

**DUPLIN COUNTY,  
NORTH CAROLINA**

Financial Statements and Supplementary Information

For the Year Ended June 30, 2022

DUPLIN COUNTY, NORTH CAROLINA

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## **Independent Auditors' Report**

To the Board of County Commissioners  
Duplin County, North Carolina

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, 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 ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Duplin County as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows 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.

#### ***Basis for Opinion***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Duplin County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Duplin County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with GAAS and Governmental Auditing Standards we:

- exercised professional judgement and maintained professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsible to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Duplin County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 15, the other postemployment Benefits Schedules of Changes in the Net 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 Schedule of County Contributions, the Law Enforcement Officer's 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 Duplin County, North Carolina basic financial statements. The introductory information, combining and individual fund statements, budgetary schedules, other schedules, as well as the accompanying schedule of expenditures of federal and state awards as required by *Title 2, U.S. Cost 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 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 relates 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, the combining and individual fund statements, the budgetary schedules, schedule of expenditures of federal and state awards, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory information and statistical tables have not been subjected to the auditing procedures applied in the audit of basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our reports dated September 15, 2023 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 that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*RH CPA<sub>s</sub>, PLLC*

Greensboro, North Carolina  
September 15, 2023

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## **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, 2022. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

### **Financial Highlights**

The assets and deferred outflows of resources of Duplin County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$75,317,514 (net position).

The government's total net position increased by \$41,848,351 primarily due to an increase in net position in the governmental activities and business activities, as well as implementation of GASB Statement No. 84, Fiduciary Activities, which created new special revenue funds that were once treated as agency funds.

As of the close of the current fiscal year, Duplin County's governmental funds reported combined ending fund balances of \$76,765,939, after a net increase in fund balance of \$37,918,613. Approximately 20% of this total amount, or \$15,843,407 is restricted or non-spendable.

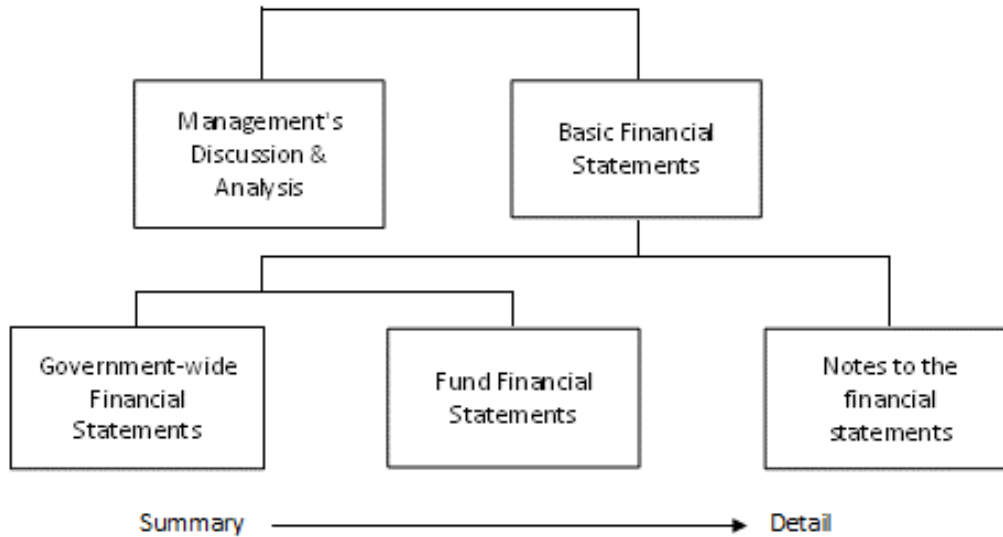
At the end of the current fiscal year, unassigned fund balance for the consolidated General fund was \$22,596,232 or 45% of total General Fund expenditures and transfers.

Duplin County's total debt decreased by \$2,681,698 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 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.

Proprietary Funds – Duplin County has two different kinds of proprietary funds. Enterprise Funds are used to report the same functions 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.

**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	
	2022	2021	2022	2021	2022	2021
Current and other assets	103,534,866	59,870,649	17,784,356	16,370,129	121,319,222	76,240,778
Capital assets	21,336,981	20,802,895	60,911,133	59,911,362	82,248,114	80,714,257
Total assets	124,871,847	80,673,544	78,695,489	76,281,491	203,567,336	156,955,035
Deferred outflows of resources	12,405,907	11,091,370	1,479,813	979,478	13,885,720	12,070,848
Long term-liabilities outstanding	86,646,931	97,398,675	16,329,481	17,423,570	102,976,412	114,822,245
Other liabilities	28,946,234	5,098,376	1,625,080	1,823,917	30,571,314	6,922,293
Total liabilities	115,593,164	102,497,051	17,954,561	19,247,487	133,547,725	121,744,538
Deferred inflows of resources	7,972,424	8,374,642	615,393	182,476	8,587,817	8,557,118
<b>Net Position:</b>						
Net investment in capital assets	12,419,305	11,572,082	48,351,968	44,620,075	60,771,273	56,192,157
Restricted	18,344,671	14,051,025	-	825,195	18,344,671	14,876,220
Committed	(14,275,224)				(14,275,224)	-
Unassigned	(2,776,586)	(44,729,886)	13,253,380	12,385,736	10,476,794	(32,344,150)
Total net position	13,712,166	(19,106,779)	61,605,348	57,831,006	75,317,514	38,724,227

As noted earlier, net position, overtime 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 \$75,317,514 at the close of the most recent fiscal year.

### **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 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.

By far, the largest portion, \$60,771,273 of Duplin County's net position reflects its net investment in capital assets (eg. 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 of net position of \$18,344,671 that represents resources subject to external restrictions. The County had an unrestricted balance of \$10,476,794 as of June 30, 2022.

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 97.02%
- 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	
	2022	2021	2022	2021	2022	2021
<b>Revenues</b>						
Program Revenues						
Charges for Services	14,313,612	10,079,125	9,153,316	7,889,265	23,466,928	17,968,390
Operating grants and contributions	12,121,599	9,615,718	3,244,428	3,015,620	15,366,027	12,631,338
Capital grants and contributions	32,515,425	3,475,560	607,197	663,787	33,122,622	4,139,347
General revenues:					-	-
Property taxes	36,674,902	35,286,298	-	-	36,674,902	35,286,298
Other taxes	15,499,635	14,483,340	130,448	145,382	15,630,083	14,628,722
Other	2,208,270	186,460	525,447	244,650	2,733,717	431,110
Total revenues	<u>113,333,443</u>	<u>73,126,501</u>	<u>13,660,836</u>	<u>11,958,704</u>	<u>126,994,279</u>	<u>85,085,205</u>
<b>Expenses</b>						
General Government	16,668,272	7,635,604	-	-	16,666,933	7,635,604
Public Safety	21,054,443	21,476,028	-	-	21,054,443	21,476,028
Economic and Physical Development	5,245,637	5,301,883	-	-	5,245,637	5,301,883
Human Services	15,046,359	17,364,536	-	-	15,046,359	17,364,536
Cultural and Recreation	1,548,393	1,294,538	-	-	1,548,393	1,294,538
Environmental Protection		423,123	-	-	-	423,123
Education	12,493,132	11,910,359	-	-	12,493,132	11,910,359
Interest on Long-Term Debt	2,340,513	2,090,903	-	-	2,340,513	2,090,903
Airport	-	-	2,077,070	1,863,246	2,077,070	1,863,246
Water	-	-	3,586,558	3,168,383	3,586,558	3,168,383
Transportation	-	-	1,120,157	4,682,936	1,119,665	4,682,936
Solid Waste	-	-	3,965,394		3,965,394	
Total expenses	<u>74,396,749</u>	<u>67,496,974</u>	<u>10,749,179</u>	<u>9,714,565</u>	<u>85,144,097</u>	<u>77,211,539</u>
Increase (decrease) in net position before transfers and special items	38,936,694	5,629,527	2,911,657	2,244,139	41,848,351	7,873,666
Transfers	(133,901)	154,032	133,901	(154,032)	-	-
Increase (decrease) in net position	38,802,793	5,783,559	3,045,558	2,090,107	41,592,939	7,873,666
Net position, beginning, previously reported	(19,106,779)	(25,101,134)	57,831,006	55,740,899	42,796,182	30,639,765
Restatement	(5,983,848)	210,796	728,784		-	210,796
Net position, beginning, restated	<u>(25,090,627)</u>	<u>(24,890,338)</u>	<u>58,559,790</u>	<u>55,740,899</u>	<u>42,796,182</u>	<u>30,850,561</u>
Net position, ending	<u>13,712,166</u>	<u>(19,106,779)</u>	<u>61,605,348</u>	<u>57,831,006</u>	<u>75,317,514</u>	<u>38,724,227</u>

## 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 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 \$22,596,232 while total fund balance reached \$30,824,174. The County currently has an unassigned fund balance of 45% of general fund expenditures and transfers, while the total fund balance represents 61% of the same amount.

At June 30, 2022, the governmental funds of the County reported a combined fund balance of \$76,765,939, a \$37,918,613 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 \$3,045,558.

## Capital Asset and Debt Administration

**Capital Assets.** Duplin County's investment in capital assets for its governmental and business-type activities as of June 30, 2022 totals \$60,771,273 (net of accumulated depreciation). These assets include land, buildings, automotive equipment, office and other equipment, water and sewer lines, sewer pump stations, water wells, booster pumps and storage tanks.

Major capital assets transactions during the fiscal year included:

- Awarded a contract of \$2,014,237 for the construction of a replacement SCADA (Supervisory Control and Data Acquisition) System for the Water Department.
- Finished a Golden Leaf Grant-funded project to replace three emergency generators at 3 well sites.
- Authorized the release of \$2,139,224 of NC Lottery Funds to the Board of Education for construction of a 5,637sf multipurpose room/auxiliary gymnasium at Beulaville Elementary School.
- Awarded a \$248,499 bid for storm debris removal on Rockfish Creek; and an additional \$249,000 contract for debris removal on another section of Rockfish Creek.
- Replaced three transit system vans with state funds.

- The County was notified that it was allocated \$11,409,751 in ARPA funds. This is part of the federal government’s economic stimulus package. One-half of the funds were made available to the County later in the year. The BOCC is in the process of deciding how to allocate those funds.
- The State Division of Aviation has paid to construct a hangar at the Duplin County Airport for the NC Forestry Service Aerial Fire Division. Construction is underway.
- Approved an application for \$1,243,500 to US Department of Agriculture—Rural Development funds for a new water supply well.
- Authorized Parrish and Partners, LLC to prepare the Duplin Commons Master Plan Update.
- Hired an engineer to design a parking lot at the NE part of the Events Center, and oversee the construction. Also designed a 250-300 space parking lot in the front of the building to be built later.
- Sent out a Request for Qualifications to hire an architect for a new Veterans Services/Agency on Aging building.
- Installed a standing seam roof on the Health Department.
- Approved a \$1,300,000 loan from Tri-County EMC toward the proposed new Animal Care, Control and Adoption facility.
- Awarded a \$3,623,282 construction contract for the new Animal Care, Control and Adoption facility.
- Replaced some patrol vehicles and ambulances on our regular replacement schedule.
- Approved a \$150,000 local match for a \$4,000,000 NC GREAT Grant to Broadband Atlantic Telephone Membership Corporation
- The BOCC approved the Bond Resolution to refinance up to \$11,500,000 of debt on the Water System at a much lower rate than when originally issued, saving considerable money.

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

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

- The 2020 Census badly undercounted the county, going from 58,241 to a little over 48,000. The County disputes this number as our school systems have increased enrollment, County water customers have increased, and our overall workforce has remained consistent with previous years. In addition, enrollment at James Sprunt Community College continues to increase.
- Allocation of ARPA funding on specific projects and programs will inject new money into the local economy.
- The economy is recovering from the COVID pandemic.
- The County continues to upgrade its facilities and water system. These expenditures will have a positive impact on the local construction industry.

### **Budget Highlights for the Fiscal Year Ending June 30, 2023**

#### **Governmental Activities**

The County approved an original \$66,747,907 General Fund budget in FY 2023. This represents a decrease over the final budget adopted for FY 2022 of \$67,747,907. The tax rate of 71.5 cents per one hundred dollars of assessed valuation plus a 2.0 cents per one hundred dollars of assessed valuation for the Capital Reserve Fund, totals a tax rate of 73.5 cents. This is unchanged from the previous year. The Board of County Commissioners continue to support the County’s capital improvements program by setting aside this funding for the Capital Reserve Fund.



### **Business-type Activities**

No increases were made in the water or sewer rates. However, the solid waste household user fee was increased by \$20, and the tipping fees were raised by \$10 per ton. The Transportation Fund's rates remained the same as the previous year.

### **Economic Forecast**

The economy continues to improve after the pandemic. Commercial activity is getting back to a more normal state. The projection is for continued slow, but steady growth. The property valuations increased by 1.9% for the FY 2023 Budget.

Duplin County's economy has been based historically on agriculture production and processing. According to the North Carolina Department of Agriculture's 2020 statistics, Duplin County ranks number one in the state in cash receipts from the sale of pork and poultry with total sales for all livestock and crops countywide of \$1,270,000,000. Duplin County is also recognized as an important agricultural producer nationally. The 2020 US Census of Agriculture ranks Duplin County 19<sup>th</sup> of 3,077 US counties in market value of agricultural products sold; with 92% of the value generated by livestock sales.

Duplin County had an announcement of a furniture manufacturer bringing 33 jobs to the area. In addition, at fiscal year-end the BOCC held the required public hearings on financial incentives for a manufacturer expansion adding 150 jobs. Final action took place in FY 2023.

The Duplin Economic Development Commission has identified four strategic markets as potential growth segments: Logistics and Distribution, Alternative Energy Production, Food Processing and Defense. A network of six primary highways intersects with I-40, the state's major east-west artery. I-40 intersects I-95, the major north-south artery about 40 miles north of Duplin County. The county has four-lane access to the region's population centers; deep water ports at Wilmington and Morehead City; and the major 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. There has been a steady increase of renewable natural gas businesses seeking to purchase land in Duplin County. Two of those have been successful and a third is close to completion. Carbon Cycle Energy, also known as C2Energy, has invested over \$70,000,000 here, creating 45 new jobs.

Manufacturing, including 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 the 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, NC 28349.

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## **FINANCIAL SECTION**

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## **BASIC FINANCIAL STATEMENTS**

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**DUPLIN COUNTY, NORTH CAROLINA**

**Exhibit 1**

**Statement of Net Position**

**June 30, 2022**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Duplin County Tourism Development Authority
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 86,189,660	\$ 16,385,791	\$ 102,575,451	\$ 813,396
Due from government agencies	440,740	-	440,740	1,070
Due from other funds	-	300	300	-
Accounts receivable, net	14,236,066	1,256,056	15,492,122	22,734
Taxes receivables, net	1,766,590	-	1,766,590	-
Notes receivable, net	576,797	-	576,797	-
Inventories	293,501	142,209	435,710	-
Restricted cash and investments	31,512	-	31,512	-
Total current assets	<u>103,534,866</u>	<u>17,784,356</u>	<u>121,319,222</u>	<u>837,200</u>
Non-current assets:				
Capital assets:				
Land and construction in progress	2,727,590	4,053,220	6,780,810	-
Other capital assets, net of depreciation	18,609,391	56,857,913	75,467,304	-
Total capital assets	<u>21,336,981</u>	<u>60,911,133</u>	<u>82,248,114</u>	<u>-</u>
Total assets	<u>124,871,847</u>	<u>78,695,489</u>	<u>203,567,336</u>	<u>837,200</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Contributions to pension plan in current fiscal year	-	-	-	-
OPEB deferrals	5,729,299	407,585	6,136,884	-
Pension deferrals	6,676,608	505,539	7,182,147	-
Other deferrals	-	566,689	566,689	-
Total deferred outflows of resources	<u>12,405,907</u>	<u>1,479,813</u>	<u>13,885,720</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	2,968,106	386,458	3,354,564	14,982
Due to other funds	947,982	-	947,982	-
Unavailable revenues	12,944,470	-	12,944,470	-
Advance from other governments	9,275,302	-	9,275,302	-
Customer deposits	-	549,690	549,690	-
Current portion of long-term liabilities	2,810,374	688,932	3,499,306	-
Total current liabilities	<u>28,946,234</u>	<u>1,625,080</u>	<u>30,571,314</u>	<u>14,982</u>
Long-term liabilities:				
Net pension liability (LGERS)	4,041,445	332,524	4,373,969	-
Total pension liability (LEOSSA)	2,481,167	-	2,481,167	-
OPEB liability	31,042,989	2,208,411	33,251,400	-
Due in more than one year	49,081,330	13,788,546	62,869,876	-
Total long-term liabilities	<u>86,646,931</u>	<u>16,329,481</u>	<u>102,976,412</u>	<u>-</u>
Total liabilities	<u>115,593,164</u>	<u>17,954,561</u>	<u>133,547,725</u>	<u>14,982</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Prepaid taxes	188,332	-	188,332	167
OPEB deferrals	1,435,193	102,100	1,537,293	-
Pension deferrals	6,348,899	511,943	6,860,842	-
Other	-	1,350	1,350	-
Total deferred inflows of resources	<u>7,972,424</u>	<u>615,393</u>	<u>8,587,817</u>	<u>167</u>
<b>NET POSITION</b>				
Net investment in capital assets	12,419,305	48,351,968	60,771,273	-
Restricted for:				
Stabilization by State Statue	6,005,189	-	6,005,189	-
Other	9,585,686	-	9,585,686	-
Subsequent year's expenditures	2,753,796	-	2,753,796	-
Committed	(14,275,224)	-	(14,275,224)	-
Unassigned	(2,776,586)	13,253,380	10,476,794	822,051
Total net position	<u>\$ 13,712,166</u>	<u>\$ 61,605,348</u>	<u>\$ 75,317,514</u>	<u>\$ 822,051</u>

The accompanying notes to the financial statements are an integral part of these statements.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Statement of Activities**  
**For the year Ended June 30, 2022**

**Exhibit 2**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Duplin County Tourism Development Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 16,668,272	7,189,419	\$ 438,780	\$ -	\$ (9,040,073)	\$ -	\$ (9,040,073)	
Public safety	21,054,443	496,839	489,824	-	(20,067,780)	-	(20,067,780)	
Economic and physical development	5,245,637	-	134,539	32,515,425	27,404,327	-	27,404,327	
Human services	15,046,359	5,376,393	10,452,202	-	782,236	-	782,236	
Cultural and recreational	1,548,393	228,978	-	-	(1,319,415)	-	(1,319,415)	
Education	12,493,132	1,021,983	606,254	-	(10,864,895)	-	(10,864,895)	
Interest on long-term debt	2,340,513	-	-	-	(2,340,513)	-	(2,340,513)	
Total governmental activities	<u>74,396,749</u>	<u>14,313,612</u>	<u>12,121,599</u>	<u>32,515,425</u>	<u>(15,446,113)</u>	<u>-</u>	<u>(15,446,113)</u>	
Business-type activities:								
Airport commission	2,077,070	994,301	2,963,733	-	-	1,880,964	1,880,964	
Water	3,586,558	3,876,379	272,473	-	-	562,294	562,294	
Solid waste	3,965,394	3,548,823	8,222	-	-	(408,349)	(408,349)	
Transportation	1,120,157	733,813	-	607,197	-	220,853	220,853	
Total business-type activities	<u>10,749,179</u>	<u>9,153,316</u>	<u>3,244,428</u>	<u>607,197</u>	<u>-</u>	<u>2,255,762</u>	<u>2,255,762</u>	
Total primary government	<u>\$ 85,145,928</u>	<u>\$ 23,466,928</u>	<u>\$ 15,366,027</u>	<u>\$ 33,122,622</u>	<u>(15,446,113)</u>	<u>2,255,762</u>	<u>(13,190,351)</u>	
Component Units:								
Tourism development authority	164,086	-	-	-	-	-	-	(164,086)
General revenues:								
Taxes:								
Property taxes, levied for general purpose					36,674,902	-	36,674,902	-
Local option sales tax					15,270,432	-	15,270,432	-
Other taxes					229,203	130,448	359,651	260,323
Grants and contributions not restricted to specific programs					979,608	-	979,608	-
Unrestricted investment earnings					224,679	29,274	253,953	1,140
Miscellaneous					1,003,983	496,173	1,500,156	204
Transfers					(133,901)	133,901	-	-
Total general revenues and transfers					<u>54,248,906</u>	<u>789,796</u>	<u>55,038,702</u>	<u>261,667</u>
Change in net position					38,802,793	3,045,558	41,848,351	97,581
Net position, beginning, as previously reported					(19,106,779)	57,831,006	38,724,227	724,470
Prior period restatement					(5,983,848)	728,784	(5,255,064)	-
Net position, beginning					<u>(25,090,627)</u>	<u>58,559,790</u>	<u>33,469,163</u>	<u>724,470</u>
Net position, ending					<u>\$ 13,712,166</u>	<u>\$ 61,605,348</u>	<u>\$ 75,317,514</u>	<u>\$ 822,051</u>

The accompanying notes to the financial statements are an integral part of these statements.

