4.1%

Sources:

(1) U.S. Department of Commerce, Bureau of Economic Analysis

(2) North Carolina Employment Security Commission

(3) Duplin County Board of Education

N/A - Not available

**Duplin County, North Carolina  
Principal Employers  
Current Year and Nine Years Ago**

Table 12

Employer	2020			Employer	2011		
	(1) Approximate Employees	Rank	Percentage of Total Employment		(1) Approximate Employees	Rank	Percentage of Total Employment
Butterball LLC	1000+	1	5.00%	Butterball, Inc.	1000+	1	5.0%
House of Raeford Inc.	1000+	2	5.00%	Smithfield Foods, Inc.	1000+	2	5.0%
Smithfield Foods, Inc.	1000+	3	5.00%	House of Raeford Inc.	1000+	3	5.0%
Duplin County Schools	500-999	4	3.00%	Duplin County Schools	500-999	4	3.0%
Murphy Family Ventures LLC	500-999	5	3.00%	Bay Valley Foods LLC	500-999	5	3.0%
Duplin County Government	500-999	6	3.00%	Guilford Mills, Inc.	500-999	6	3.0%
Vidant Medical Center	250-499	7	2.00%	Murphy Family Ventures LLC	500-999	7	3.0%
Lear Corp	250-499	8	2.00%	Duplin County Government	500-999	8	3.0%
Thomas and Company Corporation	250-499	9	2.00%	Duplin General Hospital	250-499	9	2.0%
Johnson Breeders, Inc.	250-499	10	2.00%	Johnson Breeders Inc.	250-499	10	2.0%
	-		32.00%		-		34.00%
<b>Total employment (2)</b>	<b>24,394</b>				<b>23,312</b>		

Sources:

(1) Duplin County Economic Development

(2) North Carolina Employment Security Commission

**Duplin County, North Carolina**  
**Full-time County Government Employees by Function/Program**  
**Last Ten Years**

Table 13

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Government:</b>										
Governing Board	6	6	6	6	5	5	5	5	5	5
Attorney	2	2	3	3	3	3	3	3	3	3
Finance	7	7	7	7	7	8	8	8	8	8
Tax Administration	16	15	15	16	16	16	16	16	16	16
Elections	4	4	4	3	3	3	3	3	3	3
Register of Deeds	6	6	6	6	5	5	5	5	5	5
County Manager	3	3	3	3	3	2	2	2	2	2
Personnel	2	2	3	3	3	3	3	3	3	3
Information Technology	7	7	7	6	8	9	9	9	9	9
Garage	3	3	3	3	3	4	4	4	4	4
Building Maintenance	9	9	9	9	9	9	9	9	9	9
Housekeeping	8	8	7	8	8	8	8	8	8	8
<b>Public Safety:</b>										
Sheriff	51	49	49	51	51	51	51	51	51	51
Court Facilities	2	2	2	2	2	2	2	2	2	2
Communications	22	23	22	23	24	28	28	28	28	28
Faison Substation	3	3	2	2	2	2	2	2	2	2
School Resource Officers	9	9	9	16	16	16	16	16	16	16
Department of Justice Alien Grant	0	0	0	0	0	0	0	0	0	0
Calypso Substation	0	0	0	0	0	0	0	0	0	0
Federally Seized Assets	0	0	0	0	0	0	0	0	0	0
Jail	28	28	32	32	35	35	35	35	35	35
Jail Annex	0	0	0	0	0	9	9	9	9	9
JSCC-School Resource Officer	1	0	0	0	0	0	0	0	0	0
Emergency Management	2	2	2	2	2	2	2	2	2	2
Fire Marshall	2	2	1	1	1	1	1	1	1	1
Building Inspections	3	4	4	4	4	4	4	4	4	4
Emergency Medical Services	70	74	74	74	74	73	73	73	73	73
E-911	0	0	0	0	0	0	0	0	0	0
E-911 Grant	0	0	0	0	0	0	0	0	0	0
Animal Services	3	3	3	3	4	4	4	4	4	4
<b>Economic and Physical Development:</b>										
Planning	1	1	1	1	1	1	1	1	1	1
Economic Development	2	2	2	2	2	2	2	2	2	2
NC Arts Grant-Se Agri Tour	1	1	1	1	1	0	0	0	0	0
Tourism Development	2	2	2	2	2	2	2	2	2	2
JCPC-Duplin Parenting	1	1	1	1	0	0	0	0	0	0
JCPC-4-H Outreach	1	1	1	1	1	1	1	1	1	1
<b>Environmental Protection:</b>										
Soil Conservation	6	6	6	6	6	6	6	6	6	6
<b>Human Services:</b>										
Health	34	32	32	34	35	37	37	37	37	37
Environmental Health	7	6	6	6	6	6	6	6	6	6
Healthy Beginnings	0	1	1	1	0	0	0	0	0	0
Smart Start Child Care	1	0	0	0	0	0	0	0	0	0

