

CRAVEN COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
June 30, 2024**



**PREPARED BY THE FINANCE DEPARTMENT
CRAIG A. WARREN, FINANCE OFFICER**

Craven County



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Craven County



INTRODUCTORY SECTION

Letter of Transmittal

GFOA Certificate of Achievement

List of Principal Officials

Organizational Chart

Map of Craven County, North Carolina

Craven County





November 25, 2024

To the Citizens of Craven County
The Honorable Board of County Commissioners
Craven County, North Carolina

We are pleased to submit the Annual Comprehensive Financial Report of Craven County for the fiscal year ending June 30, 2024. North Carolina State law requires all general-purpose local governments to publish a complete set of financial statements within four months of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited following generally accepted auditing standards by a firm of licensed, certified public accountants. This report complies with the requirements of GASB Statement No. 34.

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

The County's financial statements have been audited by Thompson, Price, Scott, Adams, and Company, P.A., a firm of licensed, certified public accountants. The goal of the independent audit was to provide reasonable assurance that the County's financial statements for the fiscal year ended June 30, 2024, are free of material misstatement. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component in the financial section of this report.

The independent audit of the County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the unique needs of federal grantor agencies. These standards require reporting not only on the fair presentation of the financial statements but also on internal controls and compliance with legal requirements, particularly for administering federal and state awards. The auditor reports can be found in the Compliance Section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should

be read in conjunction with it. The County’s MD&A can be found immediately following the independent auditors’ report.

Profile of the County

Craven County, chartered in 1712, utilizes the Commissioner-Manager form of government. Seven commissioners serve four-year terms. The Chairperson is elected by the Commissioners each year for a one-year term. The County Manager, County Attorney, and Clerk to the Board are appointed by and serve at the pleasure of the County Commissioners. The county manager is responsible for administering all county affairs and managing all county employees.

Craven County’s location along North Carolina’s central coastal region fosters a unique blend of rural charm and growing urban opportunities. The county covers 712 square miles and includes the historic town of New Bern, the birthplace of Pepsi Cola, and the home of Tryon Palace Historic Sites & Gardens.

Settled in 1710 by Swiss and German immigrants at the confluence of the Trent and Neuse Rivers, New Bern, the county seat, is the second oldest town in the state. Rich in history, it is the site of North Carolina’s Colonial Capitol and its first State Capitol. Downtown New Bern offers museums, shops, galleries, restaurants, historic sites, waterfront hotels, bed and breakfast accommodations, marinas, a convention center, parks, historic homes, and churches.



Tryon Palace Historic Sites & Gardens, the first permanent seat of colonial government in North Carolina, offers visitors an opportunity to experience over 300 years of American history and acres of period-inspired gardens.

The City of Havelock, the second largest municipality, hosts Cherry Point, the largest Marine Corps Air Station on the East Coast. This base is a vital economic driver, with Fleet Readiness Center East being the largest industrial employer in Eastern North Carolina, employing approximately 11,000 military and civilian personnel.

Local Economy

In FY 2024, Craven County continued to experience steady growth. The unemployment rate declined slightly to 3.5% from the 3.7% reported last year, reflecting a continued economic recovery. Private sector employment grew by 2.6%, with the County’s top employers representing government, health care, education, and manufacturing industries. The County remains proactive in diversifying its economic base and attracting new industries. According to the North Carolina Department of Commerce, the following table lists the ten largest employers in Craven County for the calendar year 2023.

Rank	Employer	Industry	Employment Range
1	Defense Ex Army Navy & Air Force	Public Administration	1000+
2	Carolina East Health System	Health Care and Social Assistance	1000+
3	Craven County Board Of Education	Educational Services	1000+
4	BSH Home Appliances Corporation	Manufacturing	1000+
5	Wal-Mart Associates Inc	Retail Trade	500-999
6	Craven County	Public Administration	500-999
7	Moen Incorporated	Manufacturing	500-999
8	Marine Corps Exchange Service	Retail Trade	500-999
9	Craven Community College	Educational Services	500-999
10	City Of New Bern	Public Administration	500-999

Source: NC Commerce LEAD Division

The United States Marine Corps Air Station at Cherry Point is home to Fleet Readiness Center East, the largest industrial employer east of I-95, employing a total workforce of 11,395 personnel, including 5,422 civilians. According to the latest information, the total payroll for the base, including Fleet Readiness Center East, was \$1.29 billion, while the total economic impact of the Marine Corps Air Station at Cherry Point was \$2.64 billion. The military and surrounding local communities have developed a strong relationship from which both have benefited. Craven County ensures that decision-makers in Washington, DC, and Raleigh, NC, understand the significance and importance of the military's presence in the County and eastern North Carolina.