DUPLIN COUNTY, NORTH CAROLINA

Exhibit 3

Balance Sheet  
Governmental Funds  
June 30, 2022

	Major Funds				Total Non-Major Funds	Total Governmental Funds
	General Fund	Capital Project Fund	Debt Service Fund	ARPA Fund		
<b>ASSETS</b>						
Cash and investments	\$ 30,855,743	\$ 33,310,193	\$ 607,560	\$ 9,301,794	\$ 11,893,948	\$ 85,969,238
Due from other governments	440,740	-	-	-	-	440,740
Accounts receivable, net	12,575,154	-	-	-	1,412,071	13,987,225
Taxes receivable, net	1,669,424	-	-	-	97,166	1,766,590
Notes receivable, net	-	-	-	-	576,797	576,797
Inventories	293,501	-	-	-	-	293,501
Restricted cash and investments	-	-	31,512	-	-	31,512
Total assets	<u>45,834,562</u>	<u>33,310,193</u>	<u>639,072</u>	<u>9,301,794</u>	<u>13,979,982</u>	<u>103,065,603</u>
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	2,549,778	-	-	-	391,705	2,941,483
Contracts payable	2,395	-	-	-	-	2,395
Due to other funds	-	-	-	-	947,682	947,682
Total liabilities	<u>2,552,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,339,387</u>	<u>3,891,560</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	10,601,083	-	-	-	-	10,601,083
Property taxes receivable	1,669,424	-	-	-	673,963	2,343,387
Prepaid taxes	187,708	-	-	-	624	188,332
Advance from other governments	-	-	-	9,275,302	-	9,275,302
Other	-	-	-	-	-	-
Total deferred inflows of resources	<u>12,458,215</u>	<u>-</u>	<u>-</u>	<u>9,275,302</u>	<u>674,587</u>	<u>22,408,104</u>
<b>FUND BALANCES</b>						
Nonspendable - inventory	305,539	-	-	-	-	305,539
Restricted:						
Stabilization by State Statute	2,680,815	-	-	-	3,271,367	5,952,182
Other	2,487,792	-	-	-	7,097,894	9,585,686
Committed	-	33,310,193	639,072	26,492	2,021,681	35,997,438
Assigned	2,753,796	-	-	-	-	2,753,796
Unassigned	22,596,232	-	-	-	(424,934)	22,171,298
Total fund balances	<u>30,824,174</u>	<u>33,310,193</u>	<u>639,072</u>	<u>26,492</u>	<u>11,966,008</u>	<u>76,765,939</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 45,834,562</u>	<u>\$ 33,310,193</u>	<u>\$ 639,072</u>	<u>\$ 9,301,794</u>	<u>\$ 13,979,982</u>	<u>\$ 103,065,603</u>

The accompanying notes to the financial statements are an integral part of these statements.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Balance Sheet (Continued)**  
**Governmental Funds**  
**June 30, 2022**

**Exhibit 3**

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

Total fund balance, governmental funds	\$ 76,765,939
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Gross capital assets at historical cost	\$ 46,016,181
Accumulated depreciation	<u>(24,679,200)</u> 21,336,981
A portion of the assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net position.	445,694
Net pension liability	(4,041,445)
Total pension liability - LEOSA	(2,481,167)
OPEB liability	(31,042,989)
Pension related deferrals	(6,348,899)
OPEB related deferrals	(1,435,193)
Deferred outflows of resources related to pensions are not reported in the funds	6,676,608
Deferred outflows of resources related to OPEB are not reported in the funds	5,729,299
Long-term liabilities, compensated absences, and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(51,892,662)</u>
Net position of governmental activities	<u><u>\$ 13,712,166</u></u>

The accompanying notes to the financial statements are an integral part of these statements.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2022**

**Exhibit 4**

	Major Fund				Total Non-Major Funds	Total Governmental Funds
	General Fund	Capital Project Fund	Debt Service Fund	ARPA Fund		
<b>REVENUES</b>						
Ad valorem taxes	\$ 34,515,215	\$ -	\$ -	\$ -	\$ 2,159,687	\$ 36,674,902
Local option sales tax	10,103,546	-	-	-	5,166,886	15,270,432
Other taxes and licenses	229,203	-	-	-	-	229,203
Unrestricted intergovernmental	979,608	-	-	-	-	979,608
Restricted intergovernmental	9,024,041	32,515,425	-	2,134,449	1,021,172	44,695,087
Sales and services	8,655,497	-	-	-	-	8,655,497
Investment earnings	120,273	16,781	1,032	24,420	61,811	224,317
Other	1,092,002	-	-	-	414,919	1,506,921
Total revenues	<u>64,719,385</u>	<u>32,532,206</u>	<u>1,032</u>	<u>2,158,869</u>	<u>8,824,475</u>	<u>108,235,967</u>
<b>EXPENDITURES</b>						
Current:						
General government	6,841,322	-	-	-	361,099	7,202,421
Public safety	16,478,494	-	-	-	4,008,946	20,487,440
Economic and physical development	2,635,586	-	-	-	336,938	2,972,524
Human services	14,812,253	-	-	-	60,080	14,872,333
Cultural and recreational	1,226,275	-	-	-	-	1,226,275
NCDAS stream cleanout	-	2,020,483	-	-	-	2,020,483
BFG sewer DWI	-	126,171	-	-	-	126,171
Salaries and benefits	-	-	-	2,060,727	-	2,060,727
Operating expenditures	-	-	-	73,722	-	73,722
Other	-	-	-	-	-	-
Intergovernmental:						
Education	11,113,100	-	-	-	1,130,261	12,243,361
Debt service:						
Principal	102,539	-	2,245,598	-	-	2,348,137
Interest	10,149	-	2,330,364	-	-	2,340,513
Bond issuance cost	-	-	1,250	-	-	1,250
Capital outlay	1,593,931	-	-	-	141,058	1,734,989
Total expenditures	<u>54,813,649</u>	<u>2,146,654</u>	<u>4,577,212</u>	<u>2,134,449</u>	<u>6,038,382</u>	<u>69,710,346</u>
Excess (deficiency) of revenues over expenditures	<u>9,905,736</u>	<u>30,385,552</u>	<u>(4,576,180)</u>	<u>24,420</u>	<u>2,786,093</u>	<u>38,525,621</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers from other funds	824,962	1,459,813	4,575,958	-	41,435	6,902,168
Transfers to other funds	(5,093,199)	-	-	-	(2,415,977)	(7,509,176)
Total other financing sources (uses)	<u>(4,268,237)</u>	<u>1,459,813</u>	<u>4,575,958</u>	<u>-</u>	<u>(2,374,542)</u>	<u>(607,008)</u>
Net change in fund balance	5,637,499	31,845,365	(222)	24,420	411,551	37,918,613
Fund balances, beginning, as previously reported	25,186,675	1,464,828	639,294	2,072	11,833,430	39,126,299
Prior period restatement	-	-	-	-	(278,973)	(278,973)
Fund balances, beginning	<u>25,186,675</u>	<u>1,464,828</u>	<u>639,294</u>	<u>2,072</u>	<u>11,554,457</u>	<u>38,847,326</u>
Fund balances, ending	<u>\$ 30,824,174</u>	<u>\$ 33,310,193</u>	<u>\$ 639,072</u>	<u>\$ 26,492</u>	<u>\$ 11,966,008</u>	<u>\$ 76,765,939</u>

The accompanying notes to the financial statements are an integral part of these statements.



**DUPLIN COUNTY, NORTH CAROLINA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance (Continued)**  
**Governmental Funds**  
**For the Year Ended June 30, 2022**

**Exhibit 4**

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

Net changes in fund balances- total governmental funds		\$ 37,918,613
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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 period.

Capital outlay expenditures which were capitalized	\$ 1,767,098	
Depreciation expense for governmental assets	<u>(1,580,051)</u>	187,047

Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the statement of net position.		(292,874)
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Change in deferred outflows - pension		1,211,302
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Change in deferred inflows - pension		(4,891,687)
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Change in pension liability		2,965,548
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Internal service funds are used to charge costs to individual funds. The net income of certain activities of the internal service funds are reported with governmental activities.		(179,404)
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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 financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

New long-term debt issues	-	
Principal payments on long-term debt	<u>2,348,137</u>	2,348,137

Expenses related to compensated absences, OPEB, and Law Enforcement Officers' Separation Allowance reported in the statement of activities that do not pay for current financial obligations are not reported as expenditures in the governmental funds. This adjustment is the amount of net change in these balances in the current year.		<u>(463,889)</u>
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Total changes in net position of governmental activities		<u><u>\$ 38,802,793</u></u>
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The accompanying notes to the financial statements are an integral part of these statements.

**DUPLIN COUNTY, NORTH CAROLINA**

**Exhibit 5**

**General Fund**

**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022**

	General Fund			Variance with Final Budget - Positive (Negative)
	Budget		Actual Amounts	
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 33,643,831	\$ 33,643,831	\$ 34,515,215	\$ 871,384
Local option sales tax	8,730,111	8,730,111	10,103,546	1,373,435
Other taxes and licenses	126,000	126,000	229,203	103,203
Unrestricted intergovernmental	63,800	63,800	979,608	915,808
Restricted intergovernmental	8,756,344	10,671,789	9,024,041	(1,647,748)
Sales and services	6,334,903	7,293,542	8,655,497	1,361,955
Investment earnings	72,000	72,000	120,273	48,273
Other	741,092	766,597	1,092,002	325,405
Total revenues	<u>58,468,081</u>	<u>61,367,670</u>	<u>64,719,385</u>	<u>3,351,715</u>
Expenditures:				
Current:				
General government	8,008,720	8,118,791	6,961,156	1,157,635
Public safety	18,010,879	18,459,356	17,527,186	932,170
Economic and physical development	3,526,417	3,670,368	2,641,585	1,028,783
Human services	15,980,898	19,060,507	14,927,005	4,133,502
Cultural and recreational	1,281,853	1,497,071	1,393,846	103,225
Intergovernmental:				
Education	11,363,100	11,736,292	11,362,871	373,421
Total expenditures	<u>58,171,867</u>	<u>62,542,385</u>	<u>54,813,649</u>	<u>7,728,736</u>
Revenues over (under) expenditures	<u>296,214</u>	<u>(1,174,715)</u>	<u>9,905,736</u>	<u>11,080,451</u>
Other financing sources (uses):				
Transfers from (to) other funds	(3,226,001)	(4,687,647)	(4,268,237)	419,410
Fund balance appropriated	2,929,787	5,862,362	-	(5,862,362)
Total other financing sources (uses)	<u>(296,214)</u>	<u>1,174,715</u>	<u>(4,268,237)</u>	<u>(5,442,952)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>5,637,499</u>	<u>\$ 5,637,499</u>
Fund balance, beginning			<u>25,186,675</u>	
Fund balance, ending			<u>\$ 30,824,174</u>	

The accompanying notes to the financial statements are an integral part of these statements.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2022**

**Exhibit 6**

<b>Major Enterprise Funds</b>						
	<b>Airport Commission Fund</b>	<b>Water Fund</b>	<b>Solid Waste Fund</b>	<b>Transportation Fund</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ 205,592	\$ 11,362,303	\$ 2,167,714	\$ 2,650,182	\$ 16,385,791	\$ 220,422
Due from other funds	-	-	300	-	300	-
Accounts receivable, net	600	481,961	797,064	-	1,279,625	225,272
Inventories	100,685	41,524	-	-	142,209	-
Restricted cash and investments	-	-	-	-	-	-
Total current assets	<u>306,877</u>	<u>11,885,788</u>	<u>2,965,078</u>	<u>2,650,182</u>	<u>17,807,925</u>	<u>445,694</u>
Noncurrent assets:						
Capital assets:						
Land and non-depreciable assets	3,432,874	403,998	216,348	-	4,053,220	-
Other capital assets, net of depreciation	15,297,879	38,321,425	2,977,859	260,750	56,857,913	-
Total capital assets	<u>18,730,753</u>	<u>38,725,423</u>	<u>3,194,207</u>	<u>260,750</u>	<u>60,911,133</u>	<u>-</u>
Total noncurrent assets	<u>18,730,753</u>	<u>38,725,423</u>	<u>3,194,207</u>	<u>260,750</u>	<u>60,911,133</u>	<u>-</u>
Total assets	<u>19,037,630</u>	<u>50,611,211</u>	<u>6,159,285</u>	<u>2,910,932</u>	<u>78,719,058</u>	<u>445,694</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
OPEB deferrals	17,970	94,123	197,292	98,200	407,585	-
Pension deferrals	45,888	124,908	230,560	104,183	505,539	-
Other deferrals	-	566,689	-	-	566,689	-
Total deferred outflows of resources	<u>63,858</u>	<u>785,720</u>	<u>427,852</u>	<u>202,383</u>	<u>1,479,813</u>	<u>-</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable and accrued liabilities	43,664	168,765	176,003	21,595	410,027	-
Due to other funds	-	-	-	-	-	300
Customer deposits	-	549,690	-	-	549,690	-
Compensated absences, current	3,634	9,198	13,945	8,758	35,535	-
Notes payable current	50,012	213,490	-	-	263,502	-
Due to county-GO bonds-current	-	389,895	-	-	389,895	-
Total current liabilities	<u>97,310</u>	<u>1,331,038</u>	<u>189,948</u>	<u>30,353</u>	<u>1,648,649</u>	<u>300</u>
Non-current liabilities:						
Compensated absences	10,901	27,595	41,835	26,274	106,605	-
Other postemployment benefits	97,364	509,986	1,068,985	532,076	2,208,411	-
Notes payable - noncurrent	366,635	2,594,029	-	-	2,960,664	-
Due to county-GO bonds	-	10,721,277	-	-	10,721,277	-
Net pension liability	30,184	82,159	151,653	68,528	332,524	-
Total noncurrent liabilities	<u>505,084</u>	<u>13,935,046</u>	<u>1,262,473</u>	<u>626,878</u>	<u>16,329,481</u>	<u>-</u>
Total liabilities	<u>602,394</u>	<u>15,266,084</u>	<u>1,452,421</u>	<u>657,231</u>	<u>17,978,130</u>	<u>300</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
OPEB deferrals	4,501	23,578	49,422	24,599	102,100	-
Pension deferrals	46,470	126,489	233,480	105,504	511,943	-
Other	-	-	1,350	-	1,350	-
Total deferred inflows of resources	<u>50,971</u>	<u>150,067</u>	<u>284,252</u>	<u>130,103</u>	<u>615,393</u>	<u>-</u>
<b>NET POSITION</b>						
Net investment in capital assets	18,314,106	26,582,905	3,194,207	260,750	48,351,968	-
Restricted for Stabilization by State Statute	-	-	-	-	-	53,007
Unrestricted	134,017	9,397,875	1,656,257	2,065,231	13,253,380	392,387
Total net position	<u>\$ 18,448,123</u>	<u>\$ 35,980,780</u>	<u>\$ 4,850,464</u>	<u>\$ 2,325,981</u>	<u>\$ 61,605,348</u>	<u>\$ 445,394</u>

The accompanying notes to the financial statements are an integral part of these statements.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2022**

**Exhibit 7**

	<b>Major Enterprise Funds</b>					<b>Internal Service Funds</b>
	<b>Airport Commission Fund</b>	<b>Water Fund</b>	<b>Solid Waste Fund</b>	<b>Transportation Fund</b>	<b>Total</b>	
<b>OPERATING REVENUES</b>						
Water sales	\$ -	\$ 3,872,005	\$ -	\$ -	\$ 3,872,005	\$ -
Administrative fees	-	2,874	-	-	2,874	-
Sales and rentals	914,678	-	-	-	914,678	-
Charges for services	7,120	-	3,548,823	733,813	4,289,756	5,658,115
Miscellaneous	72,503	1,500	-	-	74,003	-
<b>Total operating revenues</b>	<u>994,301</u>	<u>3,876,379</u>	<u>3,548,823</u>	<u>733,813</u>	<u>9,153,316</u>	<u>5,658,115</u>
<b>OPERATING EXPENSES</b>						
Administration	-	568,606	-	887,358	1,455,964	-
Depreciation	830,318	1,270,288	354,826	165,859	2,621,291	-
Cost of operations	1,246,752	1,081,662	3,610,568	66,940	6,005,922	6,310,988
<b>Total operating expenses</b>	<u>2,077,070</u>	<u>2,920,556</u>	<u>3,965,394</u>	<u>1,120,157</u>	<u>10,083,177</u>	<u>6,310,988</u>
<b>Operating income</b>	<u>(1,082,769)</u>	<u>955,823</u>	<u>(416,571)</u>	<u>(386,344)</u>	<u>(929,861)</u>	<u>(652,873)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Interest earned on investments	820	18,695	7,232	2,527	29,274	362
Federal and state grants	2,963,733	272,473	8,222	607,197	3,851,625	-
Disposal tax revenues	-	-	130,448	-	130,448	-
Interest on long-term debt	-	(486,788)	-	-	(486,788)	-
Loan issuance costs	-	(179,214)	-	-	(179,214)	-
Amortization of bond refunding	-	20,500	-	-	20,500	-
Miscellaneous	194,515	212,635	59,018	9,505	475,673	-
<b>Total nonoperating revenues (expenses)</b>	<u>3,159,068</u>	<u>(141,699)</u>	<u>204,920</u>	<u>619,229</u>	<u>3,841,518</u>	<u>362</u>
<b>Income before transfers</b>	2,076,299	814,124	(211,651)	232,885	2,911,657	(652,511)
Transfers in	150,568	-	-	-	150,568	473,107
Transfers (out)	(16,667)	-	-	-	(16,667)	-
<b>Change in net position</b>	2,210,200	814,124	(211,651)	232,885	3,045,558	(179,404)
<b>Total net position, previously reported</b>	16,237,923	34,716,845	5,062,115	1,814,123	57,831,006	624,798
<b>Beginning net position, restated</b>	16,237,923	35,166,656	5,062,115	2,093,096	58,559,790	624,798
<b>Total net position, ending</b>	<u>\$ 18,448,123</u>	<u>\$ 35,980,780</u>	<u>\$ 4,850,464</u>	<u>\$ 2,325,981</u>	<u>\$ 61,605,348</u>	<u>\$ 445,394</u>

The accompanying notes to the financial statements are an integral part of these statements.