**Duplin County, North Carolina**  
**Full-time County Government Employees by Function/Program**  
**Last Ten Years**

Table 13

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Dental Program	3	4	4	5	2	2	2	2	2	2
Bioterrorism	0	0	0	0	0	0	0	0	0	0
County Wellness	0	1	2	0	2	1	1	1	1	1
Health and Wellness Grant	2	2	0	2	0	0	0	0	0	0
Cap Fear Chronic Disease Grant	1	0	0	0	0	0	0	0	0	0
Community Health	1	1	0	0	0	0	0	0	0	0
Pregnancy Care Management	0	0	1	1	1	0	0	0	0	0
Maternal Care Coordination	0	1	0	0	0	0	0	0	0	0
Maternal Health	1	1	1	1	1	1	1	1	1	1
Family Planning	1	0	0	0	0	0	0	0	0	0
WIC	10	10	10	10	10	8	8	8	8	8
Child Health	2	2	2	2	2	2	2	2	2	2
Interpreter Grant	1	0	0	0	0	0	0	0	0	0
CCHC	0	0	0	0	0	1	1	1	1	1
Social Services Administration	115	110	110	110	110	118	118	118	118	118
Social Services Security	1	0	0	0	0	0	0	0	0	0
Medicaid Transportation	0	0	0	0	0	0	0	0	0	0
Title IV-D Child Support	2	2	2	0	0	0	0	0	0	0
Social Services Building	1	1	1	1	1	1	1	1	1	1
County Aging	8	8	8	8	8	8	8	8	8	8
Aging In Home Aid Services	3	3	6	6	6	8	8	8	8	8
Senior Center	1	0	0	0	0	0	0	0	0	0
Family Caregiver	1	1	1	1	1	0	0	0	0	0
Veteran's Service Officer	1	1	2	3	3	3	3	3	3	3
Nutrition Homebound Meals	1	1	1	1	1	1	1	1	1	1
Nutrition	5	5	5	5	5	5	5	5	5	5
<b>Cultural and Recreational:</b>										
Library	11	11	11	13	13	12	12	12	12	12
Parkes and Recreation	3	3	2	3	3	3	3	3	3	3
Events Center	3	3	3	3	2	2	2	2	2	2
Museum	1	1	0	1	1	1	1	1	1	1
<b>Water:</b>										
County Water	13	13	13	13	13	13	13	13	13	13
<b>Transportation</b>	23	20	15	19	16	17	17	17	17	17
<b>Airport</b>	3	3	3	3	3	3	3	3	3	3
<b>Solid Waste:</b>										
Solid Waste Collections	27	27	27	29	29	29	29	29	29	29
Solid Waste Disposal	3	4	4	5	5	5	5	5	5	5
Solid Waste Recycling	2	2	2	3	3	3	3	3	3	3
<b>Totals</b>	<b>571</b>	<b>562</b>	<b>559</b>	<b>585</b>	<b>582</b>	<b>604</b>	<b>604</b>	<b>604</b>	<b>604</b>	<b>604</b>

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

Table 14

Function Program	2011	2012	2013	2014	2015
<b>Airport:</b>					
Gallons-Aviation Gas Sold (yearly)	27,568.94	39,071.59	26,674.61	21,962.31	19,206.19
Gallons-Jet Fuel Sold (yearly)	73,272.04	67,319.76	63,208.59	63,134.42	83,071.13
<b>EMS:</b>					
Transports	5510	5702	6097	9056	6875
<b>Environmental Health:</b>					
Well Permits Issued	31	N/A	44	83	37
Food & Lodging Inspections	202	N/A	146	731	472
On Site Evaluations	70	N/A	117	316	210
Other Permits/Inspections	203	N/A	407	423	740
<b>Inspections:</b>					
Building Inspections	6618	7589	7019	6511	6624
Mobile/Modular Homes	231	303	269	232	248
New Dwellings (Residential)	59	42	64	43	42
Multi-Family Dwellings	0	15	27	24	13
Commercial	33	N/A	N/A	N/A	N/A
Other Inspections	2203	2565	2526	N/A	N/A
<b>Health Department:</b>					
Primary Care Physicals	71	N/A	95	474	6702
Primary Care Treatments	1021	N/A	1279	5212	8299
Family Planning Physicals	184	N/A	255	686	1703
Maternal Health Patients	382	N/A	679	313	1189
Maternal Health Patients (non-english speaking)	281	N/A	479	219	N/A
Maternal Health Visits	486	N/A	700		2166
Child Health Physicals	293	N/A	408	1035	1050
Medications Dispensed	1046	N/A	1262	2999	421
Immunizations Provided	1310	N/A	1965	3117	3211
Dental Services Provided	339	N/A	599	1258	572
WIC number seen	927	N/A	3913	20346	7987
TB Cases/Suspects	15	N/A	6	7	312
TB Skin Test	324	N/A	267	342	83
STD/CD	76	N/A	107	661	842
HIV/AIDS	2	N/A	10	N/A	0