Per capita personal income in Craven County increased in 2023 by 6.1 percent to \$58,120. Comparably, the change for the state of North Carolina was a 4.9 percent increase, and nationally, a 5.4 percent increase. Per capita income levels for the County are 94 percent of the state's average of \$61,839 and 83.3 percent of the national average of \$69,810. The County ranked 28th out of 100 counties in the state in per capita income, down from 22nd reported for the previous year. The 2013-2023 average annual growth rate of per capita personal income for Craven County was 4.4 percent, while the average yearly growth rate for the state was 5.0 percent and 4.6 percent for the nation.

The residential development and local housing market in Craven County remained robust, reporting strong growth over the last year. New home construction increased in 2023 by 45.5 percent over the previous year, with 307 new home starts compared to 211 in the last year. Additionally, local sales data for 2023 indicates a 3.5 percent increase in the number of homes sold compared to the previous year. The median home sales price also increased 11.7 percent, reaching \$310,000. However, rising interest rates tempered growth in some housing market sectors.

With many historic sites and homes, 40 miles of navigable rivers, the Croatan National Forest, and abundant lakes and wildlife, the County continues to emphasize and capitalize on tourism. Tryon Palace, the first State Capitol, was authentically reconstructed in the 1950s and is considered the main attraction in the downtown historic district of the City of New Bern. The North Carolina History Center, part of the Tryon Palace complex, is an education/visitor center for the Palace and is situated between the Palace and the Doubletree by Hilton, near the Convention Center. The County contributed over a million dollars to the interactive museum/education center project. The building contains two major museums, the Pepsi Family Center and the Regional History Museum, a 200-seat state-of-the-art performing arts hall, exhibit and orientation theaters, a museum store, a waterfront café, and program and administrative space.

The County's tourism sector continues to demonstrate a strong recovery, generating an economic impact of \$178.1 million in 2024, an increase of 4.4% over the previous year. State and local tax revenues from tourism totaled \$12 million, reflecting the County's continued appeal as a destination. Across the state, visitor spending was up 6.9 percent, reaching \$35.6 billion, well above the record \$33.3 spent in 2022. State and local tax revenues generated from travel to Craven County amounted to \$11.7 million, representing \$117.24 tax savings for each county resident. According to the North Carolina Division of Tourism, Film, and Sports Development, in 2023, there were 1,288 jobs in Craven County related to tourism, with an annual payroll of \$44.6 million.

The Riverfront Convention Center of Craven County, located in historic downtown New Bern, opened its doors in August 2000. Constructed for \$12 million, the facility spans approximately 50,000 square feet and features a 12,000-square-foot ballroom, accommodating and serving groups of up to 1,000 people. The Center is conveniently situated next to one of the major hotels in the downtown area, with two other hotels and several bed and breakfast options within walking distance. It was not built to generate a direct profit; its primary purpose is to stimulate the local economy by encouraging additional visitor spending throughout the community. During the fiscal year ending June 30, 2024, the Center hosted 180 events, generating an estimated economic impact of approximately \$4.6 million for the community. The current outstanding debt for the Convention Center is paid off through the occupancy tax and is scheduled to be fully retired by 2034.