**DUPLIN COUNTY, NORTH CAROLINA**

**Exhibit 8**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2022**

	Major Enterprise Funds					
	Airport Commission Fund	Water Fund	Solid Waste Fund	Transportation Fund	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash received from customers	\$ 1,038,286	\$ 3,829,015	\$ 3,534,122	\$ 819,658	\$ 9,221,081	\$ 5,619,938
Cash paid for goods and services	(1,301,399)	(1,616,482)	(3,623,490)	(953,906)	(7,495,277)	(6,319,481)
Cash paid to employees	(827)	(636,381)	44,435	124,983	(467,790)	-
Other operating revenues	-	-	-	-	-	-
Customer deposits	-	26,905	-	-	26,905	-
Net cash provided (used) by operating activities	(263,940)	1,603,057	(44,933)	(9,265)	1,284,919	(699,543)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfer (to) from other funds	133,901	-	-	-	133,901	473,107
Total cash flow used by noncapital financing activities	133,901	-	-	-	133,901	473,107
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Acquisition and construction of capital assets	(3,315,411)	(63,728)	(241,923)	-	(3,621,062)	-
Proceeds from long-term debt	-	11,141,275	-	-	11,141,275	-
Principal paid on general obligation bond maturities and equipment contracts	(50,012)	(11,576,901)	-	-	(11,626,913)	-
Interest paid on bonded indebtedness and equipment contracts	-	(666,002)	-	-	(666,002)	-
Contributed capital	2,963,733	272,473	8,222	607,197	3,851,625	-
Miscellaneous	194,515	212,635	189,466	9,505	606,121	300
Net cash provided (used) by capital and related financing activities	(207,175)	(680,248)	(44,235)	616,702	(314,956)	300
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest on investments	820	18,695	7,232	2,527	29,274	362
Net cash provided by investing activities	820	18,695	7,232	2,527	29,274	362
Net increase (decrease) in cash and cash equivalents	(336,394)	941,504	(81,936)	609,964	1,133,138	(225,774)
Balances, beginning	541,986	10,420,799	2,249,650	2,040,218	15,252,653	446,196
Balances, ending	\$ 205,592	\$ 11,362,303	\$ 2,167,714	\$ 2,650,182	\$ 16,385,791	\$ 220,422
Reconciliation of operating income to net cash provided by operating activities						
Operating income	\$ (1,082,769)	\$ 955,823	\$ (416,571)	\$ (386,344)	\$ (929,861)	\$ (652,873)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	830,318	1,270,288	354,826	165,859	2,621,291	-
Changes in assets and liabilities:						
Decrease (increase) in accounts receivable	43,985	(47,364)	(14,701)	85,845	67,765	(38,177)
Decrease (increase) in inventories	(81,525)	(11,925)	-	-	(93,450)	-
Increase (decrease) in accounts payable and accrued liabilities	26,879	45,711	(12,922)	392	60,060	(8,493)
Decrease (increase) in customer deposits	-	26,905	-	-	26,905	-
Increase (decrease) in OPEB liability	(11,284)	(214,638)	92,286	146,241	12,605	-
Increase (decrease) in net pension liability	(6,374)	(164,346)	(180,502)	(63,081)	(414,303)	-
(Increase) decrease in deferred outflows of resources for pensions	(24,027)	(348,463)	(67,879)	(59,966)	(500,335)	-
Decrease (increase) in deferred inflows of resources - pensions	41,963	89,847	203,088	98,019	432,917	-
Increase (decrease) in compensated absences payable	(1,106)	1,219	(2,558)	3,770	1,325	-
Total adjustments	818,829	647,234	371,638	377,079	2,214,780	(46,670)
Net cash provided (used) by operating activities	\$ (263,940)	\$ 1,603,057	\$ (44,933)	\$ (9,265)	\$ 1,284,919	\$ (699,543)

The accompanying notes to the financial statements are an integral part of these statements.

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## **NOTES TO THE FINANCIAL STATEMENTS**

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**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies**

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County’s accounting policies are described as below.

**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 (the *TDA* ), which has a June 30 year end and is presented as if it is a governmental fund (discrete presentation), 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 governing board of the Authority and at least one-half of the members are required to be active in the promotion of travel and tourism within the County or must be affiliated with businesses that collect the occupancy taxes. The County has final approval of the appointees to the governing board. The County finance officer is the ex officio finance officer of the Authority.	None issued.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Account Policies (Continued)**

**B. Basis of Presentation**

*Government-wide Financial Statements:* The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. 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, including fiduciary fund, provide information about the County's funds. Separate statements for each category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services. Result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or 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 it is consolidated in the General Fund.

**Capital Reserve Fund.** This fund accounts for reserves for various capital projects.

**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.

**ARPA Fund.** This fund is used in the recovery of the coronavirus.



**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Account Policies (Continued)**

B. Basis of Presentation (Continued)

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.

**Transportation Development Plan Fund.** This fund is used to account for the operations of the County transportation development.

The County reports the following fund types:

**Trust Funds.** Trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, or other postemployment benefit plans. The Other Postemployment Benefits Trust Fund accounts for the County's contributions for healthcare coverage provided to qualified retirees.

**Custodial Funds.** Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial fund: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but that are not revenues to the County.

**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 County maintains seventeen legally budgeted funds. The School Planning Fund, Community Development Revolving Loan Fund, Revaluation Reserve Fund, Fire District Fund, Emergency Telephone System Fund, Automation Preservation Fund, County Trust Fund, County Agency Fund, Representative Payee Fund, Deed of Trust Fund, Fine and Forfeitures Fund, Industrial Expansion Fund, Community Development Fund, and Opioid Settlement Fund are reported as non-major special revenue funds. The School Fund, DRA Housing Assistance Capital Project Fund, and Transportation Capital Project Fund are reported as non-major capital project funds.

C. Measurement Focus and Basis of Accounting

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

*Government-wide, and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary 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 flow takes

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

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, 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 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.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1.Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

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 Fund, the Emergency Telephone, Fire District, Tax Revaluation, Representative Payee, Fines and Forfeitures, and Deed of Trust Special Revenue Funds, 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.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

1. Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the County, the TDA, and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT). The County's 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 Government Portfolio is reported at fair value. The majority of the County, the TDA, and the ABC Board's investment 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 and AAMf by Moody Investor Services. The Government Portfolio is 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. The TDA and the ABC Board consider demand deposits and investments with a maturity date of 90 days 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, 2022:

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

3. Restricted Assets (Continued)

<b>Governmental Activities:</b>	
Revaluation Reserve Fund	\$ -
Debt Service Fund	31,512
School Planning Allocation Fund	-
ARPA Fund	-
Total governmental activities	\$ 31,512
 <b>Business-Type Activities:</b>	
Water Fund	\$ -
Airport Commission Fund	-
Total business-type activities	\$ -
Total restricted cash	\$ 31,512

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, 2020. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

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.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

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. Depreciation is charged to operations using the straight-line method based on the estimated useful life of an asset.

The following estimated useful lives are used to compute depreciation:

<u>Assets</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	40 years
Collection and distribution systems	25 – 40 years
Infrastructure	20 years
Equipment	3 – 15 years
Vehicles	5 years

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 a 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 2022 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 three items that meet the criterion for this category – prepaid taxes, taxes and special assessments receivable, and other pension related deferrals.

9. Long-term Obligations

In the government-wide financial statements and 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

9. Long-term Obligations (Continued)

other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

13. Net Position/Fund Balances (Continued)

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.



**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

13. Net Position/Fund Balances (Continued)

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, 2022 is as follows:

<b>Purpose</b>	<b>General Fund</b>	<b>Other Governmental Funds</b>
<b>Restricted:</b>		
Stabilization by state statue	\$ 2,680,815	\$ 3,271,367
Federally seized assets	60,626	-
Grants and projects	1,361,948	-
Health	572,193	-
Sheriff	111,402	-
Economic development	16,319	-
Inspection	342,310	-
Events center	22,994	-
Register of Deeds	-	31,529
Tax revlaution and mapping	-	473,801
Emergency services	-	462,566
School captial	-	6,129,998
<b>Total</b>	<b>\$ 5,168,607</b>	<b>\$ 10,369,261</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).

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

13. Net Position/Fund Balances (Continued)

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	\$ -	\$ 647,004
Economic development	-	1,834,914
Capital improvements	-	32,876,448
Debt service	-	639,072
<b>Total</b>	<b>\$ -</b>	<b>\$ 35,997,438</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, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**1. Summary of Significant Accounting Policies (Continued)**

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

13. Net Position/Fund Balances (Continued)

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.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**2. Reconciliation of Government-wide & Fund Financial Statements**

A. 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 \$(63,053,732) 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)	\$ 46,016,181
Less accumulated depreciation	<u>(24,679,200)</u>
Net capital assets	21,336,981
Internal service fund activities to benefit governmental activities	445,694
Net pension liability	(4,041,445)
Total pension liability – LEOSSA	(2,481,167)
OPEB liability	(31,042,989)
Pension related deferrals	(6,348,899)
OPEB related deferrals	(1,435,193)
Deferred outflows of resources related to pensions are not reported in the funds	6,676,608
Deferred outflows of resources related to OPEB are not reported in the funds	5,729,299
Long-term liabilities, compensated absences, and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds	(51,892,662)
Total adjustment	<u>\$ (63,053,773)</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**2. Reconciliation of Government-wide & Fund Financial Statements (Continued)**

**B. 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 \$2,142,507 as follows:

<u>Description</u>	<u>Amount</u>
Capital outlay expenditures which were capitalized	\$ 1,767,098
Depreciation expense for governmental assets	(1,580,051)
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the statement of net position	(292,874)
Change in deferred outflows – pension	1,211,302
Change in deferred inflows – pension	(4,891,687)
Change in pension liability	2,965,548
Internal services funds are used to charge costs to individual funds. The net income of certain activities of the internal service funds are reported with governmental activities	(179,404)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Principal payments on long-term debt	2,348,187
Expenses related to compensated absences, OPEB, and Law Enforcement Officers' Separation Allowance reported in the statement of activities that do not pay for current financial obligations are not reported as expenditures in the governmental funds. This adjustment is the amount of net change in these balances in the current year.	794,438
Total adjustment	<u>\$ 2,142,507</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**3. Stewardship, Compliance, and Accountability**

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

The Local Government Commission of the North Carolina Department of State Treasurer requires the completion and submission of audited financial statements within four (4) months of year-end. The County is not in compliance with this requirement as the June 30, 2022 audit was due by October 31, 2022.

**4. 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 and 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, 2022 the carrying amount of the County's deposits was \$102,606,963 and the bank balance was \$101,250,197. Of the bank balance, \$250,000 was covered by federal depository insurance and the rest was covered by collateral held under the Pooling Method.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

A. Assets (Continued)

2. Investments

At June 30, 2022, the County's investment balances consisted of \$86,378,980 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.

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
2022	\$ 5,130,516	\$ -	\$ 5,130,516
2021	5,139,780	29,554	5,169,334
2020	5,139,754	75,811	5,215,565
2019	5,124,020	121,698	5,245,718
Total	\$ 20,534,070	\$ 227,063	\$ 20,761,133

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

A. Assets (Continued)

4. Receivables

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

	Accounts	Taxes & Related Accrued Interest	Due from Other Governments	Total
Governmental Activities:				
General	\$ 12,575,154	\$ 1,445,517	\$ 440,741	\$ 14,461,412
Other Governmental	1,661,009	1,069,224	-	2,730,233
Allowance for Doubtful Accounts	-	(748,151)	-	(748,151)
Total Governmental	<u>\$ 14,236,163</u>	<u>\$ 1,766,590</u>	<u>\$ 440,741</u>	<u>\$ 16,443,494</u>
Business-Type Activities:				
Airport Commission Fund	\$ 600	\$ -	\$ -	\$ 600
Solid Waste Fund	797,064	-	-	797,064
Water Fund	458,392	-	-	458,392
Total Business-Type	<u>\$ 1,256,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,256,056</u>

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



**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

A. Assets (Continued)

5. Capital Assets

**Primary Government**

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

	Beginning Balances June 30, 2021	Increases	Decreases	Adjustments	Ending Balances June 30, 2022
<b>Governmental Activities:</b>					
Capital assets not being depreciated					
Land	\$ 2,476,331	\$ 251,259	\$ -	\$ -	\$ 2,727,590
Construction in Progress	-	-	-	-	-
Total capital assets not being depreciated	<u>2,476,331</u>	<u>251,259</u>	<u>-</u>	<u>-</u>	<u>2,727,590</u>
Capital assets being depreciated					
Buildings	27,533,151	142,814	(41,260)	-	27,634,705
Equipment	8,952,843	537,253	(916,483)	347,038	8,920,650
Vehicles	6,188,156	835,772	(290,693)	-	6,733,235
Total capital assets being depreciated	<u>42,674,149</u>	<u>1,515,839</u>	<u>(1,248,437)</u>	<u>347,038</u>	<u>43,288,590</u>
Less accumulated depreciation for:					
Buildings	13,116,317	576,007	(41,260)	-	13,651,064
Equipment	6,836,879	384,328	(916,484)	-	6,304,723
Vehicles	4,394,389	619,716	(290,693)	-	4,723,412
Total accumulated depreciation	<u>24,347,585</u>	<u>1,580,051</u>	<u>(1,248,437)</u>	<u>-</u>	<u>24,679,199</u>
Total capital assets being depreciated, net	<u>18,326,564</u>				<u>18,609,391</u>
Governmental activity capital assets, net	<u>\$ 20,802,895</u>				<u>\$ 21,336,981</u>

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

General Government	\$ 242,099
Public Safety	797,693
Human Services	190,499
Economic and physical development	126,459
Environmental protection	656
Culture and Recreational	222,644
Total Depreciation Expense	<u>\$ 1,580,051</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

A. Assets (Continued)

5. Capital Assets (Continued)

<b>Business-Type Activities</b>	Beginning Balances				Ending Balances
<b>Water Activities</b>	June 30, 2021	Increases	Decreases	Adjustments	June 30, 2022
Capital assets not being depreciated:					
Land	\$ 389,498	\$ 14,500	\$ -	\$ -	\$ 403,998
Construction in progress	-	-	-	-	-
Total capital assets not being depreciated	<u>389,498</u>	<u>14,500</u>	<u>-</u>	<u>-</u>	<u>403,998</u>
Capital assets being depreciated:					
Plant and systems	62,104,835	49,228	(12,240)	-	62,141,823
Equipment and furniture	130,289	-	-	-	130,289
Vehicles	295,174	-	-	-	295,174
Total capital assets being depreciated	<u>62,530,298</u>	<u>49,228</u>	<u>(12,240)</u>	<u>-</u>	<u>62,567,286</u>
Less Accumulated Depreciation:					
Plant and systems	22,642,284	1,270,288	(12,240)	-	23,900,332
Equipment and furniture	130,289	-	-	-	130,289
Vehicles	215,240	-	-	-	215,240
Total accumulated depreciation	<u>22,987,813</u>	<u>1,270,288</u>	<u>(12,240)</u>	<u>-</u>	<u>24,245,861</u>
Total capital assets being depreciated, net	<u>39,542,485</u>				<u>38,321,425</u>
<b>Water Fund capital assets, net</b>	<u>\$ 39,931,983</u>				<u>\$ 38,725,423</u>

<b>Business-Type Activities</b>	Beginning Balances				Ending Balances
<b>Transportation Activities</b>	June 30, 2021	Increases	Decreases	Adjustments	June 30, 2022
Capital assets being depreciated:					
Equipment and furniture	\$ 118,127				\$ 118,127
Vehicles	792,558	-	(54,358)	-	738,200
Total capital assets being depreciated	<u>910,685</u>	<u>-</u>	<u>(54,358)</u>	<u>-</u>	<u>856,327</u>
Less Accumulated Depreciation:					
Equipment and furniture	81,998	165,859	(54,358)	-	193,499
Vehicles	402,078	-	-	-	402,078
Total accumulated depreciation	<u>484,076</u>	<u>165,859</u>	<u>(54,358)</u>	<u>-</u>	<u>595,577</u>
<b>Transportation Fund capital assets, net</b>	<u>\$ 426,609</u>				<u>\$ 260,750</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

A. Assets (Continued)

5. Capital Assets (Continued)

<b>Business-Type Activities</b>	Beginning Balances				Ending Balances
	June 30, 2021	Increases	Decreases	Adjustments	June 30, 2022
<b>Airport Activities</b>					
Capital assets not being depreciated:					
Land	\$ 666,451	\$ -	\$ -	\$ -	\$ 666,451
Construction in progress	2,766,423	-	-	-	2,766,423
Total capital assets not being depreciated	3,432,874	-	-	-	3,432,874
Capital assets being depreciated:					
Building	2,939,311				2,939,311
Terminal and Runway	20,602,706	3,315,411			23,918,117
Equipment and furniture	508,198				508,198
Vehicles	6,650				6,650
Total capital assets being depreciated	24,056,865	3,315,411	-	-	27,372,276
Less Accumulated Depreciation:					
Building	71,276	830,318			901,594
Terminal and Runway	10,752,216				10,752,216
Equipment and furniture	413,937				413,937
Vehicles	6,650				6,650
Total accumulated depreciation	11,244,079	830,318	-	-	12,074,397
Total capital assets being depreciated, net	12,812,786				15,297,879
<b>Airport Fund capital assets, net</b>	<b>\$ 16,245,660</b>				<b>\$ 18,730,753</b>

<b>Business-Type Activities</b>	Beginning Balances				Ending Balances
	June 30, 2021	Increases	Decreases	Adjustments	June 30, 2022
<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	241,923	(5,355)	-	3,790,991
Equipment and furniture	1,717,964	-	-	-	1,717,964
Vehicles	2,100,433	-	-	-	2,100,433
Total capital assets being depreciated	7,372,820	241,923	(5,355)	-	7,609,388
Less Accumulated Depreciation:					
Buildings	1,667,705	-	-	-	1,667,705
Equipment and furniture	1,014,781	-	-	-	1,014,781
Vehicles	1,599,572	354,826	(5,355)	-	1,949,043
Total accumulated depreciation	4,282,058	354,826	(5,355)	-	4,631,529
Total capital assets being depreciated, net	3,090,762				2,977,859
<b>Solid Waste Fund capital assets, net</b>	<b>\$ 3,307,110</b>				<b>\$ 3,194,207</b>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

A. Assets (Continued)

6. Right to Use Leased Assets

The county has recorded one right to use leased asset. The asset is right to use asset for equipment. The related leases are discussed in the Leases subsection of the Long-term obligations section of this note. The right to use lease asset is amortized on a straight-line basis over the term of the related lease.

Right to use asset activity for the County for the year ended June 30, 2022 was as follows:

	Beginning Balances			Ending Balances	
	June 30, 2021	Increases	Decreases	June 30, 2022	
Right to use assets:					
Equipment	\$ -	\$ 347,041	\$ -	\$	347,041
Total right to use assets	-	347,041	-		347,041
Less accumulated amortization for:					
Equipment	-	69,408	-		69,408
Total accumulated amortization	-	69,408	-		69,408
Right to use assets, net	\$ -	\$ 277,633	\$ -	\$	277,633

7. Net Investment in Capital Assets

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

	Governmental Activities	Business-Type Activities
Capital assets	\$ 21,336,981	\$ 60,911,133
Notes payable	(8,917,676)	(3,224,165)
Limited obligation bonds	-	(9,335,000)
Net investment in capital assets	\$ 12,419,305	\$ 48,351,968

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

**B. Liabilities**

**1. Payables**

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

	<b>Vendors</b>	<b>Salaries and Benefits</b>	<b>Accrued Interest</b>	<b>Total</b>
<b>Governmental Activities:</b>				
General	\$ 1,099,545	\$ 625,271	\$ -	\$ 1,724,816
Other governmental	1,243,387	-	-	1,243,387
Total governmental activities	<u>\$ 2,342,932</u>	<u>\$ 625,271</u>	<u>\$ -</u>	<u>\$ 2,968,203</u>
<b>Business-Type Activities:</b>				
Airport Fund	\$ 32,056	\$ 11,608	\$ -	\$ 43,664
County Water Fund	120,366	24,830	-	145,196
Solid Waste Fund	127,814	48,189	-	176,003
Transportation Fund	1,605	19,990	-	21,595
Total business-type activities	<u>\$ 281,841</u>	<u>\$ 104,617</u>	<u>\$ -</u>	<u>\$ 386,458</u>

**C. Pension Plan and Other Post Employment Obligations**

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

*Benefits Provided.* LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

1. Local Governmental Employees' Retirement System (Continued)

creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic postretirement benefit increases. Increases are contingent upon actuarial gains of the plan. LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

*Contribution.* Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2022, was 13.04% of compensation for law enforcement officers and 12.10% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$2,510,337 for the year ended June 30, 2022.

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

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

At June 30, 2022, the County reported a liability of \$4,373,969 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

1. Local Governmental Employees' Retirement System (Continued)

to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2022, the County's proportion was 0.28521%, which was a decrease of 0.00709% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the County recognized pension expense of \$1,633,781. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,391,517	\$ -
Changes of assumptions	2,747,970	-
Net difference between projected and actual earnings on pension plan investments	-	6,249,088
Changes in proportion and differences between County contributions and proportionate share of contributions	-	484,959
County contributions subsequent to the measurement date	2,510,337	-
Total	\$ 6,649,824	\$ 6,734,047

\$2,510,337 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023.