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

Table 14

Function Program	2011	2012	2013	2014	2015
			(continued)	(continued)	(continued)
(Continued)					
<b>Register of Deeds:</b>					
Marriage License Issued	356	298	336	322	324
Death Certificates Issued	2404	2560	2306	2349	2200
Birth Certificates Issued	1980	2304	2183	2220	2097
<b>Sheriff:</b>					
Number of Vehicles	76	73	73	83	95
Number of Officers/Jailers	80	75	83	92	96
Civil papers processed	6525	6332	6137	6220	5795
<b>Social Services:</b>					
Child Support Collections	\$6,122,099	\$6,005,674	\$5,913,960	\$5,310,732	\$5,952,202
<b>Solid Waste: tonnage</b>					
MSW	22,234.40	22,828.02	21,256.50	20,774.99	24,114.38
C & D	1,751.70	2,087.54	1,787.94	1,927.24	1,950.82
Tires	738.58	595.00	579.23	613.27	746.50
Oil	9,088.00	10,489.00	8,531.00	16,913.00	6,046.00
Mixed Recycle	112.82	107.68	112.47	115.50	100.43
Glass	137.50	161.14	140.98	150.40	121.73
Cardboard	441.72	474.23	254.26	227.94	339.86
Plastics	87.89	73.04	60.95	55.52	51.57
Mixed Paper	202.70	184.85	174.97	173.11	157.12
Cans	34.48	29.06	26.14	25.50	22.56
<b>Water:</b>					
Residential Customers	6,363	6,460	6,541	6,667	6,850
Commerical Customers	110	115	115	115	113
Production	526,945,000	541,992,000	551,092,000	555,715,000	585,100,000
Residential Consumption	341,565,000	334,186,000	333,657,000	342,482,000	344,629,000
Commerical Consumption	141,698,000	160,345,000	162,608,000	162,068,000	171,031,000

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

Table 14

Function Program	2016	2017	2018	2019	2020
<b>Airport:</b>					
Gallons-Aviation Gas Sold (yearly)	27,727.40	28,496.10	24,254.46	17,017.96	27,052.85
Gallons-Jet Fuel Sold (yearly)	106,860.68	112,959.21	95,629.11	93,426.42	77,850.87
<b>EMS:</b>					
Transports	7938	6279	5973	5437	5855
<b>Environmental Health:</b>					
Well Permits Issued	89	116	69	75	67
Food & Lodging Inspections	771	801	721	732	446
On Site Evaluations	293	358	309	414	371
Other Permits/Inspections	956	1086	990	1080	720
<b>Inspections:</b>					
Building Inspections	6279	9256	7848	14400	13389
Mobile/Modular Homes	227	259	248	332	291
New Dwellings (Residential)	44	50	46	51	49
Multi-Family Dwellings	30	41	51	44	30
Commercial	N/A	N/A	N/A	N/A	N/A
Other Inspections	N/A	N/A	N/A	N/A	N/A
<b>Health Department:</b>					
Primary Care Physicals	5653	462	686	577	458
Primary Care Treatments	7207	6347	5420	5371	4238
Family Planning Physicals	1258	1167	1189	1100	956
Maternal Health Patients	1449	1491	1312	1392	918
Maternal Health Patients (non-english speaking)	N/A	N/A	0	0	0
Maternal Health Visits	2637	1697	1486	1599	1093
Child Health Physicals	1108	942	1166	1083	979
Medications Dispensed	1688	N/A	0	0	0
Immunizations Provided	3149	7028	6334	6144	4421
Dental Services Provided	190	114	0	0	0
WIC number seen	12249	20689	21072	20179	0
TB Cases/Suspects	19	10	11	7	0
TB Skin Test	0	N/A	0	0	0
STD/CD	704	523	655	823	1160
HIV/AIDS	0	N/A	0	0	0

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

Table 14

Function Program	2016	2017	2018	2019	2020
	(continued)	(continued)			
(Continued)					
<b>Register of Deeds:</b>					
Marriage License Issued	309	325	305	275	436
Death Certificates Issued	2039	1840	2202	1689	2037
Birth Certificates Issued	2073	2237	2222	2513	2019
<b>Sheriff:</b>					
Number of Vehicles	90	95	95	95	95
Number of Officers/Jailers	109	100	100	100	100
Civil papers processed	6545	6096	5874	5558	3532
<b>Social Services:</b>					
Child Support Collections	\$6,152,924	\$6,249,887	\$6,326,791	\$6,125,683	\$6,061,573
<b>Solid Waste: tonnage</b>					
MSW	26,584.78	27,570.21	26,215.83	27,212.29	21,292.48
C & D	1,899.29	3,313.00	4,837.41	5,276.93	5,587.45
Tires	588.15	601.22	664.75	733.17	672.68
Oil	2,664.00	-	0	0	0
Mixed Recycle	108.25	103.53	58.8	0.93	0
Glass	136.69	131.16	152.63	116.34	161.22
Cardboard	328.22	140.47	121.24	144.23	141.62
Plastics	54.13	50.77	50.47	51.66	53.32
Mixed Paper	153.01	180.83	183.48	167.1	177.38
Cans	25.29	24.51	25.41	18.68	26.11
<b>Water:</b>					
Residential Customers	6,840	6,961	7,045	7,092	7,299
Commerical Customers	131	135	144	140	145
Production	586,155,000	597,514,000	653,840,000	709,149,000	648,777,000
Residential Consumption	306,281,000	319,357,000	367,573,000	360,562,000	368,769,000
Commerical Consumption	151,902,000	154,498,000	168,996,000	194,447,000	193,415,000