Long-term Financial Planning

Providing programs and services desired by citizens and those mandated by state statutes is a recurring challenge for local governments. As such, the county remains committed to maintaining fiscal discipline, only expanding services when corresponding resources exist to support them. For the fiscal year 2025, the County adopted a balanced operating budget of \$155.3 million, maintaining the same General Fund tax rate of 0.4448 cents per \$100 of assessed valuation. The estimate of property values used for fiscal 2025 is \$14.4 billion, an increase of 5.1 percent from the \$13.7 billion used for fiscal 2024. Fewer appeals than expected following the 2023 Countywide Revaluation and projected growth in new construction forecasted in the upcoming year contributed to the increase. The local real estate market also experienced an average sales price increase of 8.58% in the calendar year 2023, compared to a 15.66% increase in 2022. Moreover, the values of registered motor vehicles continue to rise steadily.

The ongoing expansion of the tax base has facilitated increased planned expenditures for the fiscal year without the need to draw upon the fund balance excessively. This strategy is set to continue in the budget for fiscal year 2025. We regularly monitor the fund balance to maintain sufficient reserves for project funding while keeping the tax rate at an appropriate level. For fiscal year 2025, approximately \$3,921 has been earmarked from the fund balance for the General Fund. This General Fund balance constitutes 34.5% of total expenditures, exceeding the State Treasurer's recommended minimum of 8% and falling within the County's target range of maintaining an available fund balance between 18% and 25%.

Major Initiatives

The county is actively involved in various initiatives as it prepares for fiscal year 2025. This section outlines the most significant initiatives currently in progress.

Economic Development efforts to attract, retain, and expand companies in Craven County will continue in partnership with the Craven 100 Alliance (C1A), a public-private partnership between Craven County, New Bern, Havelock, and the private sector. Recent major announcements included Breeze Airways, which announced the launch of direct flights from New Bern to Hartford, Connecticut, and Orlando, Florida. The estimated economic impact of these flights is projected to be \$29.7 million, supporting 187 local jobs, attracting 8,890 visitors to the airport, and generating \$2.1 million in state and local revenue. Additionally, the County is investing \$2.45 million in infrastructure and property to develop and expand the Craven County Industrial Park. This project involves the creation of seven new lots, with one already under contract.

The county has invested considerable amounts of time and resources into modernizing its Enterprise Resource Planning (ERP) System in recent years. This initiative began in October 2017 and was initially planned as an 18-month, multi-phase effort to upgrade essential systems, including financial management, payroll, human resources, utility billing, permitting, and tax administration. Despite facing challenges such as Hurricane Florence, the COVID-19 pandemic, and adjustments within our team, we have achieved significant milestones. We successfully implemented the water utility billing and cashing modules in the last fiscal year. Heading into the new fiscal year, we are eager to finalize the remaining Permitting and Inspections modules, which we expect to complete by the end of fiscal year 2025. This project marks a significant milestone for our community, and we are excited about the positive impacts it will bring.

In 2019, the County completed a facilities master plan and space needs assessment study. This study aimed to develop long-term capital improvement plans to address the County's current and future space requirements over the next 15 to 30 years. The study's findings recommended enhancements to approximately 25 County facilities, which included new construction, significant renovations, and the demolition of existing buildings. The estimated cost for these improvements over the next 15 years is around \$59 million. Since the study's completion, several high-priority projects have been completed. These projects include renovations and upgrades to the Convention Center, the construction of a new

Parks and Recreation Office Building at Creekside Park, the establishment of a new building for the Craven's Area Rural Transportation Department (CARTS), and the development of a county fueling center. Major projects scheduled for completion in fiscal year 2025 include the Courthouse/Emergency Operations Center (EOC) Recovery Project and the Human Services Expansion Project. Although enhancements to these facilities were not initially planned for this fiscal year, extensive storm damage from Hurricane Florence and Medicaid Expansion prompted the prioritization of these projects. Further significant facility needs identified in the study are being evaluated for inclusion in the County's long-term capital improvement plan. Due to rising capital demands, the County has formed a capital project planning committee to begin planning for larger-scale projects. These projects will require a more thorough analysis and may need financing strategies beyond the pay-as-you-go funding from the County's capital reserve.