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

<b>Year Ended June 30</b>	
2022	\$ 163,279
2023	(321,084)
2024	(524,497)
2025	(1,912,259)
2026	-
Thereafter	-
Total	\$ (2,594,561)

*Actuarial Assumptions.* The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent	
Salary Increase	3.50 percent	
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation	

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

1. Local Governmental Employees' Retirement System (Continued)

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, 2020 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, 2022 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	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 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.



**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

1. Local Governmental Employees' Retirement System (Continued)

*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 6.5 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.5 percent) or 1-percentage-point higher (7.5 percent) than the current rate:

	<b>1% Decrease (5.5%)</b>	<b>Discount Rate (6.5%)</b>	<b>1% Increase (7.5%)</b>
County's proportionate share of the net pension liability (asset)	\$ 16,979,384	\$ 4,373,969	\$ (599,555)

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

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

2. Law Enforcement Officers Special Separation Allowance

*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, 2020, the Separation Allowance's membership consisted of:

Inactive Members Currently Receiving Benefits	7
Active Members	<u>71</u>
Total Membership	<u><u>78</u></u>

*Summary of Significant Accounting Policies.* Basis of Accounting - The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits 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.

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

Discount rate	2.25%
Projected salary increases	3.25-7.75%
Inflation	2.5%

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2022.

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

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

2. Law Enforcement Officers Special Separation Allowance (Continued)

*Mortality Rate.*

Mortality Assumption: All mortality rates use Pub-2010 amount-weighted tables.

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

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

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

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

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

*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 \$76,137 as benefits came due for the reporting period.

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

At June 30, 2022, the County reported a total pension liability of \$2,481,167. The total pension liability was measured as of June 30, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2022, the County recognized pension expense of \$292,874.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 120,428	\$ 50,711
Changes of assumptions and other inputs	411,898	76,085
Benefit payments and administrative expenses subsequent to the measurement date	-	-
Total	<u>\$ 532,326</u>	<u>\$ 126,796</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

2. Law Enforcement Officers Special Separation Allowance (Continued)

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

<b>Year Ended</b>	
<b>June 30</b>	
2023	\$ 106,278
2024	109,158
2025	107,125
2026	74,736
2027	8,233
Thereafter	-
<b>Total</b>	<b>\$ 405,530</b>

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

	<b>1% Decrease</b>	<b>Discount Rate</b>	<b>1% Increase</b>
	<b>(1.25%)</b>	<b>(2.25%)</b>	<b>(3.25%)</b>
Total Pension Liability	\$ 2,692,563	\$ 2,481,167	\$ 2,288,332

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

	<b>2022</b>
Beginning balance	\$ 2,313,128
Service cost	147,279
Interest	43,909
Change in benefit terms	-
Difference between expected and actual experience	118,559
Changes of assumptions and other inputs	(65,571)
Benefit payments	(76,137)
Other	-
Ending balance of the total pension liability	<b>\$ 2,481,167</b>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

2. Law Enforcement Officers Special Separation Allowance (Continued)

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 1.93 percent at June 30, 2021 to 2.25 percent at June 30, 2022.

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

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

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study as of December 31, 2019.

3. 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 Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report 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, 2022 were \$258,427 which includes \$190,278 from the County and \$68,149 from the employees.

4. 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.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

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

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

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 4,373,969	\$ -	\$ 4,373,969
Proportion of the Net Pension Liability (Asset)	0.28521%	n/a	
Total Pension Liability	\$	\$ 2,481,167	\$ 2,481,167
Pension Expense	\$ 1,633,781	\$ 292,874	\$ 1,926,655

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

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Total</u>
<b><u>Deferred Outflows of Resources</u></b>			
Differences between expected and actual experience	\$ 1,391,517	\$ 120,428	\$ 1,511,945
Changes of assumptions	2,747,970	411,898	3,159,868
Employers contributions subsequent to the measurement date	2,510,337	-	2,510,337
<b><u>Deferred Inflows of Resources</u></b>			
Difference between expected and actual experience	\$ -	\$ 50,711	\$ 50,711
Changes of assumptions	-	76,085	76,085
Net difference between projected and actual earnings on pension plan investments	6,249,088	-	6,249,088
Changes in proportion and differences between County contributions and proportionate share of contributions	484,959	-	484,959

6. Healthcare Benefits Plan

*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.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

6. Healthcare Benefits Plan (Continued)

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

Employees

Inactive Members or Beneficiaries Currently Receiving Benefits	137
Inactive Members Entitled To But Not Yet Receiving Benefits	-
Active Members	<u>492</u>
Total Membership	<u><u>629</u></u>

*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.

7. Other Postemployment Benefits Plan

*Total OPEB Liability.* The County's total OPEB liability of \$33,251,400 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
General Employees	3.25%-8.41%
Firefighters	3.25%-8.15%
Law Enforcement Officers	3.25%-7.90%
Municipal Bond Index Rate	
Prior Measurement Date	2.21%
Measurement Date	2.16%
Health Care Cost Trend Rates	
Pre-Medicare Medical and Prescription Drug	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031
Medicare Medical and Prescription Drug	5125% for 2021 decreasing to an ultimate rate of 4.50% by 2031

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

7. Other Postemployment Benefits Plan (Continued)

The discount rate is based on the yield of the Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond as of the measurement date.

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

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

The actuarial assumptions used in the June 30, 2021 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2021 valuation.

<b>Total OPEB Liability</b>	
<b>Beginning balance</b>	\$ 30,715,530
<b>Changes for the year:</b>	
Service cost	1,483,837
Interest	698,605
Change in benefit terms	-
Difference between expected and actual experience	19,976
Changes of assumptions or other inputs	1,516,439
Net benefit payments	(1,182,987)
Other	-
<b>Ending balance</b>	<b>\$ 33,251,400</b>

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

	<b>1% Decrease (1.16%)</b>	<b>Discount Rate (2.16%)</b>	<b>1% Increase (3.16%)</b>
Total OPEB Liability	\$ 39,465,841	\$ 33,251,400	\$ 28,396,188



**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

7. Other Postemployment Benefits Plan (Continued)

*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	\$ 27,885,566	\$ 33,251,400	\$ 40,281,850

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

For the year ended June 30, 2022, the County recognized OPEB expense of \$2,787,225. At June 30, 2022, 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	\$ 585,227	\$ 28,988
Changes of assumptions or other inputs	5,551,657	1,508,305
Total	\$ 6,136,884	\$ 1,537,293

\$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, 2023. 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>	
2023	\$ 594,235
2024	594,235
2025	611,339
2026	888,513
2027	1,023,166
Thereafter	888,103
<b>Total</b>	<b>\$ 4,599,591</b>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

C. Pension Plan and Other Post Employment Obligations (Continued)

8. Death Benefit Plan

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.

9. Deferred Outflows of Resources and Deferred Inflows of Resources

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
(Pensions, OPEB) - difference between expected and actual experience	\$ 2,097,172	\$ 79,699
(Pensions, OPEB) - Net difference between projected and actual investment earnings	-	6,249,088
(Pensions) - change in proportion and difference between employer contributions and proportionate share of contributions	-	484,959
(Pensions, OPEB) - change in assumptions	8,711,525	1,584,390
Contributions to pension plan subsequent to measurement date	2,510,337	-
Deferred loss on refunding	566,686	-
Prepaid taxes not yet earned (General)	-	188,332
Other	-	1,349
Total	<u>\$ 13,885,720</u>	<u>\$ 8,587,817</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

**D. 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.

**E. Contingent Liabilities**

At June 30, 2022, 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.

**F. Long-Term Obligations**

**1. Leases**

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

An agreement was executed on October 14, 2021 to lease certain equipment, requiring 5 yearly payments of \$70,397.

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

Year Ending June 30	Principal	Interest
2023	\$ 68,427	\$ 1,970
2024	68,914	1,483
2025	69,404	992
2026	69,899	498
2027	-	-
Thereafter	-	-
<b>Total</b>	<b>\$ 276,644</b>	<b>\$ 4,943</b>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

F. Long-Term Obligations (Continued)

2. General Obligation Indebtedness

All general obligation bonds serviced by the County’s General Fund are collateralized by the full faith, credit and taxing power of the County. 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.

The County’s limited obligation bonds payable at June 30, 2022 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 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.	<u>\$ 41,570,000</u>
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Limited obligation bonds serviced by the Water Districts:

Water District B - \$960,000 2022 Advance Refunding Bonds due in annual principal installments ranging from \$70,000 to \$85,000 plus annual interest payments through June 1, 2037; interest at 5%.	\$ 960,000
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Water District D - \$2,175,000 2022 Advance Refunding Bonds due in annual principal installments ranging from \$95,000 to \$165,000 plus annual interest payments through June 1, 2037; interest ranging from 4-5%.	2,175,000
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Water District E - \$2,115,000 2022 Advance Refunding Bonds due in annual principal installments ranging from \$80,000 to \$145,000 plus annual interest payments through June 1, 2037; interest ranging from 4-5%.	2,115,000
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Water District F - \$2,450,000 2022 Advance Refunding Bonds due in annual principal installments ranging from \$105,000 to \$180,000 plus annual interest payments through June 1, 2037; interest ranging from 4-5%.	2,450,000
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Water District G - \$1,635,000 2022 Advance Refunding Bonds due in annual principal installments ranging from \$70,000 to \$120,000 plus annual interest payments through June 1, 2037; interest ranging from 4-5%.	<u>1,635,000</u>
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Total limited obligation bonds	<u><u>\$ 9,335,000</u></u>
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**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

F. Long-Term Obligations (Continued)

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

Year Ending June 30	Government-type Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 2,135,000	\$ 1,860,944	\$ 420,000	\$ 466,750
2024	2,245,000	1,754,194	555,000	445,750
2025	2,355,000	1,641,944	575,000	418,000
2026	2,475,000	1,524,194	595,000	389,250
2027	2,595,000	1,400,444	625,000	269,500
2028-2032	15,060,000	4,921,219	3,390,000	1,307,000
2033-2037	8,799,314	1,286,125	3,175,000	444,250
<b>Total</b>	<b>\$ 35,664,314</b>	<b>\$ 14,389,063</b>	<b>\$ 9,335,000</b>	<b>\$3,740,500</b>
Unamortized premiums on limited obligation bonds	<u>5,905,686</u>		<u>1,806,276</u>	
	<u>\$ 41,570,000</u>		<u>\$11,141,276</u>	

2. General Obligation Indebtedness (Continued)

As of June 30, 2022, Duplin County had a legal debt margin of \$326,255,030.

3. 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, 2022 are comprised of the following individual notes:

Serviced by the County's General Fund:

\$317,553 Motorola Solution Loan in a direct placement installment purchase to finance radio equipment; due in annual installments of \$112,688 including interest through 2024; interest at 3.15%.	\$ 215,014
\$11,000,000 2005 United States Department of Agriculture Loan in a direct placement installment purchase to finance the construction of the Duplin County Event Center; due in annual installments of \$578,270 including interest through 2045; interest at 4.125%.	<u>8,702,662</u>
Total governmental-type activities notes payable	<u>\$ 8,917,676</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

F. Long-Term Obligations (Continued)

3. Notes Payable (Continued)

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%.	\$ 18,406
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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.	185,360
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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.	93,912
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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%.	1,409,059
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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.	106,788
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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%. Payments due in 2015 and 2016 are interest only.	588,378
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Albertson - BF Grady Sewer - \$1,175,000 Revolving Loan to finance sewer 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.	<u>405,630</u>
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Total water districts notes payable	<u><u>\$ 2,807,533</u></u>
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Serviced by the County's Airport Fund:

Airport Commission- \$500,000 Tri-Co Electric Corporation Loan in a direct placement installment agreement to finance the construction of an airport commission; due in annual installments of \$50,012 through 2031; no stated interest rate.	<u>\$ 416,647</u>
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Total business-type activities notes payable	<u><u>\$ 3,224,180</u></u>
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**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

F. Long-Term Obligations (Continued)

3. Notes Payable (Continued)

For Duplin County, the following summarizes the annual requirements for notes payable, including interest of \$5,179,755 for governmental activities and \$601,075 for business-type activities:

Year Ending June 30	Governmental-type Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 325,101	\$ 365,857	\$ 263,501	\$ 47,976
2024	337,529	353,429	245,444	44,739
2025	237,749	340,521	245,804	42,019
2026	247,557	330,713	246,176	39,287
2027	257,768	320,502	246,560	36,544
2028-2032	1,457,383	1,433,967	1,109,191	190,673
2033-2037	1,783,811	1,107,539	482,303	77,540
2038-2042	2,183,353	707,997	92,465	56,795
2043-2047	2,087,425	219,230	108,500	40,760
2048-2052	-	-	127,315	21,945
2053-2056	-	-	56,907	2,797
<b>Total</b>	<b>\$ 8,917,676</b>	<b>\$ 5,179,755</b>	<b>\$ 3,224,166</b>	<b>\$ 601,075</b>

4. 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.

On March 8, 2022, the County issued \$11,742,742,144 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 \$11,165,849 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 \$576,295. 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

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

F. Long-Term Obligations (Continued)

4. Advanced Refunding (Continued)

debt service payments over the next 15 years by \$1,700,080 and resulted in an economic gain of \$1,806,276.

5. Debt Related to Capital Activities

Of the total Governmental Activities debt listed, only \$9,199,262 relates to assets the County holds title.

6. 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, 2022:

	Beginning Balances			Ending Balances		Current Portion
	June 30, 2021	Increases	Decreases	June 30, 2022		
<b>Governmental Activities:</b>						
Limited obligation bonds	\$ 43,605,000	\$ -	\$ (2,035,000)	\$ 41,570,000	\$ 2,135,000	
Direct placement installment purchase	9,230,813	-	(313,137)	8,917,676	325,101	
Net pension liability (LGERS)	9,698,287	-	(5,656,852)	4,041,435	-	
Other post-employment benefits	28,519,724	2,523,265	-	31,042,989	-	
Compensated absences	1,224,164	-	(96,782)	1,127,382	281,846	
Leases	-	347,041	(70,397)	276,644	68,427	
LEO Special Separation Allowance	2,313,128	168,039	-	2,481,167	-	
<b>Total governmental activities</b>	<b>\$ 94,591,116</b>	<b>\$ 3,038,345</b>	<b>\$ (8,172,168)</b>	<b>\$ 89,457,293</b>	<b>\$ 2,810,374</b>	

	Beginning Balances			Ending Balances		Current Portion
	June 30, 2021	Increases	Decreases	June 30, 2022		
<b>Business-Type Activities</b>						
<b>Water Activities</b>						
Limited obligation bonds	\$ 11,505,000	\$ 11,141,277	\$ (11,505,000)	\$ 11,141,277	\$ 420,000	
Direct placement installment purchase	3,020,685	-	(213,166)	2,807,519	213,490	
Net pension liability (LGERS)	246,505	-	(164,346)	82,159	-	
Other post-employment benefits	724,624	-	(214,638)	509,986	-	
Compensated absences	35,574	1,219	-	36,793	-	
<b>Total Water Activities</b>	<b>\$ 15,532,388</b>	<b>\$ 11,142,496</b>	<b>\$ (12,097,150)</b>	<b>\$ 14,577,734</b>	<b>\$ 633,490</b>	

	Beginning Balances			Ending Balances		Current Portion
	June 30, 2021	Increases	Decreases	June 30, 2022		
<b>Airport Activities</b>						
Direct placement installment purchase	\$ 466,659	\$ -	\$ (50,012)	\$ 416,647	\$ 50,012	
Net pension liability (LGERS)	36,558	-	(6,374)	30,184	-	
Other post-employment benefits	108,648	-	(11,284)	97,364	-	
Compensated absences	15,640	-	(1,105)	14,535	3,634	
<b>Total Airport Activities</b>	<b>\$ 627,505</b>	<b>\$ -</b>	<b>\$ (68,775)</b>	<b>\$ 558,730</b>	<b>\$ 53,646</b>	

	Beginning Balances			Ending Balances		Current Portion
	June 30, 2021	Increases	Decreases	June 30, 2022		
<b>Solid Waste Activities</b>						
Net pension liability (LGERS)	\$ 332,155	\$ -	\$ (180,502)	\$ 151,653	\$ -	
Other post-employment benefits	976,699	92,286.0	-	1,068,985	-	
Compensated absences	58,338	-	(2,558)	55,780	13,945	
<b>Total Solid Waste Activities</b>	<b>\$ 1,367,192</b>	<b>\$ 92,286</b>	<b>\$ (183,060)</b>	<b>\$ 1,276,418</b>	<b>\$ 13,945</b>	



**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

F. Long-Term Obligations (Continued)

6. Long-Term Obligation Activity (Continued)

	Beginning Balances			Ending Balances		Current Portion
	June 30, 2021	Increases	Decreases	June 30, 2022		
<b>Transportation Activities</b>						
Net pension liability (LGERS)	\$ 131,609	\$ -	\$ (63,081)	\$ 68,528	\$ -	
Other post-employment benefits	385,835	146,241	-	532,076	-	
Compensated absences	31,262	3,770	-	35,032	8,758	
<b>Total Transportation Activities</b>	<b>\$ 548,706</b>	<b>\$ 150,011</b>	<b>\$ (63,081)</b>	<b>\$ 635,636</b>	<b>\$ 8,758</b>	
Total business-type activities	\$ 18,075,791	\$ 11,384,793	\$ (12,412,066)	\$ 17,048,518	\$ 709,839	

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.

7. 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, 2022, there were no industrial revenue bonds outstanding.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

G. Interfund Balances and Activity

1. Transfers to/from Other Funds

Transfers in (out) for the year ended June 30, 2022 are summarized below:

<u>Fund</u>	<u>To</u>	<u>From</u>
From General Fund	\$ 24,768	
To Automation Preservation Fund		\$ 24,768
From School Fund	2,415,977	
To Debt Service Fund		2,415,977
From General Fund	2,159,981	
To Debt Service Fund		2,159,981
From General Fund	267,209	
To Capital Projects Fund		267,209
From Capital Reserve Fund	1,192,604	
To Capital Projects Fund		1,192,604
From General Fund	150,568	
To Airport Commission Fund		150,568
From Airport Commission Fund	16,667	
To Capital Projects Fund		16,667
Total	<u>\$ 6,227,774</u>	<u>\$ 6,227,774</u>

All of the above were for operating expenditures.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

H. 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>\$30,824,174</b>
<b>Less:</b>	
Stabilization by state statue	\$ 2,680,815
Nonspendable - inventory	305,539
Appropriated Fund Balance	2,753,796
Public Safety	2,106,169
Economic development	381,623
Remaining Fund Balance	\$ 22,596,232

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.

	June 30	2022
Encumbrances:		
General Fund	\$	2,753,796

I. 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.

J. 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, 2022. 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, 2022. Complete financial statements for Eastpointe Human Services can be obtained from their office in Beulaville, North Carolina.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Notes to the Financial Statements**  
**For Year Ended June 30, 2022**

**4. Detail Notes on All Funds (Continued)**

J. Joint Ventures (Continued)

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 \$1,894,200 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2022. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2022. Complete financial statements for the community college may be obtained from the community college's administrative offices at Highway 11 South, Kenansville, North Carolina.

**5. Summary Disclosure of Significant Commitments and Contingencies**

A. 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.

**6. Significant Effects of Subsequent Events**

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

**7. Restatements**

During the fiscal year ended June 30, 2022, the County determined that certain bond amortization expenses had been omitted and ARPA funding was not properly presented on the government-wide financial statements. Therefore an adjustment to the beginning fund balance has been recorded, the net effect of which increased beginning fund balance in the water fund by \$449,811 and decreased beginning fund balance in the governmental funds by \$5,704,876. The County also determined, during the fiscal year ended June 30, 2022, that the Transportation Capital Project Fund was not properly presented in the financial statements which resulted in a decrease of \$278,973 to the beginning fund balance of non-major governmental funds and an increase of \$278,973 to the beginning fund balance of the Transportation Fund.

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**REQUIRED SUPPLEMENTAL FINANCIAL DATA**

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**DUPLIN COUNTY, NORTH CAROLINA**  
**Proportionate Share of Net Pension Liability (Asset)**  
**Required Supplementary Information**  
**Last Nine Fiscal Years \***

Schedule A-1

**Local Government Employees' Retirement System**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.28521%	0.29230%	0.31915%	0.32376%	0.35159%	0.35800%	0.33000%	0.32200%	0.31200%
County's proportion of the net pension liability (asset) (\$)	\$ 4,373,969	\$ 10,445,124	\$ 8,715,738	\$ 7,680,694	\$ 5,371,321	\$ 7,591,805	\$ 1,479,764	\$ (1,899,277)	\$ 3,762,003
County's covered-employee payroll	\$21,998,561	\$20,442,007	\$ 20,514,022	\$ 20,548,575	\$ 20,849,942	\$ 19,977,306	\$ 19,241,121	\$ 16,399,727	\$ 15,288,431
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	19.88%	51.10%	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%	98.22%	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.