**Duplin County, North Carolina**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Table 15

Function/Program	2011	2012	2013	2014	2015
<b>General Government:</b>					
Number of Buildings	9	9	9	9	9
Value of Buildings/contents	\$ 4,489,371	\$ 4,440,551	\$ 4,444,953	\$ 6,278,468	\$ 8,905,194
<b>Public Safety:</b>					
Number of patrol vehicles	73	69	69	74	77
Volunteer Fire Depts	24	24	24	24	24
Number of EMS stations	8	8	8	8	8
Number of ambulances	13	13	13	14	14
Number of jail beds	98	98	98	98	98
<b>Cultural &amp; Recreational:</b>					
Number of Parks	1	1	1	1	1
Number of libraries	6	6	6	6	6
<b>Enterprise Funds:</b>					
Solid Waste convenience sites	15	15	15	15	15
Number of Water Tanks	12	12	12	12	12
Number of Water pumping sites	15	15	15	15	15
Number of Transportation vehicles	15	14	14	14	14

**Duplin County, North Carolina**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Table 15

Function/Program	2016	2017	2018	2019	2020
<b>General Government:</b>					
Number of Buildings	9	9	9	9	9
Value of Buildings/contents	\$ 8,905,194	\$ 8,905,194	\$ 8,905,194	\$ 8,905,194	\$ 8,905,194
<b>Public Safety:</b>					
Number of patrol vehicles	90	90	89	89	89
Volunteer Fire Depts	24	24	24	24	24
Number of EMS stations	8	8	8	8	8
Number of ambulances	14	14	14	14	14
Number of jail beds	98	118	118	118	118
<b>Cultural &amp; Recreational:</b>					
Number of Parks	1	1	1	1	1
Number of libraries	6	6	6	6	6
<b>Enterprise Funds:</b>					
Solid Waste convenience sites	15	15	15	15	15
Number of Water Tanks	12	12	12	12	12
Number of Water pumping sites	15	15	15	15	15
Number of Transportation vehicles	14	14	14	14	14

## COMPLIANCE SECTION

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**Report On Internal Control Over Financial Reporting And On Compliance and Other  
Matters Based On An Audit Of Financial Statements Performed In Accordance With  
*Government Auditing Standards***

**Independent Auditors' Report**

To the Board of County Commissioners  
Duplin County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Duplin County, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprises the Duplin County's basic financial statements, and have issued our report thereon dated March 17, 2021. The financial statements of the Duplin TDA were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Duplin County's internal control over financial reporting (internal control) to determine the 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 Duplin County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. 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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Duplin 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Thompson, Price, Scott, Adams & Co., PA*  
Wilmington, North Carolina  
March 17, 2021





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## **Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; With OMB Uniform Guidance and the State Single Audit Implementation Act**

### **Independent Auditors' Report**

To the Board of County Commissioners  
Duplin County, North Carolina

#### **Report on Compliance for Each Major Federal Program**

We have audited Duplin County, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Duplin County's major federal programs for the year ended June 30, 2020. Duplin County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

Management is responsible for compliance with Federal and State Statutes, regulations, and the terms and conditions of its Federal awards applicable to its federal programs.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Duplin County's major federal programs based on our audit of the types of compliance requirements referred to above. 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. Those standards, the OMB Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Duplin County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Duplin County's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, Duplin County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2020 – 001. Our opinion on each major federal program is not modified with respect to these matters.

Duplin County's response to the noncompliance findings identified in our audit is described in the schedule of findings and questioned costs. Duplin County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2020 – 001, 2020 – 002, and 2020 - 003 that we consider to be significant deficiencies.

Duplin County's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Thompson, Price, Scott, Adams & Co., PA*

*Wilmington, North Carolina*

*March 17, 2021*



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**Report On Compliance For Each Major State Program; Report on Internal Control Over Compliance; In accordance with OMB Uniform Guidance; and the State Single Audit Implementation Act**

**Independent Auditors' Report**

To the Board of County Commissioners  
Duplin County, North Carolina

**Report on Compliance for Each Major State Program**

We have audited Duplin 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 Duplin County's major state programs for the year ended June 30, 2020. Duplin County's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with State Statutes, regulations, and the terms and conditions of its State awards applicable to its state programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Duplin County's major state programs based on our audit of the types of compliance requirements referred to above. 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 applicable sections of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Duplin County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Duplin County's compliance.