Awards and Acknowledgements

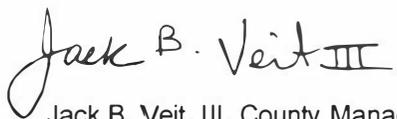
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Craven County for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 33rd consecutive year that the County has received this award. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the assistance and dedication of the entire Craven County Finance Department staff. We extend our sincere gratitude to all the members of the department who contributed to the creation of this report, as well as to the County's independent auditors, Thompson, Price, Scott, Adams, & Co., P.A., for their invaluable assistance and guidance.

This report highlights the progressive leadership and support provided by the Craven County Board of Commissioners. Without the Board's guidance and initiative, Craven County's financial activities would not operate in a fiscally stable and responsible manner.

Respectively submitted,



Jack B. Veit, III, County Manager



Craig A. Warren, CPA, Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Craven County
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

CRAVEN COUNTY, NORTH CAROLINA

LIST OF PRINCIPAL OFFICIALS

June 30, 2024

**BOARD OF
COMMISIONERS**

JASON R. JONES

Chairman

DENNY BUCHER

Vice-Chairman

CHADWICK HOWARD

SHERRY HUNT

THOMAS MARK

E. T. MITCHELL

BEATRICE SMITH

COUNTY OFFICIALS

JACK B. VEIT III

County Manager

CRAIG A. WARREN

Finance Officer

GENE HODGES

Assistant County Manager

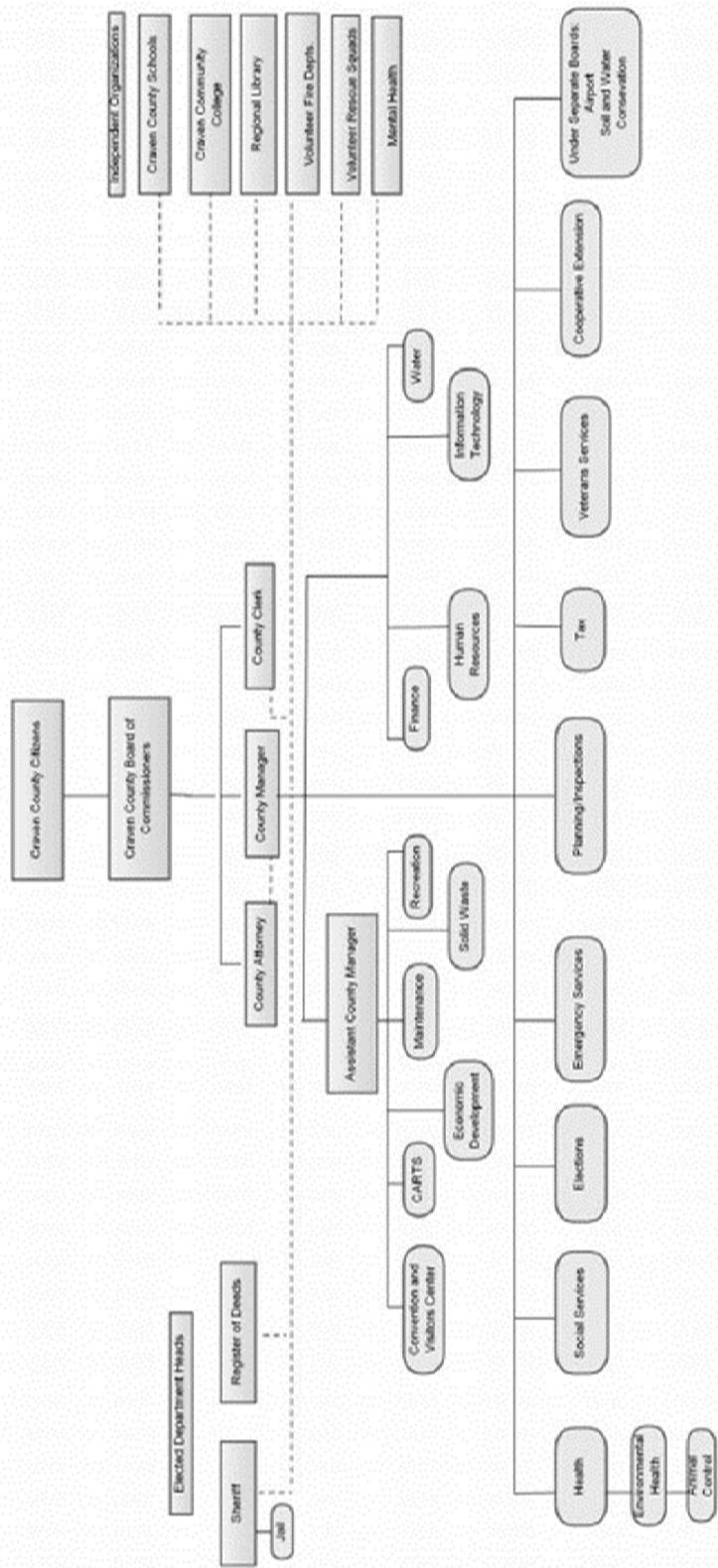
MICHELLE L. TOTH

Register of Deeds

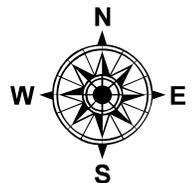
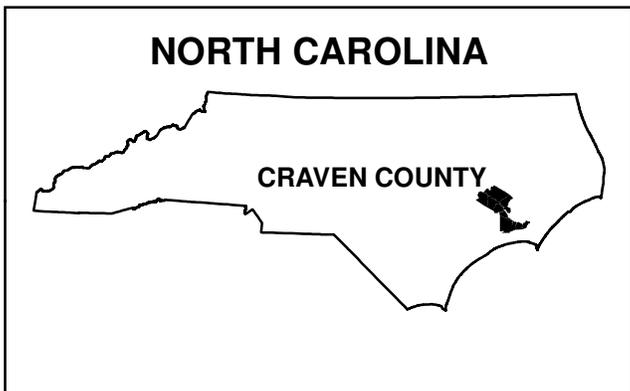
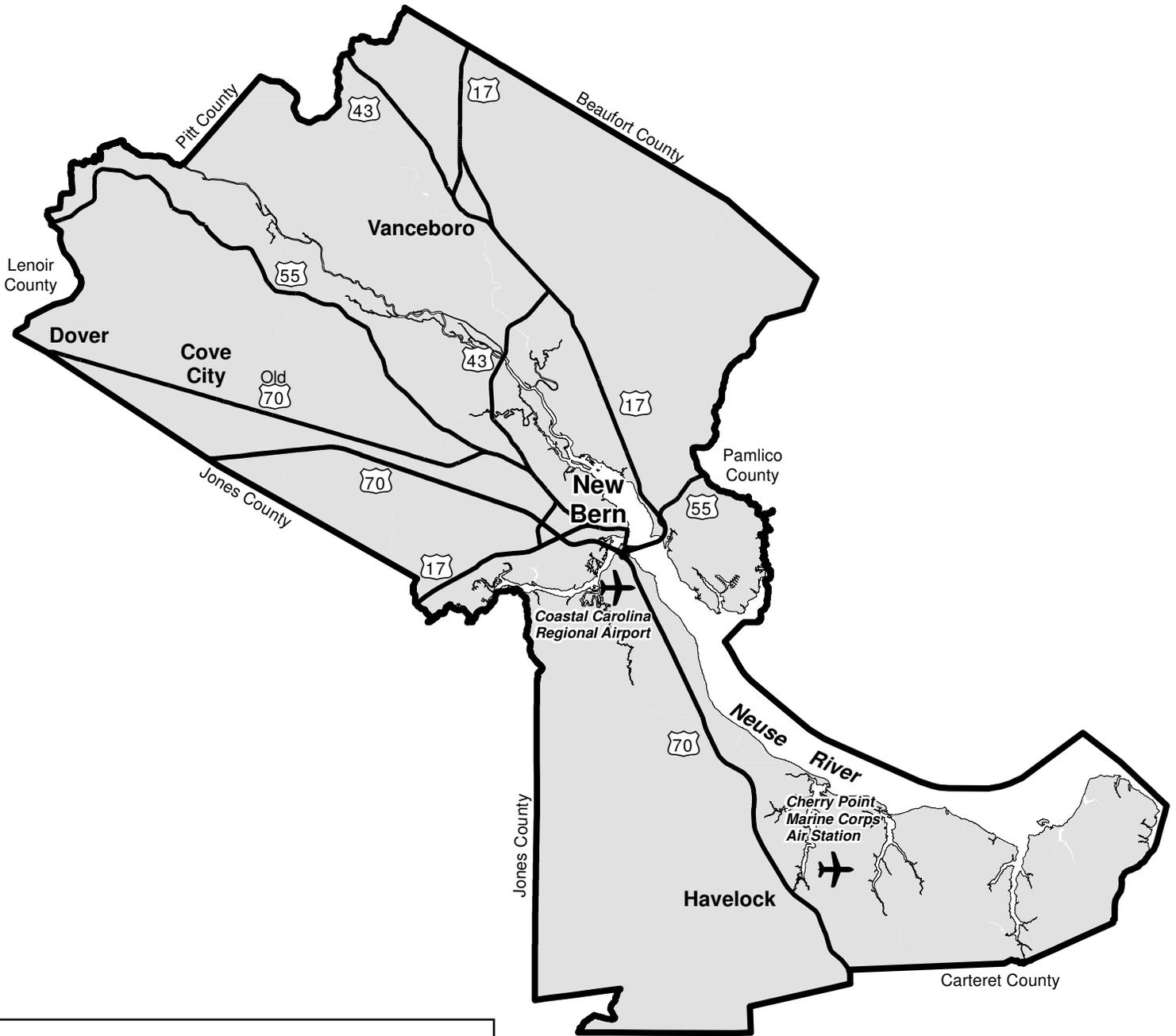
CHIP HUGHES