Pension schedules in the required supplementary information are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Duplin County's Contributions**  
**Required Supplementary Information**  
**Last Nine Fiscal Years**

Schedule A-2

**Local Government Employees' Retirement System**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,510,337	\$ 2,100,664	\$ 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	<u>2,510,337</u>	<u>2,100,664</u>	<u>1,867,488</u>	<u>1,627,860</u>	<u>1,580,375</u>	<u>1,545,389</u>	<u>1,373,736</u>	<u>1,370,791</u>	<u>1,339,314</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
County's covered-employee payroll	\$21,998,561	\$20,342,828	\$ 20,442,007	\$20,514,022	\$20,548,575	\$ 20,849,942	\$19,977,306	\$19,241,121	\$16,399,727
Contribution as a percentage of covered-employee payroll	11.41%	10.33%	9.14%	7.94%	7.69%	7.41%	6.88%	7.12%	8.17%

Pension schedules in the required supplementary information are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Schedule of Changes in Total Pension Liability**  
**Law Enforcement Officers' Special Separation Allowance**  
**Last Six Fiscal Years**

**Law Enforcement Officers' Special Separation Allowance**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 2,313,128	\$ 1,753,750	\$ 1,655,277	\$ 1,632,207	\$ 1,535,414	\$ 1,481,357
Service cost	147,279	80,642	79,983	88,663	81,883	91,536
Interest on the total pension liability	43,909	55,651	58,182	50,150	58,401	52,010
Differences between expected and actual	118,559	(54,138)	20,669	41,175	(107,544)	-
Changes of assumptions or other inputs	(65,571)	570,523	53,400	(66,536)	108,923	(40,512)
Benefit payments	(76,137)	(93,300)	(113,761)	(90,382)	(44,870)	(48,977)
Ending balance of the total pension liability	<u>\$ 2,481,167</u>	<u>\$ 2,313,128</u>	<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 December 31.

This schedule is intended to show information for ten years.

Additional years' information will be displayed as it becomes available.



**DUPLIN COUNTY, NORTH CAROLINA**  
**Schedule of Total Pension Liability as a Percentage of Covered Payroll**  
**Law Enforcement Officers' Special Separation Allowance**  
**Last Six Fiscal Years**

**Law Enforcement Officers' Special Separation Allowance**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$2,481,167	\$2,313,128	\$ 1,753,750	\$ 1,655,277	\$1,632,207	\$1,535,414
Covered payroll	3,429,778	2,951,523	3,051,838	3,201,689	3,384,695	3,399,215
Total pension liability as a percentage of covered payroll	72.34%	78.37%	57.47%	51.70%	48.22%	45.17%

**Notes to the Schedules:**

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

This schedule is intended to show information for ten years.

Additional years' information will be displayed as it becomes available.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**For the Year Ended June 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>					
Service cost at end of year	\$ 1,483,837	\$ 1,002,214	\$ 1,003,440	\$ 1,061,558	\$ 1,196,036
Interest on the total pension liability and cash flows	698,605	855,713	855,532	784,397	688,654
Differences between expected and actual experience in the measurement of the total pension liability	19,976	227,396	636,042	12,813	(78,293)
Changes of assumptions or other inputs	1,516,439	5,701,597	(134,625)	(1,242,135)	(2,184,539)
Benefit payments and implicit subsidy credit	(1,182,987)	(1,027,378)	(787,489)	(529,718)	(406,111)
<b>Net change in Total OPEB Liability</b>	<u>2,535,870</u>	<u>6,759,542</u>	<u>1,572,900</u>	<u>86,915</u>	<u>(784,253)</u>
<b>Total OPEB Liability - beginning</b>	<u>30,715,530</u>	<u>23,955,988</u>	<u>22,383,088</u>	<u>22,296,173</u>	<u>23,080,426</u>
<b>Total OPEB Liability - ending</b>	<u>\$ 33,251,400</u>	<u>\$ 30,715,530</u>	<u>\$ 23,955,988</u>	<u>\$ 22,383,088</u>	<u>\$ 22,296,173</u>
<b>Covered payroll</b>	\$ 21,998,561	\$ 17,060,784	\$ 17,060,784	\$ 18,737,085	\$ 18,737,085
<b>Total OPEB Liability as a percentage of covered payroll</b>	151.15%	180.04%	140.42%	119.46%	118.99%

**Notes to the Schedules:**

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>
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

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**INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 1**

**General Fund  
Balance Sheet  
June 30, 2022**

	<u>2022</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 904,817
Investments	29,950,926
Taxes receivable, net	1,669,424
Due from other governments	440,740
Inventories	293,501
Accounts receivable, net	12,575,154
Total assets	<u>\$ 45,834,562</u>
 <b>Liabilities, Deferred Inflows of Resources, and Fund Balance:</b>	
<b>Liabilities:</b>	
Accounts payable and accrued liabilities	2,549,778
Contracts payable	2,395
Total liabilities	<u>2,552,173</u>
 <b>Deferred Inflows of Resources:</b>	
Unavailable revenue	10,601,083
Property taxes receivable	1,669,424
Prepaid taxes	187,708
Total deferred inflows of resources	<u>12,458,215</u>
 <b>Fund Balance:</b>	
Nonspendable - inventory	305,539
Restricted:	
Stabilization by state statute	2,680,815
Federally seized assets	60,626
Grants and projects	1,361,948
Health	572,193
Sheriff	111,402
Economic development	16,319
Inspection	342,310
Events center	22,994
Assigned:	
Subsequent year's expenditures	2,753,796
Unassigned:	22,596,232
Total fund balance	<u>30,824,174</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 45,834,562</u>

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022

	2022		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Ad valorem taxes:			
Taxes	\$ 33,643,831	\$ 34,515,215	\$ 871,384
Interest and penalties	-	-	-
Total	<u>33,643,831</u>	<u>34,515,215</u>	<u>871,384</u>
Other taxes and licenses:			
Local option sales tax	8,730,111	10,103,546	1,373,435
Other taxes and licenses	126,000	229,203	103,203
Total	<u>8,856,111</u>	<u>10,332,749</u>	<u>1,476,638</u>
Unrestricted intergovernmental:			
ABC profit distribution	43,000	24,123	(18,877)
Video franchise tax	20,800	15,108	(5,692)
Medicaid hold harmless distribution	-	940,377	940,377
Total	<u>63,800</u>	<u>979,608</u>	<u>915,808</u>
Restricted intergovernmental:			
State and Federal grants	9,146,996	7,811,330	(1,335,666)
COVID	458,421	329,005	(129,416)
Other grants	929,372	767,929	(161,443)
Court facilities fees	95,000	102,014	7,014
Social services fraud collection	30,000	6,921	(23,079)
Law enforcement reserve	12,000	6,842	(5,158)
Total	<u>10,671,789</u>	<u>9,024,041</u>	<u>(1,647,748)</u>
Permits and fees:			
Register of deeds	203,480	273,162	69,682
Permits and inspection fees	305,000	388,993	83,993
Total	<u>508,480</u>	<u>662,155</u>	<u>153,675</u>
Sales and services:			
Rents and parking	114,306	119,261	4,955
Sheriff and jail fees	383,799	452,735	68,936
Event center revenue	121,000	228,978	107,978
Other fees and services	1,560,838	1,499,395	(61,443)
School resource officer	1,008,993	1,021,983	12,990
Social services fees	512,152	48,949	(463,203)
Health department fees	1,237,454	1,846,990	609,536
Emergency medical service fees	2,355,000	3,437,206	1,082,206
Total	<u>7,293,542</u>	<u>8,655,497</u>	<u>1,361,955</u>
Other revenue:			
Investment earnings: interest	72,000	120,273	48,273
Various contributions	24,600	22,939	(1,661)
In-kind contributions	26,071	19,170	(6,901)
Sale of fixed assets	6,302	40,275	33,973
Miscellaneous	201,144	347,463	146,319
Total	<u>330,117</u>	<u>550,120</u>	<u>220,003</u>
Total revenues	<u>61,367,670</u>	<u>64,719,385</u>	<u>3,351,715</u>

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022  
(Continued)

	2022		
	Budget	Actual	Variance Positive (Negative)
<b>Expenditures:</b>			
General government:			
Governing body	\$ 403,381	\$ 358,652	\$ (44,729)
Finance	569,434	558,270	(11,164)
Tax administration	1,340,708	1,252,931	(87,777)
Management information systems	838,306	782,792	(55,514)
County manager	215,221	212,293	(2,928)
Personnel	308,662	290,400	(18,262)
Register of deeds	357,642	357,700	58
Elections	346,369	255,856	(90,513)
Public buildings	718,355	681,111	(37,244)
Non-departmental	1,260,671	946,631	(314,040)
Central supply	1,150,000	692,826	(457,174)
Housekeeping	287,676	281,479	(6,197)
Garage	322,366	290,215	(32,151)
Total	<u>8,118,791</u>	<u>6,961,156</u>	<u>(1,157,635)</u>
Public safety:			
Sheriff	5,174,901	4,806,592	(368,309)
Court facilities	271,770	268,331	(3,439)
Adult probation	4,800	1,732	(3,068)
Mental health transportation	63,467	66,354	2,887
Special seperation allowance	109,342	98,343	(10,999)
Fingerprinting	16,935	8,000	(8,935)
Communications	1,565,082	1,546,149	(18,933)
Special response team	15,000	9,374	(5,626)
School resource officer	851,775	790,439	(61,336)
Federally seized assets	107,962	64,373	(43,589)
Jail	3,145,758	2,853,562	(292,196)
Emergency management	172,591	179,808	7,217
NC communities foundation grant	2,761	2,761	-
SCAPP - 2016 H1734-NC-AP	5,986	5,986	-
Emergency medical services	5,720,703	5,754,381	33,678
Fire marshall	118,268	116,512	(1,756)
Concealed Weapon	102,467	1,259	(101,208)
Faison substation	126,628	121,460	(5,168)
Building inspections	269,648	223,693	(45,955)
Medical examiner	55,000	56,200	1,200
Animal control	345,855	328,300	(17,555)
JCPC	212,657	223,577	10,920
Total	<u>18,459,356</u>	<u>17,527,186</u>	<u>(932,170)</u>

**DUPLIN COUNTY, NORTH CAROLINA  
General Fund**

**Schedule 2**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022  
(Continued)**

Economic and physical development			
Economic development	1,442,569	1,244,740	(197,829)
Soil/water conservation	1,556,664	1,297,183	(259,481)
Agricultural extension	19,637	13,688	(5,949)
Cooperative extension prevention block grant	651,498	85,974	(565,524)
Total	<u>3,670,368</u>	<u>2,641,585</u>	<u>(1,028,783)</u>
Human services:			
Health:			
Nutrition programs	430,551	400,039	(30,512)
Environmental health	390,718	384,353	(6,365)
Aministration	(2,028,502)	370,090	2,398,592
COVID	383,799	231,841	(151,958)
Immunizations	509,612	424,479	(85,133)
Other health programs	6,722,067	3,022,071	(3,699,996)
Total	<u>6,408,245</u>	<u>4,832,873</u>	<u>(1,575,372)</u>
Mental health:			
Regional mental health	224,474	224,474	-
Total	<u>224,474</u>	<u>224,474</u>	<u>-</u>
Social services:			
Administration	7,455,001	6,164,114	(1,290,887)
Medical assistance	151,000	75,176	(75,824)
Child support enforcement	202,700	108,254	(94,446)
Adult daycare	450,000	250,411	(199,589)
Aging services	692,200	557,109	(135,091)
Food assistance	369,719	284,135	(85,584)
County wellness program	382,869	375,862	(7,007)
Adoption assistance	195,221	111,151	(84,070)
Human services grant	246,851	229,816	(17,035)
Foster care	518,000	340,899	(177,101)
Services to the blind	7,000	6,458	(542)
Crisis intervention	1,279,360	1,058,965	(220,395)
Other assistance	126,865	33,586	(93,279)
Total	<u>12,076,786</u>	<u>9,595,936</u>	<u>(2,480,850)</u>
Bioterrorism	115,501	55,951	(59,550)
Veteran's services	235,501	217,771	(17,730)
Total	<u>19,060,507</u>	<u>14,927,005</u>	<u>(4,133,502)</u>
Cultural and recreational:			
Museum	159,398	122,020	(37,378)
Recreation	770,598	667,773	(102,825)
Library	567,075	604,053	36,978
Total	<u>1,497,071</u>	<u>1,393,846</u>	<u>(103,225)</u>

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 2

**General Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

**(Continued)**

Education:			
Public schools:			
Current expense	8,968,900	8,968,900	-
Capital outlay	623,192	249,771	(373,421)
Community college	2,144,200	2,144,200	-
Total	<u>11,736,292</u>	<u>11,362,871</u>	<u>(373,421)</u>
Total expenditures	<u>62,542,385</u>	<u>54,813,649</u>	<u>(7,728,736)</u>
Revenues over (under) expenditures	<u>(1,174,715)</u>	<u>9,905,736</u>	<u>11,080,451</u>
Other financing sources (uses):			
Appropriated fund balance	5,862,362	-	(5,862,362)
Installment proceeds	-	-	-
Transfers (to)/from other funds	<u>(4,687,647)</u>	<u>(4,268,237)</u>	<u>419,410</u>
Total	<u>1,174,715</u>	<u>(4,268,237)</u>	<u>(5,442,952)</u>
Net change in fund balance	<u>\$ -</u>	5,637,499	<u>\$ 5,637,499</u>
Fund balance, beginning		<u>25,186,675</u>	
Fund balance, ending		<u>\$ 30,824,174</u>	



**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 3**

**Capital Project Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
From Inception and For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Restricted intergovernmental					
Federal and state grants	\$ 5,600,461	\$3,869,755	\$ 32,515,425	\$ 36,385,180	\$30,784,719
Investment earnings	18,703	1,121,043	16,781	1,137,824	1,119,121
Total revenues	<u>5,619,164</u>	<u>4,990,798</u>	<u>32,532,206</u>	<u>37,523,004</u>	<u>31,903,840</u>
<b>Expenditures:</b>					
Capital projects	4,229,627	-	267,902	267,902	3,961,725
Education	62,261,411	62,158,679	-	62,158,679	102,732
NCDAS stream cleanout	4,395,545	2,453,864	1,752,581	4,206,445	189,100
NC found of S&W	-	4,118	-	4,118	(4,118)
BFG sewer DWI	46,114	1,725,025	126,171	1,851,196	(1,805,082)
Total expenditures	<u>70,932,697</u>	<u>66,341,686</u>	<u>2,146,654</u>	<u>68,488,340</u>	<u>2,444,357</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 (to)/from other funds	2,870,976	2,110,954	1,459,813	3,570,767	699,791
Total other financing sources (uses)	<u>63,385,227</u>	<u>62,815,716</u>	<u>1,459,813</u>	<u>64,275,529</u>	<u>890,302</u>
Fund balance appropriated	<u>1,928,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,928,306)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$1,464,828</u>	31,845,365	<u>\$ 33,310,193</u>	<u>\$35,238,499</u>
Fund balance, beginning			<u>1,464,828</u>		
Fund balance, ending			<u>\$ 33,310,193</u>		

ARPA Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022

	2022		
	Budget	Actual	Variance Over/Under
<b>Revenues:</b>			
American rescue plan funds	\$ 11,409,751	\$ 2,134,449	\$ (9,275,302)
Investment earnings	-	24,420	24,420
Total revenues	11,409,751	2,158,869	(9,250,882)
<b>Expenditures:</b>			
Salaries and benefits	2,310,502	2,060,727	(249,775)
Operating expenditures	9,099,249	73,722	(9,025,527)
Total expenditures	11,409,751	2,134,449	(9,275,302)
Revenues over (under) expenditures	-	24,420	24,420
Net change in fund balance	\$ -	24,420	\$ 24,420
Fund balance, beginning		2,072	
Fund balance, ending		\$ 26,492	

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2022

	2022		
	Budget	Actual	Variance Over/Under
<b>Revenues:</b>			
Investment earnings	\$ -	\$ 1,032	\$ 1,032
Total revenues	-	1,032	1,032
<b>Expenditures:</b>			
Debt service			
Principal retirement	2,245,598	2,245,598	-
Interest and fees	2,330,366	2,330,364	(2)
Bond issuance costs	1,250	1,250	-
Total expenditures	4,577,214	4,577,212	(2)
Revenues over (under) expenditures	(4,577,214)	(4,576,180)	1,034
<b>Other Financing Sources (Uses)</b>			
Transfers (in)/out	4,577,214	4,575,958	(1,256)
Total other financing sources (uses)	4,577,214	4,575,958	(1,256)
Net change in fund balance	\$ -	(222)	\$ (222)
Fund balance, beginning		639,294	
Fund balance, ending		\$ 639,072	

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 6

**Combining Balance Sheet  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2022**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,442,494	\$ 4,451,454	\$ 11,893,948
Accounts receivable, net	460,609	951,462	1,412,071
Notes receivable, net	576,797	-	576,797
Taxes receivable, net	97,166	-	97,166
Due from other funds	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>8,577,066</u>	<u>5,402,916</u>	<u>13,979,982</u>
<b>LIABILITIES</b>			
Accounts payable	391,705	-	391,705
Due to other funds	513,937	433,745	947,682
Prepaid taxes	624	-	624
Property taxes receivable	673,963	-	673,963
Total liabilities	<u>1,580,229</u>	<u>433,745</u>	<u>2,013,974</u>
<b>FUND BALANCES</b>			
Restricted:			
Stabilization by State statute	-	3,271,367	3,271,367
Register of Deeds	31,529	-	31,529
Tax revaluation and mapping	473,801	-	473,801
Emergency services	462,566	-	462,566
School capital	3,998,449	2,131,549	6,129,998
Committed			-
Capital improvements	-	(433,745)	(433,745)
Economic development	1,808,422	-	1,808,422
Various programs	647,004	-	647,004
Unassigned	<u>(424,934)</u>	<u>-</u>	<u>(424,934)</u>
Total fund balances	<u>6,996,837</u>	<u>4,969,171</u>	<u>11,966,008</u>
Total liabilities and fund balances	<u>\$ 8,577,066</u>	<u>\$ 5,402,916</u>	<u>\$ 13,979,982</u>

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 7

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2022**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
	<hr/>	<hr/>	<hr/>
<b>REVENUES</b>			
Ad valorem taxes	\$ 2,159,687	\$ -	\$ 2,159,687
Local option sales tax	1,391,401	3,775,485	5,166,886
Restricted intergovernmental	963,109	-	963,109
Investment earnings	51,545	10,266	61,811
Federal and state grants	-	58,063	58,063
Other	414,919	-	414,919
	<hr/>	<hr/>	<hr/>
Total revenues	4,980,661	3,843,814	8,824,475
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
General government	361,099	-	361,099
Public safety	4,008,946	-	4,008,946
Human services	60,080	-	60,080
Economic and physical development	227,648	109,290	336,938
Education	420,891	709,370	1,130,261
Capital outlay	141,058	-	141,058
	<hr/>	<hr/>	<hr/>
Total expenditures	5,219,722	818,660	6,038,382
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	(239,061)	3,025,154	2,786,093
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	-	(2,415,977)	(2,415,977)
Transfers in	41,435	-	41,435
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	41,435	(2,415,977)	(2,374,542)
	<hr/>	<hr/>	<hr/>
Net changes in fund balances	(197,626)	609,177	411,551
	<hr/>	<hr/>	<hr/>
Fund balances, beginning	7,194,463	4,359,994	11,554,457
	<hr/>	<hr/>	<hr/>
Fund balances, ending	\$ 6,996,837	\$ 4,969,171	\$ 11,966,008
	<hr/>	<hr/>	<hr/>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2022**