## **Opinion on Each Major State Program**

In our opinion, Duplin 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, 2020.

## **Report on Internal Control Over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Thompson, Price, Scott, Adams & Co., PA*

*Wilmington, North Carolina*

*March 17, 2021*

**DUPLIN COUNTY  
KENANSVILLE, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section I. Summary of Auditors' Results

Financial Statements

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

Internal control over financial reporting:

Material weaknesses identified?  Yes  No

Significant Deficiency(s) identified?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified?  Yes  No

Significant Deficiency(s) identified?  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 Numbers</u>	<u>Names of Federal Program or Cluster</u>
93.778	Medical Assistance Program
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
93.558	TANF Cluster

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee?  Yes  No

State Awards

Internal control over major State programs:

• Material Weakness(es) identified?  Yes  No

• Significant deficiency(s) identified that are not considered to be a material weakness.  Yes  None Reported

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act  Yes  No

Identification of major State programs:

<u>Program Name</u>
Stream Debris Removal
Airport Improvement Program

*State match of Medical Assistance also audited per LGC requirement. Program findings must be submitted to the NC Department of Health and Human Services.*

**DUPLIN COUNTY  
KENANSVILLE, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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Section II. Financial Statement Findings

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None reported.

DUPLIN COUNTY  
KENANSVILLE, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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Section III. Federal Award Findings and Questioned Costs

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**Significant Deficiency/Noncompliance**

US Department of Health and Human Services

Passed through the NC Dept. of Health and Human Services

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

CFDA # 93.778

**Finding: 2020 - 001**

**Eligibility**

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. In accordance with 2 CFR 200, management should have an adequate system of internal controls procedures in place to ensure an applicant is properly determined or redetermined for benefits.

Condition: There were five errors discovered during our procedures that inaccurate information was entered when determining eligibility. Five applicant/beneficiaries that received assistance for which the recipient was not eligible

Questioned Costs: The amount of claims paid on behalf of the above ineligible participants for fiscal year ending 6/30/2020 did not exceed the threshold for a questioned cost determination.

Context: We examined 91 Medicaid applicants to re-determine eligibility. These findings were disclosed in a separately issued spreadsheet to the North Carolina Department of Health and Human Services and are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

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

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

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST.

Views of responsible officials and planned corrective actions: The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations. The County finance office will also participate in the review process.



**DUPLIN COUNTY  
KENANSVILLE, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Significant Deficiency**

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

**Finding: 2020 - 002**

**Eligibility**

Criteria: Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application/recertification and these items will agree to reports in the NC FAST system. In this process, documentation should be present and agree back to the records in the NC FAST system. Any items discovered in the process should be considered in regards to a specific eligibility requirement and explained within the documentation.

Condition: There were twenty seven (27) technical errors discovered during our procedures that verifications in the county documentation and the representative data contained in NC FAST were not the same amounts or files containing policy requirements were not properly documented to be considered in compliance with program control requirements. The errors were as follows: Two (2) did not have child support referrals completed, Five (5) contained incomplete or untimely verification of facts, Six (6) did not have accurate budget calculations in NC FAST, Two (2) lacked sufficient required documentation, Six (6) did not have accurate resource calculations, One (1) contained inaccurate family size calculations, Five (5) contained NC FAST input errors not resulting in a secondary calculation error.

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

Context: We examined 91 Medicaid applicants to re-determine eligibility. These findings were disclosed in a separately issued spreadsheet to the North Carolina Department of Health and Human Services and are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

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

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2019-002.

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

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST.

Views of responsible officials and planned corrective actions: The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations. The County finance office will also participating in the review process.

**DUPLIN COUNTY  
KENANSVILLE, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Significant Deficiency**

US Department of Health and Human Services  
Passed through the NC Dept. of Health and Human Services  
Program Name: Temporary Assistance for Needy Families Cluster  
CFDA # 93.558

**Finding: 2020 - 003**

**Eligibility**

Criteria: Temporary Assistance for Needy Families, program distinction of Work First, case records should contain documentation that verifications were done in preparation of the application/recertification and these items will agree to reports in the NC FAST system. In this process, documentation should be present and agree back to the records in the NC FAST system. Any items discovered in the process should be considered in regards to a specific eligibility requirement and explained within the documentation.

Condition: There were two (2) technical errors discovered during our procedures that verifications in the county documentation and the representative data contained in NC FAST were not the same amounts or files containing policy requirements were not properly documented to be considered in compliance with program control requirements. The errors were as follows: One (1) did not contain the required DSS-8227 form or it was not prepared in accordance with program requirements, One (1) did not input kinship information correctly in NC FAST.

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

Context: We examined 25 Work First applicants to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Temporary Assistance for Needy Families administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which affect calculation of financial need or program specific requirements and a participant could have been approved for benefits that they were not eligible.

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

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST.

Views of responsible officials and planned corrective actions: The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations. The County finance office will also participating in the review process.

**DUPLIN COUNTY  
KENANSVILLE, NORTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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Section IV. State Award Findings and Questioned Costs

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None Reported.



**County of Duplin  
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**CORRECTIVE ACTION PLAN  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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Section II. Financial Statement Findings

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None Reported.

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Section III. Federal Award Findings and Questioned Costs

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**2020 - 001      Eligibility**

Name of contact Person: Susan Thigpen, Director of Social Services

Corrective Action: Procedures and controls are being developed for caseworkers to follow. Medicaid caseworkers will receive additional training on the newly created "Documentation Policy" to remind each of the policies and procedures to be followed in the application process. Supervisors will review action reports regularly to determine if correct was taken and that action was correctly closed out. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations.

Proposed Completion Date: Certain controls are currently being created and reviewed. Management will continue to monitor the progress of this issue and modify the controls as needed.

**2020 - 002; 003      Eligibility**

Name of contact Person: Susan Thigpen, Director of Social Services

Corrective Action: Procedures and controls are being developed for caseworkers to follow. Medicaid and TANF caseworkers will receive additional training on the newly created "Documentation Policy" to remind each of the policies and procedures to be followed in the application process. Supervisors will review action reports regularly to determine if correct was taken and that action was correctly closed out. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations.

Proposed Completion Date: Certain controls are currently being created and reviewed. Management will continue to monitor the progress of this issue and modify the controls as needed.

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Section IV. State Award Findings and Questioned Costs

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None Reported.

**DUPLIN COUNTY**  
**KENANSVILLE, NORTH CAROLINA**

Summary Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2020

Status:	2019-001	Corrected.
	2019-002	Still occurring.
	2018-001	Corrected.
	2018-002	Still occurring.

**DUPLIN COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2020**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients	Local Expenditures
<b>Federal Awards:</b>						
<u>U.S. Dept. of Agriculture</u>						
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Social Services:						
Administration:						
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		509,705	-	-	509,705
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		502,175	-	-	-
Total U.S. Department of Agriculture			1,011,881	-	-	509,705
<u>U.S. Dept. of Transportation</u>						
Passed-through the N.C. Department of Transportation:						
Formula Grants for Rural Areas - Administration	20.509	36233.35.20.1	53,692	-	-	-
Formula Grants for Rural Areas - Capital	20.509	36233.35.20.3	130,987	-	-	-
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	51001.65.3.2	25,000	-	-	-
Formula Grants for Rural Areas - Administration	20.509	36233.35.21.1	109,434	-	-	-
Formula Grants for Rural Areas - Capital	20.509	44637.48.1.3	178,092	-	-	-
Airport Improvement Program	20.106	36237.13.16.1	30,000	-	-	-
Airport Improvement Program	20.106	36237.13.15.2	460,057	-	-	-
Total U.S. Dept. of Transportation			987,262	-	-	-
<u>U.S. Dept. of Treasury</u>						
Direct Program:						
Passed-through the Office of State Budget and Management:						
NC Pandemic Recovery Office						
Coronavirus Relief Fund 16 (Note 6)	21.019		48,910	-	-	-
Total U.S. Dept. of Treasury			48,910	-	-	-
<u>U. S. Department of Homeland Security</u>						
Passed-through N.C. Dept. of Public Safety:						
Division of Emergency Management						
Emergency Service Performance Grant	97.042		19,452	19,452	-	-
USDOT Hazardous Material Emergency Preparation	20.703		724	181	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		1,223,393	407,798	-	-
Total U. S. Department of Homeland Security			1,243,570	427,431	-	-
<u>U.S. Dept. of Health &amp; Human Services</u>						
Passed-through N.C. Department of Health and Human Services:						
Passed-through Eastern Carolina Council of Governments:						
Division of Aging and Adult Services:						
<u>Aging Cluster:</u>						
Special Programs for the Aging - Title III B						
Grants for Supportive Services and Senior Centers	93.044		72,142	4,244	-	8,487
Special Programs for the Aging - Title III C						
Nutrition Services						
Congregate Meals	93.045		125,799	7,400	-	14,800
Home Delivered Meals	93.045		60,245	3,544	-	7,088
Nutrition Services Incentive Program	93.053		33,624	-	-	-
Social Service Block Grant	93.667		10,944	313	-	1,251
Total Aging Cluster			302,754	15,500	-	-
Division of Social Services:						
Temporary Assistance for Needy Families Cluster						
TANF - Work First	93.558		806,674	-	-	403,265
Division of Public Health						
TANF - Work First	93.558		11,897	-	-	-
Total TANF Cluster			818,571	-	-	403,265
AFDC Payments & Penalties	93.560		(99)	(27)	-	(27)
<u>Foster Care and Adoption Cluster (Note 4&amp;5)</u>						
Foster Care - Title IV-E	93.658		263,541	70,131	-	164,377
Foster Care	N/A		34,305	-	-	-
Total Foster Care and Adoption Cluster (Note 4&5)			297,845	70,131	-	164,377
Child Support Enforcement	93.563		529,612	(552)	-	273,382
Low-Income Home Energy Assistance:						
Administration						
Energy Assistance Payments	93.568		50,985	-	-	-
Crisis Intervention Program	93.568		317,529	-	-	-
Crisis Intervention Program	93.568		85,573	-	-	-
Total Low-Income Home Energy Assistance			454,087	-	-	-