**Schedule 8**

	School Planning Fund	Community Development Revolving Loan Fund	Revaluation Reserve Fund	Fire District Fund	Emergency Telephone System Fund	Automation Preservation Fund	County Trust Fund	County Agency Fund	Representative Payee Fund	Deed of Trust Fund	Fines and Forfeitures Fund	Industrial Expansion Fund	Community Development Fund	Opioid Settlement Fund	Total
<b>ASSETS</b>															
Cash and cash equivalents	\$ 3,998,449	\$ 1,808,422	\$ 473,801	\$ -	\$ 439,603	\$ 31,529.00	\$ 337,451	\$ 192,212	\$ 21,725	\$ 31,040	\$ 3,325	\$ 10,219	\$ -	\$ 94,718	\$ 7,442,494
Accounts receivable, net	-	-	-	393,810	24,324	-	-	41,710	-	728	37	-	-	-	460,609
Notes receivables, net	-	576,797	-	-	-	-	-	-	-	-	-	-	-	-	576,797
Taxes receivable, net	-	-	-	97,166	-	-	-	-	-	-	-	-	-	-	97,166
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>3,998,449</u>	<u>2,385,219</u>	<u>473,801</u>	<u>\$ 490,976</u>	<u>\$ 463,927</u>	<u>31,529</u>	<u>337,451</u>	<u>233,922</u>	<u>21,725</u>	<u>31,768</u>	<u>3,362</u>	<u>10,219</u>	<u>-</u>	<u>94,718</u>	<u>8,577,066</u>
<b>LIABILITIES</b>															
Accounts payable	-	-	-	\$ 304,183	\$ 1,361	-	135	47,470	3,750	31,578	3,228	-	-	-	391,705
Due to other funds	-	-	-	513,937	-	-	-	-	-	-	-	-	-	-	513,937
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>818,120</u>	<u>1,361</u>	<u>-</u>	<u>135</u>	<u>47,470</u>	<u>3,750</u>	<u>31,578</u>	<u>3,228</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>905,642</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>															
Prepaid taxes	-	-	-	624	-	-	-	-	-	-	-	-	-	-	624
Property taxes receivable	-	576,797	-	97,166	-	-	-	-	-	-	-	-	-	-	673,963
Total deferred inflows of resources	<u>-</u>	<u>576,797</u>	<u>-</u>	<u>97,790</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>674,587</u>
<b>FUND BALANCES</b>															
Restricted:															
Register of Deeds	-	-	-	-	-	31,529	-	-	-	-	-	-	-	-	31,529
Tax revaluation and mapping	-	-	473,801	-	-	-	-	-	-	-	-	-	-	-	473,801
Emergency services	-	-	-	-	462,566	-	-	-	-	-	-	-	-	-	462,566
School capital	3,998,449	-	-	-	-	-	-	-	-	-	-	-	-	-	3,998,449
Committed															
Economic development	-	1,808,422	-	-	-	-	-	-	-	-	-	-	-	-	1,808,422
Various programs	-	-	-	-	-	-	337,316	186,452	17,975	190	134	10,219	-	94,718	647,004
Unassigned	-	-	-	(424,934)	-	-	-	-	-	-	-	-	-	-	(424,934)
Total fund balances	<u>3,998,449</u>	<u>1,808,422</u>	<u>473,801</u>	<u>(424,934)</u>	<u>462,566</u>	<u>31,529</u>	<u>337,316</u>	<u>186,452</u>	<u>17,975</u>	<u>190</u>	<u>134</u>	<u>10,219</u>	<u>-</u>	<u>94,718</u>	<u>6,996,837</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,998,449</u>	<u>\$ 2,385,219</u>	<u>\$ 473,801</u>	<u>\$ 490,976</u>	<u>\$ 463,927</u>	<u>\$ 31,529</u>	<u>\$ 337,451</u>	<u>\$ 233,922</u>	<u>\$ 21,725</u>	<u>\$ 31,768</u>	<u>\$ 3,362</u>	<u>\$ 10,219</u>	<u>\$ -</u>	<u>\$ 94,718</u>	<u>\$ 8,577,066</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2022**

**Schedule 9**

	School Planning Fund	Community Development Revolving Loan Fund	Revaluation Reserve Fund	Fire District Fund	Emergency Telephone System Fund	Automation Preservation Fund	County Trust Fund	County Agency Fund	Representative Payee Fund	Deed of Trust Fund	Fines and Forfeitures Fund	Industrial Expansion Fund	Community Development Fund	Opioid Settlement Fund	Total
<b>REVENUES</b>															
Ad valorem taxes	\$ -	\$ -	\$ 181,158	\$ 1,978,529	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,159,687
Local option sales tax	-	-	-	1,391,401	-	-	-	-	-	-	-	-	-	-	1,391,401
Restricted intergovernmental	605,727	-	-	-	291,883	-	65,499	-	-	-	-	-	-	-	963,109
Investment earnings	9,319	39,861	1,158	-	706	48	438	-	-	-	-	9	-	6	51,545
Other	-	258,164	-	-	-	-	12,162	608	-	-	-	-	49,273	94,712	414,919
<b>Total revenues</b>	<b>615,046</b>	<b>298,025</b>	<b>182,316</b>	<b>3,369,930</b>	<b>292,589</b>	<b>48</b>	<b>78,099</b>	<b>608</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>49,273</b>	<b>94,718</b>	<b>4,980,661</b>
<b>EXPENDITURES</b>															
General government	-	-	280,090	-	-	15,069	-	16,667	-	-	-	-	49,273	-	361,099
Public safety	-	-	-	3,803,942	190,468	-	13,863	-	-	673	-	-	-	-	4,008,946
Human services	-	-	-	-	-	-	502	-	8,533	-	51,045	-	-	-	60,080
Economic and community development	-	200,000	-	-	-	-	-	-	-	-	-	27,648	-	-	227,648
Education	420,891	-	-	-	-	-	-	-	-	-	-	-	-	-	420,891
Capital outlay	-	-	-	-	141,058	-	-	-	-	-	-	-	-	-	141,058
<b>Total expenditures</b>	<b>420,891</b>	<b>200,000</b>	<b>280,090</b>	<b>3,803,942</b>	<b>331,526</b>	<b>15,069</b>	<b>14,365</b>	<b>16,667</b>	<b>8,533</b>	<b>673</b>	<b>51,045</b>	<b>27,648</b>	<b>49,273</b>	<b>-</b>	<b>5,219,722</b>
Excess (deficiency) of revenues over expenditures	194,155	98,025	(97,774)	(434,012)	(38,937)	(15,021)	63,734	(16,059)	(8,533)	(673)	(51,045)	(27,639)	-	94,718	(239,061)
<b>OTHER FINANCING SOURCES (USES)</b>															
Transfers in	-	-	-	-	-	24,768	-	16,667	-	-	-	-	-	-	41,435
Total other financing sources (uses)	-	-	-	-	-	24,768	-	16,667	-	-	-	-	-	-	41,435
Net change in fund balance	194,155	98,025	(97,774)	(434,012)	(38,937)	9,747	63,734	608	(8,533)	(673)	(51,045)	(27,639)	-	94,718	(197,626)
Fund balances, beginning	3,804,294	1,710,397	571,575	9,078	501,503	21,782	273,582	185,844	26,508	863	51,179	37,858	-	-	7,194,463
Fund balances, ending	\$ 3,998,449	\$ 1,808,422	\$ 473,801	\$ (424,934)	\$ 462,566	\$ 31,529	\$ 337,316	\$ 186,452	\$ 17,975	\$ 190	\$ 134	\$ 10,219	\$ -	\$ 94,718	\$ 6,996,837

**Nonmajor Special Revenue Funds - School Planning Allocation Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Restricted intergovernmental	\$ 695,627	\$ 605,727	\$ (89,900)
Investment earnings	7,000	9,319	2,319
Total revenues	<u>702,627</u>	<u>615,046</u>	<u>(87,581)</u>
<b>Expenditures:</b>			
Public school building projects	<u>3,245,484</u>	<u>420,891</u>	<u>(2,824,593)</u>
Total expenditures	<u>3,245,484</u>	<u>420,891</u>	<u>(2,824,593)</u>
Revenues over (under) expenditures	<u>(2,542,857)</u>	<u>194,155</u>	<u>2,737,012</u>
Fund balance appropriated	<u>2,542,857</u>	-	<u>(2,542,857)</u>
Net change in fund balance	<u>\$ -</u>	<u>194,155</u>	<u>\$ 194,155</u>
Fund balance, beginning		<u>3,804,294</u>	
Fund balance, ending		<u>\$ 3,998,449</u>	



**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 11

**Nonmajor Special Revenue Funds - Community Development Revolving Loan Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Loan/lease payments	\$ -	\$ 258,164	\$ 258,164
Investment earnings	-	39,861	39,861
Total revenues	-	298,025	298,025
<b>Expenditures:</b>			
Community development loans	-	200,000	200,000
Total expenditures	-	200,000	200,000
Revenues over (under) expenditures	-	98,025	98,025
Net change in fund balance	<u>\$ -</u>	<u>98,025</u>	<u>\$ 98,025</u>
Fund balance, beginning		<u>1,710,397</u>	
Fund balance, ending		<u>\$ 1,808,422</u>	

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 12

**Nonmajor Special Revenue Funds - Revaluation Reserve Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 181,158	\$ 181,158	\$ -
Investment earnings	-	1,158	1,158
Total revenues	<u>181,158</u>	<u>182,316</u>	<u>1,158</u>
<b>Expenditures:</b>			
Salaries and benefits	139,174	108,465	(30,709)
Operating expenditures	185,528	171,625	(13,903)
Capital outlay	74,900	-	(74,900)
Total expenditures	<u>399,602</u>	<u>280,090</u>	<u>(119,512)</u>
Revenues over (under) expenditures	<u>(218,444)</u>	<u>(97,774)</u>	<u>120,670</u>
Fund balance appropriated	<u>218,444</u>	<u>-</u>	<u>(218,444)</u>
Net change in fund balance	<u>\$ -</u>	<u>(97,774)</u>	<u>\$ (97,774)</u>
Fund balance, beginning		<u>571,575</u>	
Fund balance, ending		<u>\$ 473,801</u>	

**Nonmajor Special Revenue Funds - Fire District Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,637,032	\$ 1,978,529	\$ 341,497
Local option sales taxes	900,000	1,391,401	491,401
Total revenues	<u>2,537,032</u>	<u>3,369,930</u>	<u>832,898</u>
<b>Expenditures:</b>			
Property and motor vehicle tax	1,589,032	1,905,599	316,567
Payment to state - motor vehicle collections	948,000	1,342,335	394,335
Contracted services	556,008	556,008	-
Total expenditures	<u>3,093,040</u>	<u>3,803,942</u>	<u>710,902</u>
Revenues over (under) expenditures	<u>(556,008)</u>	<u>(434,012)</u>	<u>121,996</u>
<b>Other Financing Sources (Uses)</b>			
Transfer in(out)	556,008	-	(556,008)
Total other financing sources (uses)	<u>556,008</u>	<u>-</u>	<u>(556,008)</u>
Net change in fund balance	<u>\$ -</u>	<u>(434,012)</u>	<u>\$ (434,012)</u>
Fund balance, beginning		<u>9,078</u>	
Fund balance, ending		<u>\$ (424,934)</u>	

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 14

**Nonmajor Special Revenue Funds - Emergency Telephone System Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Restricted intergovernmental	\$ 350,201	\$ 291,883	\$ (58,318)
Investment earnings	100	706	606
Total revenues	<u>350,301</u>	<u>292,589</u>	<u>(57,712)</u>
<b>Expenditures:</b>			
Operating expenditures	355,570	190,468	(165,102)
Capital outlay	147,558	141,058	(6,500)
Total expenditures	<u>503,128</u>	<u>331,526</u>	<u>(171,602)</u>
Revenues over (under) expenditures	<u>(152,827)</u>	<u>(38,937)</u>	<u>113,890</u>
Fund balance appropriated	<u>152,827</u>	-	<u>(152,827)</u>
Net change in fund balance	<u>\$ -</u>	<u>(38,937)</u>	<u>\$ (38,937)</u>
Fund balance, beginning		<u>501,503</u>	
Fund balance, ending		<u>\$ 462,566</u>	

**Nonmajor Special Revenue Funds - Automation Preservation Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	2022		
	Budget	Actual	Variance Over/Under
<b>Revenues:</b>			
Investment earnings	\$ -	\$ 48	\$ 48
Total revenues	-	48	48
<b>Expenditures:</b>			
Operating expenditures	15,696	15,069	(627)
Total expenditures	15,696	15,069	(627)
Revenues over (under) expenditures	(15,696)	(15,021)	675
<b>Other Financing Sources (Uses)</b>			
Transfer in(out)	19,000	24,768	5,768
Total other financing sources (uses)	19,000	24,768	5,768
Fund balance appropriated	(3,304)	-	3,304
Net change in fund balance	\$ -	9,747	\$ 9,747
Fund balance, beginning		21,782	
Fund balance, ending		\$ 31,529	

**Nonmajor Special Revenue Funds - County Trust Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Restricted intergovernmental	\$ -	\$ 65,499	\$ 65,499
Investment earnings	-	438	438
Other income	-	12,162	12,162
<b>Total revenues</b>	<b>-</b>	<b>78,099</b>	<b>78,099</b>
<b>Expenditures:</b>			
Public safety	329,827	13,863	(315,964)
Human services	24,438	502	(23,936)
<b>Total expenditures</b>	<b>354,265</b>	<b>14,365</b>	<b>(339,900)</b>
Revenues over (under) expenditures	(354,265)	63,734	417,999
Fund balance appropriated	354,265	-	(354,265)
Net change in fund balance	<u>\$ -</u>	<u>63,734</u>	<u>\$ 63,734</u>
Fund balance, beginning		<u>273,582</u>	
Fund balance, ending		<u>\$ 337,316</u>	

**Nonmajor Special Revenue Funds - County Agency Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Other income	\$ -	\$ 608	\$ 608
Total revenues	-	608	608
Revenues over (under) expenditures	-	608	608
<b>Expenditures:</b>			
General government	-	16,667	16,667
Total expenditures	-	16,667	16,667
<b>Other Financing Sources (Uses)</b>			
Transfer in(out)	-	16,667	16,667.00
Total other financing sources (uses)	-	16,667	16,667
Net change in fund balance	<u>\$ -</u>	<u>608</u>	<u>\$ 608</u>
Fund balance, beginning		<u>185,844</u>	
Fund balance, ending		<u><u>\$ 186,452</u></u>	

**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 18**

**Nonmajor Special Revenue Funds - Representative Payee Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Expenditures:</b>			
Human services	\$ -	\$ 8,533	\$ 8,533
Total expenditures	-	8,533	8,533
Revenues over (under) expenditures	-	(8,533)	(8,533)
Net change in fund balance	<u>\$ -</u>	<u>(8,533)</u>	<u>\$ (8,533)</u>
Fund balance, beginning		<u>26,508</u>	
Fund balance, ending		<u>\$ 17,975</u>	



**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 19**

**Nonmajor Special Revenue Funds -Deed of Trust Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Expenditures:</b>			
General government	\$ -	\$ 673	\$ 673
Total expenditures	-	673	673
Revenues over (under) expenditures	-	(673)	(673)
Net change in fund balance	<u>\$ -</u>	<u>(673)</u>	<u>\$ (673)</u>
Fund balance, beginning		<u>863</u>	
Fund balance, ending		<u>\$ 190</u>	

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 20

**Nonmajor Special Revenue Funds - Fine and Forfeitures Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Expenditures:</b>			
Human services	\$ -	\$ 51,045	\$ 51,045
Total expenditures	-	51,045	51,045
Revenues over (under) expenditures	-	(51,045)	(51,045)
Net change in fund balance	<u>\$ -</u>	<u>(51,045)</u>	<u>\$ (51,045)</u>
Fund balance, beginning		<u>51,179</u>	
Fund balance, ending		<u>\$ 134</u>	

**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 21**

**Nonmajor Special Revenue Funds - Industrial Expansion Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Investment earnings	\$ -	\$ 9	\$ 9
Total revenues	-	9	9
<b>Expenditures:</b>			
Economic and physical development	-	27,648	27,648
Total expenditures	-	27,648	27,648
Revenues over (under) expenditures	-	(27,639)	(27,639)
Net change in fund balance	\$ -	(27,639)	\$ (27,639)
Fund balance, beginning		37,858	
Fund balance, ending		\$ 10,219	

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 22

**Nonmajor Special Revenue Funds - Community Development Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Federal and state grants	\$ 103,145	\$ 49,273	\$ (53,872)
Total revenues	<u>103,145</u>	<u>49,273</u>	<u>(53,872)</u>
<b>Expenditures:</b>			
Hard cost	83,245	39,723	(43,522)
Soft cost	<u>19,900</u>	<u>9,550</u>	<u>(10,350)</u>
Total expenditures	<u>103,145</u>	<u>49,273</u>	<u>(53,872)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, beginning		<u>-</u>	
Fund balance, ending		<u>\$ -</u>	

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 23

**Nonmajor Special Revenue Funds - Opioid Settlement Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Year Ended June 30, 2022**

	2022		
	Budget	Actual	Variance Over/Under
<b>Revenues:</b>			
Opioid settlement	\$ -	\$ 94,712	\$ 94,712
Investment earnings	-	6	6
	<hr/>	<hr/>	<hr/>
Total revenues	-	94,718	94,718
	<hr/>	<hr/>	<hr/>
Revenues over (under) expenditures	-	94,718	94,718
	<hr/>	<hr/>	<hr/>
Net change in fund balance	<u>\$ -</u>	<u>94,718</u>	<u>\$ 94,718</u>
		<hr/>	
Fund balance, beginning		-	
		<hr/>	
Fund balance, ending		<u>\$ 94,718</u>	

**DUPLIN COUNTY, NORTH CAROLINA**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**For the Fiscal Year Ended June 30, 2022**

Schedule 24

	<u>School Fund</u>	<u>DRA Housing Assistance Capital Project Fund</u>	<u>Industrial Expansion Capital Project Fund</u>	<u>Transportation Capital Project Fund</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,451,454	\$ -	\$ -	\$ -	\$ 4,451,454
Accounts receivable, net	951,462	-	-	-	951,462
 Total assets	 <u>5,402,916</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>5,402,916</u>
<b>LIABILITIES</b>					
Due to other funds	-	433,745	-	-	433,745
Total liabilities	<u>-</u>	<u>433,745</u>	<u>-</u>	<u>-</u>	<u>433,745</u>
<b>FUND BALANCES</b>					
Restricted					
Stabilization by State statute	3,271,367	-	-	-	3,271,367
Restricted for schools	2,131,549	-	-	-	2,131,549
Committed					
Capital improvements	-	(433,745)	-	-	(433,745)
Total fund balances	<u>5,402,916</u>	<u>(433,745)</u>	<u>-</u>	<u>-</u>	<u>4,969,171</u>
 Total liabilities and fund balances	 <u>\$ 5,402,916</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 5,402,916</u>

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 25

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Nonmajor Capital Project Funds**

**For the Fiscal Year Ended June 30, 2022**

	<b>School Fund</b>	<b>DRA Housing Assistance Capital Project Fund</b>	<b>Industrial Expansion Capital Project Fund</b>	<b>Transportation Capital Project Fund</b>	<b>Total</b>
<b>REVENUES</b>					
Local option sales taxes	\$ 3,775,485	\$ -	\$ -	\$ -	\$ 3,775,485
Investment earnings	10,266	-	-	-	10,266
Federal and state grants	-	58,063	-	-	58,063
<b>Total revenues</b>	<b>3,785,751</b>	<b>58,063</b>	<b>-</b>	<b>-</b>	<b>3,843,814</b>
<b>EXPENDITURES</b>					
Economic and community development	-	106,099	3,191	-	109,290
Education	709,370	-	-	-	709,370
<b>Total expenditures</b>	<b>709,370</b>	<b>106,099</b>	<b>3,191</b>	<b>-</b>	<b>818,660</b>
Excess (deficiency) of revenues over expenditures	3,076,381	(48,036)	(3,191)	-	3,025,154
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	(2,415,977)	-	-	-	(2,415,977)
<b>Total other financing sources (uses)</b>	<b>(2,415,977)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,415,977)</b>
Net change in fund balance	660,404	(48,036)	(3,191)	-	609,177
Fund balance, beginning, as previously reported	4,742,512	(385,709)	3,191	278,973	4,638,967
Prior period restatement	-	-	-	(278,973)	(278,973)
Fund balances, beginning	4,742,512	(385,709)	3,191	-	4,359,994
Fund balances, ending	\$ 5,402,916	\$ (433,745)	\$ -	\$ -	\$ 4,969,171