**DUPLIN COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2020**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients	Local Expenditures
Stephanie Tubbs Jones Child Welfare Services Program: - Permanency Planning - Families for Kids	93.645		21,746	-	-	7,249
Total Stephanie Tubbs Jones Child Welfare Services Program			21,746	-	-	7,249
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674		5,970	1,492	-	-
SSBG - Other Service and Training	93.667		254,098	-	-	84,699
Division of Aging and Adult Services: Division of Social Services: SSBG - State In Home Service Fund	93.667		1,914	-	-	273
SSBG - Adult Protective Care	93.667		82,301	-	-	4,713
Total Social Service Block Grant			338,314	-	-	89,686
<u>Administration for Children and Families</u>						
Division of Child Development and Early Education (Note 5)						
Subsidized Child Care (Note 4)						
<u>Child Care Development Fund Cluster:</u>						
Division of Social Services:						
Child Care Development Mandatory and Match Fund-Administration	93.596		125,523	-	-	-
Total Subsidized Child Care (Note 4)			125,523	-	-	-
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Health Benefits :						
Division of Social Services:						
Administration:						
Medical Assistance Program	93.778		1,805,936	8,495	-	703,600
Total Medical Assistance Program			1,805,936	8,495	-	703,600
Division of Social Services:						
Administration:						
Children's Health Insurance Program - N.C. Health Choice (Note 5)	93.767		75,615	1,581	-	4,904
Total Children's Health Insurance Program - N.C. Health Choice			75,615	1,581	-	4,904
Passed-through the N.C. Dept. of Insurance:						
Medicare Enrollment Assistance Program						
MIPPA Grant	93.071		2,061	-	-	-
Total Medicare Enrollment Assistance Program			2,061	-	-	-
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Public Health:						
Hospital Preparedness Program (HPP) and Public Health						
Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074		49,664	-	-	-
Project Grants and Cooperative Agreements for						
Tuberculosis Control Program	93.116		27,433	-	-	-
Family Planning Services	93.217		59,779	-	-	-
Immunization Grants	93.268		17,314	-	-	-
Preventive Health and Health Services Block Grant funded solely						
with Prevention and Public Health Funds (PPHF)	93.758		30,921	-	-	-
Cancer Prevention and Control Programs for State, Territorial						
and Tribal Organizations	93.898		5,850	-	-	-
Preventive Health Services: Sexually Transmitted Diseases Control Grants	93.977		100	-	-	-
Maternal and Child Health Services Block Grant	93.994		50,826	15,340	-	-
Total U.S. Dept. of Health and Human Services			5,019,822	111,961	-	1,646,435
Total federal awards			8,311,445	539,392	-	2,156,140
<b>State Awards:</b>						
<u>N.C. Dept. of Administration</u>						
Division of Veterans Affairs:						
Veterans Services						
Total N.C. Dept. of Administration			-	2,182	-	-
			-	2,182	-	-
<u>N.C. Dept. of Agriculture and Consumer Services</u>						
Stream Debris Removal						
Disaster Recovery 2018			-	570,226	-	-
Total N.C. Dept. of Agriculture and Consumer Services			-	596,226	-	-
<u>N.C. Dept. of Cultural and Natural Resources</u>						
Museum of Natural Science						
Division of State Library			-	75,000	-	-
Total N.C. Dept. of Cultural and Natural Resources			-	122,973	-	-
			-	197,973	-	-
<u>N.C. Department of Environmental Quality</u>						
Division of Waste Management						
Soil Conservation State Match			-	3,600	-	-
Electronic Management Program			-	52	-	-
Scrap Tire Program			-	2,000	-	-
NC Agriculture Cost Share - Technical Assistance			-	39,829	-	-
Total Division of Waste Management			-	45,481	-	-