**DUPLIN COUNTY, NORTH CAROLINA**

Schedule 26

**Nonmajor Capital Project Funds - School Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
From Inception and For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Local option sales tax	\$ 2,173,000	\$3,036,494	\$3,775,485	\$6,811,979	\$ 4,638,979
Investment earnings	1,000	977	10,266	11,243	10,243
Total revenues	<u>2,174,000</u>	<u>3,037,471</u>	<u>3,785,751</u>	<u>6,823,222</u>	<u>4,649,222</u>
<b>Expenditures:</b>					
Education					
Capital outlay	960,272	681,266	709,370	1,390,636	(430,364)
Total expenditures	<u>960,272</u>	<u>681,266</u>	<u>709,370</u>	<u>1,390,636</u>	<u>(430,364)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in (out)	(2,415,977)	(2,412,726)	(2,415,977)	(4,828,703)	-
Total other financing sources (uses)	<u>(2,415,977)</u>	<u>(2,412,726)</u>	<u>(2,415,977)</u>	<u>(4,828,703)</u>	<u>-</u>
Fund balance appropriated	1,202,249	-	-	-	(1,202,249)
Net change in fund balance	<u>\$ -</u>	<u>\$ (56,521)</u>	660,404	<u>\$ 603,883</u>	<u>\$ 4,218,858</u>
Fund balance, beginning			4,742,512		
Fund balance, ending			<u>\$5,402,916</u>		



**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 27**

**Nonmajor Capital Project Funds -DRA House Assistance Capital Project Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
From Inception and For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Federal and state grants	\$ 6,113,722	\$ 10,892	\$ 58,063	\$ 68,955	\$ (6,044,767)
Total revenues	<u>6,113,722</u>	<u>10,892</u>	<u>58,063</u>	<u>68,955</u>	<u>(6,044,767)</u>
<b>Expenditures:</b>					
Economic and physical development	5,435,786	385,709	106,099	491,808	4,943,978
Other expenses	<u>677,936</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(677,936)</u>
Total expenditures	<u>6,113,722</u>	<u>385,709</u>	<u>106,099</u>	<u>491,808</u>	<u>4,266,042</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (374,817)</u>	<u>(48,036)</u>	<u>\$ (422,853)</u>	<u>\$ (1,778,725)</u>
Fund balance, beginning			<u>(385,709)</u>		
Fund balance, ending			<u>\$ (433,745)</u>		

**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 28**

**Nonmajor Capital Project Funds - Industrial Expansion Capital Project Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
From Inception and For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Restricted intergovernmental	\$ 450,000	\$ 447,530	\$ -	\$ 447,530	\$ (2,470)
Investment earnings	-	1,214	-	1,214	1,214
Total revenues	<u>450,000</u>	<u>448,744</u>	<u>-</u>	<u>448,744</u>	<u>(1,256)</u>
<b>Expenditures:</b>					
Economic and physical development	460,477	456,030	3,191	459,221	1,256
Total expenditures	<u>460,477</u>	<u>456,030</u>	<u>3,191</u>	<u>459,221</u>	<u>1,256</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in (out)	10,477	10,477	-	10,477	-
Total other financing sources (uses)	<u>10,477</u>	<u>10,477</u>	<u>-</u>	<u>10,477</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,191</u>	<u>(3,191)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>3,191</u>		
Fund balance, ending			<u>\$ -</u>		

**DUPLIN COUNTY, NORTH CAROLINA**

**Schedule 29**

**Nonmajor Capital Project Funds - Transportation Capital Project Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
From Inception and For the Year Ended June 30, 2022**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-
<b>Expenditures:</b>					
Administrative expense	-	-	-	-	-
Engineering	-	-	-	-	-
Total expenditures	-	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
Transfers in (out)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning, as previously reported			278,973		
Prior period restatement			(278,973)		
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ -</u>		

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Airport Commission Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**

	2022		Variance Over/Under
	Budget	Actual	
<b>Operating Revenues:</b>			
Sales and rentals	\$ 974,082	\$ 914,678	\$ (59,404)
User fees	1,740	7,120	5,380
Total operating revenues	<u>975,822</u>	<u>921,798</u>	<u>(54,024)</u>
<b>Non-Operating Revenues:</b>			
Rental income	176,180	193,779	17,599
COVID	45,000	45,000	-
Investment earnings	1,000	673	(327)
Miscellaneous	1,638	736	(902)
Total non-operating revenues	<u>223,818</u>	<u>240,188</u>	<u>16,370</u>
Total revenues	<u>1,199,640</u>	<u>1,161,986</u>	<u>(37,654)</u>
<b>Expenditures:</b>			
<b>Operating expenditures</b>			
Salaries and benefits	261,562	237,864	(23,698)
Purchases of fuel/oil	846,377	752,732	(93,645)
Capital outlay	-	-	-
Other operating expenditures	236,049	148,966	(87,083)
Total operating expenditures	<u>1,343,988</u>	<u>1,139,562</u>	<u>(204,426)</u>
Total expenditures	<u>1,343,988</u>	<u>1,139,562</u>	<u>(204,426)</u>
<b>Other Financing Sources (Uses):</b>			
Transfer from other funds	150,568	150,568	-
Transfer to other funds	(16,667)	(16,667)	-
Total other financing sources (uses)	<u>133,901</u>	<u>133,901</u>	<u>-</u>
Fund Balance Appropriated	<u>10,447</u>	<u>-</u>	<u>(10,447)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 156,325</u>	<u>\$ 156,325</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Airport Commission Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**  
**(Continued)**

	<b>2022</b>
<b>Reconciliation from Budgetary Basis</b>	
<b>(Modified Accrual) to Full Accrual Basis:</b>	
Revenues and other financing sources over expenditures and other financing uses	\$ 156,325
Depreciation	(830,318)
Capital outlay	3,315,411
Capital (distribution) contribution	(432,045)
Change in accrued vacation pay	1,105
Change in other postemployment benefits	11,284
Change in net pension liability	6,374
Change in deferred outflows of resources - pension	24,027
Change in deferred inflows of resources - pension	(41,963)
Change in net position	\$ 2,210,200

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds -Airport Commission Capital Project Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the year ended June 30, 2022**

	<b>Project Authorization</b>	<b>Actual</b>		<b>Total to Date</b>	<b>Variance Over/Under</b>
		<b>Prior Years</b>	<b>Current Year</b>		
<b>Revenues:</b>					
State grants	\$ 9,150,341	\$ 11,335,096	\$ 2,918,733	\$ 14,253,829	\$ 5,103,488
Other income	-	190,064	72,503	262,567	262,567
Investment earnings	-	324	147	471	471
Total revenues	<u>9,150,341</u>	<u>11,525,484</u>	<u>2,991,383</u>	<u>14,516,867</u>	<u>5,366,526</u>
<b>Expenditures:</b>					
Parking lot #36	373,114	373,114	-	373,114	-
State RW wide/overlay	5,182,723	5,315,097	-	5,315,097	132,374
State grant obstruction/clearing	3,489,184	6,333,334	3,423,428	9,756,762	6,267,578
Total expenditures	<u>9,045,021</u>	<u>12,021,545</u>	<u>3,423,428</u>	<u>15,444,973</u>	<u>6,399,952</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	850,000	-	850,000	850,000
Total other financing sources (uses)	<u>-</u>	<u>850,000</u>	<u>-</u>	<u>850,000</u>	<u>850,000</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 105,320</u>	<u>\$ 353,939</u>	<u>\$ (432,045)</u>	<u>\$ (78,106)</u>	<u>\$ (183,426)</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Water Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Operating Revenues:</b>			
Water sales	\$ 2,958,858	\$ 3,618,198	\$ 659,340
Water taps	144,217	253,807	109,590
Administration fees	-	2,874	2,874
Other operating revenues	-	1,500	1,500
Total operating revenues	<u>3,103,075</u>	<u>3,876,379</u>	<u>773,304</u>
<b>Non-Operating Revenues:</b>			
Bonds	198,413	198,413	-
Investment earnings	2,000	18,695	16,695
Miscellaneous	-	20,784	20,784
Total non-operating revenues	<u>200,413</u>	<u>237,892</u>	<u>37,479</u>
Total revenues	<u>3,303,488</u>	<u>4,114,271</u>	<u>810,783</u>
<b>Expenditures:</b>			
<b>Administration expenditures</b>			
Salaries and benefits	783,557	1,042,490	258,933
Capital outlay	-	63,728	63,728
Total administration expenditures	<u>783,557</u>	<u>1,106,218</u>	<u>322,661</u>
<b>Operating expenditures</b>			
Repairs	499,429	444,346	(55,083)
Other operating expenditures	965,877	637,316	(328,561)
Total operating expenditures	<u>1,465,306</u>	<u>1,081,662</u>	<u>(383,644)</u>
<b>Debt service</b>			
Bond issuance costs	198,413	179,214	(19,199)
Interest and fees	-	12,500	12,500
Total debt service	<u>198,413</u>	<u>191,714</u>	<u>(6,699)</u>
Total expenditures	<u>2,447,276</u>	<u>2,379,594</u>	<u>(67,682)</u>
<b>Other Financing Sources (Uses):</b>			
Transfer to other funds	<u>(1,097,291)</u>	<u>(483,848)</u>	<u>613,443</u>
Total other financing sources (uses)	<u>(1,097,291)</u>	<u>(483,848)</u>	<u>613,443</u>
Fund Balance Appropriated	<u>241,079</u>	<u>-</u>	<u>(241,079)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,250,829</u>	<u>\$ 1,250,829</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Water Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**  
**(Continued)**

	<u>2022</u>
<b>Reconciliation from Budgetary Basis</b>	
<b>(Modified Accrual) to Full Accrual Basis:</b>	
Revenues and other financing sources over expenditures and other financing uses	\$ 1,250,829
Depreciation	(1,270,288)
Capital outlay	63,728
Capital (distribution) contribution	112,974
Amortization of premium on refunding bonds	30,105
Amortization of deferred loss on refunding bonds	(9,605)
Change in accrued vacation pay	(1,219)
Change in other postemployment benefits	214,638
Change in net pension liability	164,346
Change in deferred outflows of resources - pension	348,463
Change in deferred inflows of resources - pension	<u>(89,847)</u>
Change in net position	<u>\$ 814,124</u>



**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Water Debt Service Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**

	2022		Variance Over/Under
	Budget	Actual	
<b>Non-Operating Revenues:</b>			
Bonds	\$ -	\$ -	\$ -
Total revenues	-	-	-
<b>Expenditures:</b>			
<b>Debt service</b>			
Principal retirements	620,000	-	(620,000)
Bond issuance costs	-	-	-
Interest and fees	477,288	474,288	(3,000)
Total expenditures	1,097,288	474,288	(623,000)
<b>Other Financing Sources (Uses):</b>			
Transfers in	1,097,288	477,286	(620,002)
Total other financing sources (uses)	1,097,288	477,286	(620,002)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 2,998	\$ 2,998

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Water Debt Service Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**  
**(Continued)**

	<b>2022</b>
<b>Reconciliation from Budgetary Basis</b>	
<b>(Modified Accrual) to Full Accrual Basis:</b>	
Revenues and other financing sources over expenditures and other financing uses	\$ 2,998
Principal received from water districts	(11,141,275)
Debt principal payment	11,141,275
Amortization of bond premium paid to water districts	(20,500)
Amortization of limited obligation bond premium	20,500
Change in net position	\$ 2,998

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds -Water Project Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the year ended June 30, 2022**

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
State grants	323,625	\$ 19,825	272,473	\$ 292,298	\$ (31,327)
Other income	-	-	-	-	-
Investment earnings	-	2	-	2	2
Total revenues	323,625	19,827	272,473	292,300	(31,325)
<b>Expenditures:</b>					
Engineering	29,400	27,167	159,989	187,156	157,756
Administrative	-	-	2,508	2,508	
Construction	270,845	214,478	-	214,478	(56,367)
Reimbursables	3,700	1,425	-	1,425	(2,275)
Total expenditures	303,945	243,070	162,497	405,567	99,114
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	(19,680)	-	-	-	19,680
Total other financing sources (uses)	(19,680)	-	-	-	19,680
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (223,243)	\$ 109,976	\$ (113,267)	\$ (110,759)

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Solid Waste Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**

	2022		
	Budget	Actual	Variance Over/Under
<b>Operating Revenues:</b>			
Disposal fees	\$ 1,534,000	\$ 1,566,729	\$ 32,729
User fees	1,440,000	1,561,254	121,254
Landfill fees	134,960	197,119	62,159
Sale of recyclables	110,000	223,721	113,721
Total operating revenues	<u>3,218,960</u>	<u>3,548,823</u>	<u>329,863</u>
<b>Non-Operating Revenues:</b>			
Investment earnings	6,000	7,232	1,232
Federal grants	2,000	8,222	6,222
Disposal tax revenue	105,000	130,448	25,448
Sale of fixed assets	-	-	-
Miscellaneous	57,974	59,018	1,044
Total non-operating revenues	<u>170,974</u>	<u>204,920</u>	<u>33,946</u>
Total revenues	<u>3,389,934</u>	<u>3,753,743</u>	<u>363,809</u>
<b>Expenditures:</b>			
<b>Operating expenditures</b>			
Collections	-	1,439	1,439
Disposals	3,410,780	3,390,928	(19,852)
Tire collections	141,167	144,184	3,017
Capital outlay	241,923	241,919	(4)
White goods	31,244	30,932	(312)
Total operating expenditures	<u>3,825,114</u>	<u>3,809,402</u>	<u>(15,712)</u>
Total expenditures	<u>3,825,114</u>	<u>3,809,402</u>	<u>(15,712)</u>
Fund Balance Appropriated	<u>435,180</u>	<u>-</u>	<u>(435,180)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (55,659)</u>	<u>\$ 379,521</u>

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Solid Waste Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**  
**(Continued)**

	<b>2022</b>
<b>Reconciliation from Budgetary Basis</b>	
<b>(Modified Accrual) to Full Accrual Basis:</b>	
Revenues and other financing sources over expenditures and other financing uses	\$ (55,659)
Depreciation	(354,826)
Capital outlay	241,919
Change in accrued vacation pay	2,558
Change in other postemployment benefits	(92,286)
Change in net pension liability	180,502
Change in deferred outflows of resources - pension	67,879
Change in deferred inflows of resources - pension	(201,738)
Change in net position	\$ (211,651)

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Transportation Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**

	2022		
	Budget	Actual	Variance Over/Under
<b>Operating Revenues:</b>			
Charges for services	\$ 515,000	\$ 733,813	\$ 218,813
Total operating revenues	515,000	733,813	218,813
<b>Non-Operating Revenues:</b>			
Investment earnings	-	2,180	2,180
State grants	949,374	607,197	(342,177)
Miscellaneous	486	9,505	9,019
Total non-operating revenues	949,860	618,882	(330,978)
Total revenues	1,464,860	1,352,695	(112,165)
<b>Expenditures:</b>			
Salaries and employee benefits	832,989	566,176	(266,813)
Operationing expenditures	310,999	262,646	(48,353)
Capital outlay	328,223	-	(328,223)
Total expenditures	1,472,211	828,822	(643,389)
Fund Balance Appropriated	7,351	-	(7,351)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 523,873	\$ 523,873

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Funds - Transportation Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**  
**(Continued)**

	<b>2022</b>
<b>Reconciliation from Budgetary Basis</b>	
<b>(Modified Accrual) to Full Accrual Basis:</b>	
Revenues and other financing sources over expenditures and other financing uses	\$ 523,873
Depreciation	(165,859)
Capital (distribution) contribution	(146)
Change in accrued vacation pay	(3,770)
Change in other postemployment benefits	(146,241)
Change in net pension liability	63,081
Change in deferred outflows of resources - pension	59,966
Change in deferred inflows of resources - pension	(98,019)
Change in net position	\$ 232,885

**DUPLIN COUNTY, NORTH CAROLINA**  
**Major Enterprise Fund - Transportation Capital Project Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the year ended June 30, 2022**

**Schedule 37**

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 6	\$ 347	\$ 353	\$ 353
Total revenues	-	6	347	353	353
<b>Expenditures:</b>					
Engineering	20,000	4,817	170	4,987	15,013
Administrative	1,000	-	323	323	677
Construction	262,784	-	-	-	262,784
Total expenditures	283,784	4,817	493	5,310	278,474
<b>Other Financing Sources (Uses)</b>					
Transfers in	283,784	283,784	-	283,784	-
Total other financing sources (uses)	283,784	283,784	-	283,784	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 278,973	\$ (146)	\$ 278,827	\$ 278,827



**DUPLIN COUNTY, NORTH CAROLINA**  
**Internal Service Funds - Hospital Insurance Fund**  
**Schedule of Revenues and Expenditures - Financial Plan and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**

	2022		
	Final Budget	Actual	Variance Over/Under
<b>Operating Revenues:</b>			
Charges for services	\$ 5,814,239	\$ 5,658,115	\$ (156,124)
Total operating revenues	5,814,239	5,658,115	(156,124)
<b>Non-Operating Revenues:</b>			
Interest on investments	50	362	312
Total non-operating revenues	50	362	312
Total revenues	5,814,289	5,658,477	(155,812)
<b>Operating Expenditures:</b>			
Operating	6,209,852	6,310,988	101,136
Total operating expenditures	6,209,852	6,310,988	101,136
<b>Other Financing Sources (Uses):</b>			
Transfer in (out)	395,563	473,107	77,544
Total other financing sources (uses)	395,563	473,107	77,544
Revenues over (under) expenditures	<u>\$ -</u>	<u>(179,404)</u>	<u>\$ (179,404)</u>
Fund balance, beginning		624,798	
Fund balance, ending		<u>\$ 445,394</u>	

**DUPLIN COUNTY, NORTH CAROLINA**  
**Tourism Development Authority Fund**  
**Balance Sheet**  
**June 30, 2022**

	<b>2022</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ 813,396
Accounts receivable, net	23,804
Total assets	837,200
 <b>Deferred Outflows of Resources</b>	 -
<b>Total assets and deferred outflows</b>	\$ 837,200
 <b>Liabilities and Fund Balances:</b>	
Accounts payable and accrued liabilities	\$ 14,982
Total liabilities	14,982
 <b>Deferred Inflows of Resources</b>	 167
 <b>Fund Balance:</b>	
Restricted	23,804
Unrestricted	798,247
Total fund balance	822,051
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	\$ 837,200

**DUPLIN COUNTY, NORTH CAROLINA**  
**Tourism Development Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)**  
**For the Year Ended June 30, 2022**

	<b>2022</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Other taxes and licenses	\$ 240,000	\$ 260,323	\$ 20,323
Investment earnings	-	1,140	1,140
Miscellaneous income	-	204	204
Total revenues	<u>240,000</u>	<u>261,667</u>	<u>21,667</u>
<b>Expenditures:</b>			
Operating expenditures	<u>250,811</u>	<u>164,086</u>	<u>(86,725)</u>
Total expenditures	<u>250,811</u>	<u>164,086</u>	<u>(86,725)</u>
Fund balance appropriated	<u>10,811</u>	<u>-</u>	<u>(10,811)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	97,581	<u>\$ 97,581</u>
Fund balance, beginning		<u>724,470</u>	
Fund balance, ending		<u>\$ 822,051</u>	

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## **OTHER SCHEDULES**

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

<u>Fiscal Year</u>	Uncollected Balance <u>June 30, 2021</u>	<u>Additions</u>	Collections And Credits	Uncollected Balance <u>June 30, 2022</u>
2021-2022	\$ -	\$ 34,772,690	\$ 33,735,204	\$ 1,037,486
2020-2021	1,037,908		625,734	2,075,394
2019-2020	458,703	-	178,289	280,414
2018-2019	244,100	-	68,480	175,620
2017-2018	128,705	-	34,410	94,295
2016-2017	89,389	-	23,714	65,675
2015-2016	44,219	-	8,884	35,335
2014-2015	35,537	-	8,985	26,552
2013-2014	32,744	-	3,694	29,050
2012-2013	20,625	-	2,610	18,015
2011-2012	20,520	-	2,144	18,376
2010-2011	2,914	-	958	1,956
2009-2010	2,212	-	817	1,395
TOTALS	<u>\$ 2,117,576</u>	<u>\$ 34,772,690</u>	<u>\$ 34,693,923</u>	<u>\$ 2,822,077</u>
				<u>(748,151)</u>
				<u>\$ 2,073,926</u>
 <u>Reconcilement with revenues:</u>				
				\$ 34,515,216
				(112,826)
				328,917
				-
				<u>43,783</u>
				259,874
				<u>\$ 34,775,090.00</u>

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

	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	\$ 4,717,710,177	0.7350%	\$ 34,675,170	\$ 30,539,143	\$ 4,136,027
Total Original Levy	<u>4,717,710,177</u>		<u>34,675,170</u>	<u>30,539,143</u>	<u>4,136,027</u>
Discoveries:					
Current year taxes	<u>25,555,362</u>	0.7350%	<u>187,832</u>	<u>187,832</u>	<u>-</u>
Total Discoveries	<u>25,555,362</u>		<u>187,832</u>	<u>187,832</u>	<u>-</u>
Abatements					
Current Year Taxes	<u>(12,287,382)</u>	0.7350%	<u>(90,312)</u>	<u>(90,312)</u>	<u>-</u>
Total Abatements	<u>(12,287,382)</u>		<u>(90,312)</u>	<u>(90,312)</u>	<u>-</u>
Total for Year	\$ <u>4,730,978,157</u>		34,772,689	30,636,662	4,136,027
Uncollected taxes at June 30, 2021			<u>1,037,486</u>	<u>1,037,486</u>	<u>-</u>
Current year's taxes collected			<u>\$ 33,735,203</u>	<u>\$ 29,599,176</u>	<u>\$ 4,136,027</u>
Current levy collection percentage			<u>97.02%</u>	<u>96.61%</u>	<u>100.00%</u>

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## **COMPLIANCE SECTION**

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**Independent Auditors' 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***

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 financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Duplin County (the County) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 15, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RH CPAs, PLLC*

Greensboro, North Carolina  
September 15, 2023

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

To the Board of County Commissioners  
Duplin County, North Carolina

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

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

We have audited Duplin County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Governmental Commission, that could have a direct and material effect on each of Duplin County's major federal programs for the year ended June 30, 2022. Duplin County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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, 2022.

***Basis for Opinion on Each Major Federal Program***

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

***Responsibilities of Management for Compliance***

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

### ***Auditors Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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

We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questions costs as item 2022 – 01 that we consider to be a significant deficiency.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on the County’s response to the noncompliance findings identified in our audit 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 County is responsible for preparing a corrective action plan to address each audit finding included in our auditor’s report. The County’s correction action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

*RH CPA<sub>s</sub>, PLLC*

Greensboro, North Carolina  
September 15, 2023

**Independent Auditors' Report On Compliance For Each Major State Program; Report on Internal Control Over Compliance; With OMB Uniform Guidance and the State Single Audit Implementation Act**

To the Board of County Commissioners  
Duplin County, North Carolina

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

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

We have audited Duplin County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Governmental Commission that could have a direct and material effect on each of Duplin County's major state programs for the year ended June 30, 2022. Duplin County's major programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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, 2022.

***Basis for Opinion on Each Major State Program***

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

We are required to be independent of Duplin County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major State program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitation, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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

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

*RH CPAs, PLLC*

Greensboro, North Carolina  
September 15, 2023

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

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

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**Financial Statements**

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

Internal control over financial reporting:

Material weaknesses identified?	_____	yes	_____	✓	no
Significant deficiency(s) identified that are not considered to be material weaknesses?	_____	yes	_____	✓	none reported
Noncompliance material to financial statements noted	_____	yes	_____	✓	no

**Federal Awards**

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

Internal control over financial reporting:

Material weaknesses identified?	_____	yes	_____	✓	no
Significant deficiency(s) identified that are not considered to be material weaknesses?	_____	yes	_____	✓	none reported
Noncompliance material to financial statements noted	_____	yes	_____	✓	no

Identification of major Federal program:

CFDA Number	Program Name
93.778	Medical Assistance Program
93.568	Low-Income Home Energy Assistance Program
21.027	Caronavirus State Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee?	_____	yes	_____	✓	no
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**DUPLIN COUNTY , NORTH CAROLINA**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended June 30, 2022**

**State Awards**

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

Internal control over financial reporting:

Material weaknesses identified?	_____	yes	_____	✓	no
Significant deficiency(s) identified that are not considered to be material weaknesses?	_____	yes	_____	✓	none reported
Noncompliance material to financial statements noted	_____	yes	_____	✓	no

Identification of major state program:

<b><u>Program Name</u></b>	
Stream Debris Removal	
Public School Building Capital Fund	

**DUPLIN COUNTY, NORTH CAROLINA**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended June 30, 2022**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

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Significant Deficiency - Non Compliance

Finding: 2022-02

Late submission of Audit

**Criteria:** North Carolina General Statute 159-34 requires each unit of local government to have its accounts audited each fiscal year and to submit a copy of the audit report to the Secretary of the Local Government Commission (LGC) within four months after the close of each fiscal year.

**Condition:** Due to Finance staffing issues, the County was not ready for its annual audit which caused the annual audit to be late.

**Effect:** The conditions above caused a delay in the issuance of the County's audit report.

**Recommendation:** The County Finance department should be properly staffed with the appropriate skill level to perform required governmental financial duties. One of those duties is preparing and assisting an external auditor with the required annual audit in the specified timeframe.

**Views of Responsible Officials and Planned Corrective Actions:** Management concurs with this finding. Please refer to the Corrective Action Plan.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended June 30, 2022**

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**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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**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: 2022-01

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 seven (7) 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: Three (3) did not have a completed recertification and the case was rolled forward by the system, however no QC noted per review of admin letters. One (1) did not have completed recertification for case that was transferred from another county, however no QC noted per review of admin letters. One (1) contained an untimely recertification and was forced eligibility due to Hawkins v. Choen extension, however no QC noted per review of admin letters. One (1) contained an error where the system automatically updated unearned income after the recertification was completed resulting in the budget not agreeing to the amounts in NCFAST. Recertification appeared to be completed properly and we considered this to be an NCFAST error and not a County error. One (1) recertification was originally completed properly, however budget calculations were erroneously updated after the recertification was completed by a caseworker resulting in NCFAST numbers disagreeing to the budget. There was no QC as the participant was properly noted as eligible.

**Questioned Costs (QC):** There was no affect to eligibility and there were no questioned costs.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended June 30, 2022**

**Context:** We examined 120 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 repeat finding:** This is a repeat finding from the immediate previous audit, 2021-002.

**Cause:** Ineffective record keeping and ineffective case review process.

**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.

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**SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS**

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None reported



FINANCE OFFICE

**Corrective Action Plan**

**2022-01 Technical**

Name of contact person: Annie Murrell, Director of Social Services

Corrective Action:

**Forced Eligibility**

Supervisors will ensure that staff are utilizing dictation templates that was implemented in January 2022. This template addresses Admin letters when needed and training was completed with staff. Supervisors have implemented reviewing the task that caseworkers are receiving. Completing these reviews will allow supervisors to monitor timeliness regarding medical forced/recertifications. Supervisors for all Medicaid programs will complete a review of all transfer cases prior to accepting the transfer to identify possible errors in the case. If needed supervisors will reach out to the transferring county. This change will be effective October 2023.

**Income - Total Countable Income**

CMA implemented recertification checklist in September 2022 that will assist workers in completing steps during the recertification process and second partying their work as well.

Proposed Completion Date: October 31, 2023

**2022-02 Late submission of audit**

Name of contact person: Chelsey Lanier, Finance Officer

Corrective Action:

Management will ensure the timely submission of the audited financial statements by adhering to strict deadlines and training all staff to maintain appropriate records that are readily available to the audit firm.

Proposed Completion Date: Guidelines will be implemented immediately.

**DUPLIN COUNTY, NORTH CAROLINA**  
**Summary Schedule of Prior Year Audit Finding**  
**For the Year Ended June 30, 2022**

**Prior Year Findings**

**Status:** 2021-001    Corrected  
              2021-002    Still Occurring

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

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
<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:					
<u>SNAP Cluster</u>					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 514,765	\$ -	\$ -
FNS ARPA Funds	10.561		44,974	-	-
FNS CAA Funds	10.561		16,518	-	-
Total SNAP Cluster			<u>576,257</u>	<u>-</u>	<u>-</u>
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Administration:					
WIC Special Supplemental Nutrition Program for Women, Infants, & Children (Note 5)	10.557		394,812	-	-
Total WIC Special Supplemental Nutrition Program for Women, Infants, & Children			394,812	-	-
Emergency Watershed Protection Program	10.923		56,063	-	-
Total U.S. Department of Agriculture			<u>1,027,133</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Justice</u>					
Passed-through the N.C. Dept. of Public Safety:					
State Criminal Alien Assistance Program	16.606		6,400	-	-
Bulletproof Vest Partnership Program	16.607		56,687	-	-
Equitable Sharing Program	16.922		5,986	-	-
Total U.S. Dept. of Justice			<u>69,073</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Transportation</u>					
Passed-through the N.C. Department of Transportation:					
Airport Improvement Program	20.106	36237.13.15.1	73,400	-	-
Airport Improvement Program	20.106	36237.13.16.1	45,000	-	-
Community Transportation Program (Public Transportation for Nonurbanized Areas)	20.509	36233.35.22.1	13,605	-	-
Community Transportation Program (Public Transportation for Nonurbanized Areas)	20.509	49233.23.1.2	223,246	-	-
Community Transportation Program (Public Transportation for Nonurbanized Areas)	20.509	36233.35.23.1	147,627	-	-
Federal Transit Administration Capital Program	20.526	44637.48.2.3	320	-	-
Passed-through the N.C. Department of Transportation:					
<u>Federal Transit Cluster</u>					
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	51001.65.5.2	13,408	-	-
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	51001.65.4.2	2,144	-	-
Total U.S. Dept. of Transportation			<u>518,750</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Treasury</u>					
Equitable Sharing Program	21.016		8,886	-	-
Passed-through the Office of State Budget and Management:					
NC Pandemic Recovery Office					
Coronavirus Relief Funds	21.019		101,792	-	-
Coronavirus State Local Fiscal Recovery Funds	21.027		2,134,449	-	-
Total US Dept. of Treasury			<u>2,245,127</u>	<u>-</u>	<u>-</u>

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

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
<u>U.S. Dept. of Health &amp; Human Services</u>					
Passed-through Eastern Carolina Council of Governments:					
Division of Aging and Adult Services:					
Special Programs for the Aging - Title III - D Disease Prevention and Health Promotion Services					
	93.043		3,271	192	-
Family Caregiver Support					
	93.052		9,188	613	-
CARES - Family Caregiver Support					
	93.052		595	-	-
<u>Aging Cluster:</u>					
Special Programs for the Aging - Title III Part B					
Grants for Supportive Services and Senior Centers					
	93.044		126,459	7,439	-
Special Programs for the Aging - Title III Part C					
Nutrition Services					
	93.045		163,815	9,636	-
CARES - Special Programs for the Aging - Title III Part C					
Nutrition Services					
	93.045		64,292	-	-
Nutrition Services Incentive Program					
	93.053		22,229	-	-
Total Aging Cluster					
			376,794	17,075	-
Division of Social Services:					
TANF - Work First					
	93.558		576,369	-	-
Division of Public Health:					
TANF - Work First					
	93.558		11,897	368	-
Total Temporary Assistance for Needy Families (TANF)					
			588,266	368	-
<u>Foster Care and Adoption Cluster (Note 4 and 5)</u>					
Foster Care - Title IV-E					
	93.658		272,528	59,681	-
Foster Care					
	N/A		13	-	-
COVID-19 - Foster Care - Title IV-E Supplemental Funding					
	93.658		-	-	-
Adoption Assistance					
	93.659		4,615	-	-
Total Foster Care and Adoption Cluster					
			277,156	59,681	-
Child Support Enforcement					
	93.563		487,842	-	-
Low-Income Home Energy Assistance:					
Low Income Energy Assistance Administration					
	93.568		35,524	-	-
Low Income Energy Assistance Payments					
	93.568		420,028	-	-
LIEAP ARPA					
	93.568		431,658	-	-
LIEAP ARPA Administration					
	93.568		34,437	-	-
LIHWAP Administration					
	93.568		4,085	-	-
LIHWAP CAA					
	93.568		123,015	-	-
LIEAP COVID-19 Administration					
	93.568		7,430	-	-
Crisis Intervention Program					
	93.568		84,401	-	-
Total Low-Income Home Energy Assistance					
			1,140,578	-	-
Division of Child Development and Early Education:					
Subsidized Child Care					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Child Care Development Mandatory and Matching Funds-Administration					
	93.596		119,216	-	-
			119,216	-	-
Stephanie Tubbs Jones Child Welfare Services Program:					
- Permanency Planning - Families for Kids					
	93.645		11,411	-	-
Total Stephanie Tubbs Jones Child Welfare Services Program:					
			11,411	-	-
SSBG - Other Service and Training					
	93.667		272,796	-	-
Division of Aging and Adult Services:					
Division of Social Services:					
SSBG - State Adult Day Care					
	93.667		46,303	-	-
Passed-through Eastern Carolina Council of Governments:					
SSBG - In Home Services					
	93.667		1,460	-	-
Total Social Service Block Grant (SSBG)					
			320,559	-	-



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

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Health Benefits:					
Division of Social Services:					
Administration:					
<u>Medicaid Cluster</u>					
Medical Assistance Program (Note 5)	93.778		1,774,228	9,825	-
Division of Social Services:					
Administration:					
Children's Health Insurance Program - N.C. Health Choice (Note 5)	93.767		33,850	3,662	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Public Health Emergency Preparedness	93.069		34,508	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control	93.116		21,561	-	-
Family Planning Services	93.217		53,533	-	-
Immunization Cooperative Agreements	93.268		17,314	-	-
COVID-19 Immunization Cooperative Agreements	93.268		55,726	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		584,881	-	-
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		5,215	-	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354		12,809	-	-
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391		814	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		8,125	-	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977		100	-	-
Preventive Health and Health Services Block Grant	93.991		30,607	-	-
Maternal and Child Health Services Block Grant	93.994		40,674	57,725	-
Passed-through the N.C. Department of Insurance					
Medicare Enrollment Assistance Program		93.071	4,199	-	-
Total Medicare Enrollment Assistance Program			4,199	-	-
Total U.S. Dept. of Health and Human Services			6,013,020	149,140	-
<u>U.S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Public Safety:					
Division of Emergency Management					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)					
Declared Disasters)	97.036	DR-4393-NC	64,823	-	-
Hazard Mitigation Grant	97.039	HMGP 4393-0025-R	50,036	-	-
Emergency Service Performance Grant	97.042	1901-EMPG	39,286	-	-
Emergency Service Performance Grant - Supplemental	97.042	EMA-2021-EP-00014	23,763	-	-
Total U. S. Department of Homeland Security			177,907	-	-
Total federal awards			10,051,010	149,140	-

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

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
<b>State Awards:</b>					
<u>Administrative Office of the Courts</u>					
Safe Roads Act			-	4,575	-
Total Administrative Office of the Courts			-	4,575	-
<u>N.C. Dept. of Administration</u>					
Division of Veterans Affairs					
Veterans Service			-	2,109	-
Total N.C. Dept. of Administration			-	2,109	-
<u>N.C. Dept. of Agriculture</u>					
Stream Debris Removal Grants		17-175-4019	-	217,824	-
Stream Debris Removal Grants		19-091-4064	-	1,496,757	-
Stream Debris Removal Grants		19-091-4093	-	38,000	-
Total N.C. Dept. of Agriculture			-	1,752,581	-
<u>N.C. Dept. of Cultural and Natural Resources</u>					
Museum of Natural Science			-	60,087	-
Division of State Library - State Aid to Public Libraries			-	111,630	-
Total N.C. Dept. of Cultural and Natural Resources			-	171,717	-
<u>N.C. Department of Environmental Quality</u>					
Division of Waste Management					
Soil Conservation State Match			-	3,600	-
NC Agriculture Cost Share - Technical Assistance			-	33,600	-
Scrap Tire Program			-	5,070	-
Total N.C. Dept. Environmental Quality			-	42,270	-
<u>N.C. Dept. of Health and Human Services</u>					
Passed-through Eastern Carolina Council of Governments:					
Division of Aging and Adult Services					
Division of Social Services					
State Appropriation - Senior Center General Purpose			-	3,562	-
State Appropriation - Fan Relief			-	466	-
Total Division of Aging and Adult Services			-	4,028	-
Division of Social Services					
State Child Welfare/CPS/CS LD			-	35,686	-
Energy Assistance Private Grant			-	1,062	-
IV-B EFT Chafee Independent Living			-	5,000	-
State Foster Home			-	30,619	-
Foster Care At Risk Maximization			-	4,177	-
State Foster Home Fund (SFHF) Maximization			-	16,691	-
Extended Foster Care Maximization Non IV-E programs			-	13,448	-
Total Division of Social Services			-	106,683	-
Division of Public Health					
General Aid to Counties / PH Capacity Building			-	80,581	-
General Communicable Disease Control			-	4,440	-
Family Planning - State			-	16,579	-
Child Health			-	18,480	-
Women's Health Service Fund			-	9,825	-
Breast and Cervical Cancer			-	14,625	-
Food and Lodging			-	12,151	-
Maternal Health			-	55,618	-
Healthy Communities			-	3,747	-
HIV/STD State			-	975	-
Tuberculosis Control			-	34,549	-
Total Division of Public Health			-	251,570	-
Total N. C. Department of Health and Human Services			-	362,281	-

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

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
<u>N.C. Housing Finance Agency</u>					
Essential Single-Family Rehabilitation Loan Pool– Disaster Recovery		2017-ESFRLP-DR	-	49,273	-
Total N.C. Housing Finance Agency			-	49,273	-
<u>N.C. Dept. of Insurance</u>					
SHIP Grant			-	3,700	-
Total N.C. Dept. of Insurance			-	3,700	-
<u>N.C. Dept. of Public Instruction</u>					
Public School Building Capital Fund - Lottery Proceeds			-	420,891	-
Total N.C. Dept. of Public Instruction			-	420,891	-
<u>N.C. Dept. of Public Safety</u>					
Juvenile Crime Prevention Programs			-	212,657	-
Law Enforcement Grant			-	52,263	-
Hazardous Materials Preparedness Grant		HMEP-2060007/ HMEP-2160005	-	19,700	-
Total N.C. Dept. of Public Safety			-	284,620	-
<u>N.C. Dept. of Transportation</u>					
NC DOT Cluster ROAP/SMAP					
- ROAP Elderly and Disabled Transportation Assistance Program		36220.10.10.1	-	74,302	-
- ROAP Rural General Public Program		36228.22.10.1	-	95,461	-
- ROAP Work First Transitional - Employment		36236.11.9.1	-	16,502	-
Total ROAP Cluster			-	186,265	-
State Aid to Airports Program		36244.20.13.2	-	115,456	-
State Aid to Airports Program		36244.20.14.1	-	3,315,411	-
State Aid to Airports Program		36244.20.15.1	-	34,161	-
Rideshare		36233.35.22.1	-	851	-
Rideshare		36233.35.23.1	-	9,226	-
Rural Capital Program		44637.48.2.3	-	40	-
Total N.C. Dept. of Transportation			-	3,661,410	-
Total State awards			-	6,755,428	-
<b>Total Federal and State awards</b>			<b>\$ 10,051,010</b>	<b>\$ 6,904,568</b>	<b>\$ -</b>

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

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, 2022. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of 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: Foster Care and Adoption.

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

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

<u>Program Title</u>	<u>CFDA No.</u>	<u>Federal</u>	<u>State</u>
Special Supplemental Nutrition Program for Women Infant and Children	10.557	1,266,777	-
Supplemental Nutrition Assistance Program	10.551	27,598,159	-
Family Preservation	93.556	6,618	-
Pandemic Emergency Assistance Fund	93.558	54,500	-
Special Children Adoption	93.558	19,150	-
Temporary Assistance for Needy Families	93.558	149,639	-
Adoption Assistance	93.659	277,095	55,794
Medical Assistance Program	93.778	92,681,861	34,892,417
Children's Health Insurance Program	93.767	1,382,326	310,149
Child Welfare Services Adoption	N/A	-	110,303
State / County Special Assistance program	N/A	-	248,802