**DUPLIN COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2020**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients	Local Expenditures
Division of Water						
Water quality			-	120	-	-
Total Division of Water			-	120	-	-
Total N.C. Dept. Environmental Quality			-	45,601	-	-
<b><u>N.C. Dept. of Health and Human Services</u></b>						
Division of Aging and Adult Services						
State Appropriation - Access			-	7,183	-	798
State Appropriation - In-Home Services			-	96,859	-	10,762
State Appropriation - Home Delivered Meals			-	92,706	-	10,301
Total Division of Aging and Adult Services			-	196,748	-	21,861
Division of Social Services						
Social Services Block Grant						
Special Children Adoption Incentive Fund			-	(2,624)	-	2,624
Total SSBG - Special Children Adoption Incentive			-	(2,624)	-	2,624
ST Child Welfare/CPS/CS LD			-	64,669	-	-
Energy Assistance			-	2,856	-	-
AFDC Incent/Prog Integrit			-	972	-	-
State Foster Home			-	49,783	-	40,907
Non-Allocating Reimbursable			-	-	-	105,420
Work First Non Reimbursable			-	-	-	300
County Funded Programs			-	-	-	528,542
CSE Disaster Non Reimbursable			-	-	-	74,275
Total Division of Social Services			-	115,656	-	752,067
Division of Public Health						
Other Recipients / State Supported Expenditures						
Food and Lodging Fees			-	12,509	-	-
Aid-to-Counties			-	80,581	-	-
General Communicable Disease Control			-	4,440	-	-
Child Health			-	18,480	-	-
HIV/STD State			-	500	-	-
Healthy Community Activities			-	3,785	-	-
STD Drugs			-	1,154	-	-
Breast and Cervical Cancer Control			-	6,638	-	-
Pregnancy Care Management			-	50,000	-	-
Family Planning - State			-	6,701	-	-
Maternal Health			-	55,618	-	-
Women Health Service Fund			-	9,825	-	-
TB Control			-	34,549	-	-
Total Division of Public Health			-	284,780	-	-
Total N. C. Department of Health and Human Services			-	597,184	-	773,928
<b><u>N.C. Dept. of Insurance</u></b>						
SHIIP Grant			-	4,844	-	-
Total N.C. Dept. of Insurance			-	4,844	-	-
<b><u>N.C. Dept. of Public Safety</u></b>						
Juvenile Crime Prevention Programs			-	209,912	-	-
Total N. C. Department of Public Safety			-	209,912	-	-
<b><u>N.C. Dept. of Transportation</u></b>						
Rural Operating Assistance Program (ROAP) Cluster						
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.9.1	-	82,084	-	-
ROAP Rural General Public Program		36228.22.9.1	-	105,196	-	-
ROAP Work First Transitional - Employment		36236.11.8.1	-	17,760	-	-
Total ROAP Cluster			-	205,040	-	-
Airport Improvement Program		36244.20.13.2	-	612,366	-	-
Airport Improvement Program		36244.20.13.3	-	948,262	-	-
Formula Grants for Rural Areas - Administration		36233.35.20.1	-	3,356	-	-
Formula Grants for Rural Areas - Capital		3633.35.20.3	-	16,373	-	-
Formula Grants for Rural Areas - Administration		36233.35.21.1	-	6,839	-	-
Formula Grants for Rural Areas - Capital		44637.48.1.3	-	22,261	-	-
Total N.C. Dept. of Transportation			-	1,814,497	-	-
<b><u>Administrative Office of the Courts</u></b>						
Safe Roads Act			-	4,819	-	-
Total State awards			-	3,473,238	-	773,928
Total federal and State awards			\$ 8,311,445	\$ 4,012,630	\$ -	\$ 2,930,068

**DUPLIN COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**For the Year Ended June 30, 2020**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients	Local Expenditures
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Notes to the Schedule of Expenditures of Federal and State Financial Awards:

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Duplin County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2020. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Duplin County, it is not intended to and does not present the financial position, changes in net position or cash flows of Duplin County.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3: Indirect Cost Rate**

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

**Note 4: Cluster of Programs**

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

**Note 5: Benefit Payments Issued by the State**

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statements

<u>Program Title</u>	<u>CFDA No.</u>	Federal	State
Special Supplemental Nutrition Program for Women Infant and Children	10.557	1,120,640	-
Supplemental Nutrition Assistance Program	10.551	12,094,698	-
Temporary Assistance for Needy Families	93.558	202,678	-
Adoption Assistance	93.659	201,641	45,483
Family Preservation	93.556	5,053	-
Special Children Adoption	93.558	8,995	-
Medical Assistance Program	93.778	64,193,890	29,047,818
Children's Health Insurance Program	93.767	1,643,774	122,095
Child Welfare Services Adoption	N/A	-	128,954
SA/SAD HB 1030	N/A	-	(15,991)
SC/SA Domiciliary Care	N/A	-	388,914

**Note 6: Coronavirus Relief Funds**

Duplin County received \$1,205,735.40 of funding from the Coronavirus Relief Fund (21.019) and is scheduled to receive \$1,140,042 in July 2020. At least twenty-five percent (25%) of the funds are mandated to go to municipalities within Duplin County, at the discretion of the County. Municipalities are to have a plan to spend these funds by September 1, 2020, or any funds received are to be returned to the County. Counties and municipalities are liable to the State for funds not spent in accordance with US Dept. of Treasury, the granting agency, guidelines. According to the Office of State Budget and Management, the State's pass-through agency, municipalities are considered subrecipients of the Counties. However, under state statute, municipalities are liable to the State, not the County, for any misused or misspent funds. CRF must be spent during the period March 1, 2020 to December 30, 2021.