Sheriff

CRAVEN COUNTY ORGANIZATIONAL CHART



Craven County North Carolina



Craven County



FINANCIAL SECTION

Report of Independent Certified Public Accountants

Management's Discussion & Analysis

Basic Financial Statements

Notes to the Financial Statements

Required Supplementary Information

Other Supplementary Information

Craven County





Thompson, Price, Scott, Adams & Co, P.A.

**P.O Box 398
1626 S. Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958**

**Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA**

INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Craven County
New Bern, North Carolina

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business--type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Craven County, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements which collectively comprise Craven 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, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Craven County, North Carolina as of June 30, 2024, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Craven County Alcoholic Beverage Control Board (ABC Board) or CarolinaEast Health System (the Health System), which represents 88.5 percent, 88.7 percent, and 96.7 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the ABC Board and Health System, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Craven County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the ABC Board and Health System were not audited in accordance with *Governmental Auditing Standards*.

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA's Private Companies Practice Section

Responsibilities of Management for the Audit of the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government 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 Craven County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Local Government Employees' Retirement System schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and County Contributions, Coastal Carolina Regional Airport Authority's Local Government Employees' Retirement System schedules of the County's Proportionate Share of the Net Pension Liability and Authority Contributions, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, and the Other Postemployment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting

Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Craven County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, and component unit schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the Schedule of Passenger Facility Charge Revenue and Expenditures as specified in the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration (the "Guide") are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, component unit schedules, the Schedule of Expenditures of Federal and State Awards, and the Schedule of Passenger Facility Charge Revenue and Expenditures are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2024 on our consideration of Craven County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Craven County's internal control over financial reporting and compliance.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.

Whiteville, NC

November 25, 2024

Craven County
Management's Discussion and Analysis
June 30, 2024

As management of Craven County, we offer readers of Craven County's financial statements this narrative overview and analysis of the financial activities of Craven County for the fiscal year ended June 30, 2024. 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 Craven County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$215,179,064 (net position).

The government's total net position increased by \$21,468,822 in fiscal year 2024. Of this amount, \$2,663,686 was an increase in net position resulting from the operations of the Water enterprise fund. The remaining \$18,805,136 increase in net position was in governmental activities and was primarily due to revenues exceeding projections and under spending appropriations by \$16,650,641 in the general fund.

As of the close of the current fiscal year, Craven County's governmental funds reported combined ending fund balances of \$114,619,704, reflecting a net increase of \$11,308,000 for the year. Approximately 56.15 percent of the total amount or \$64,355,175, is restricted, committed, or assigned.

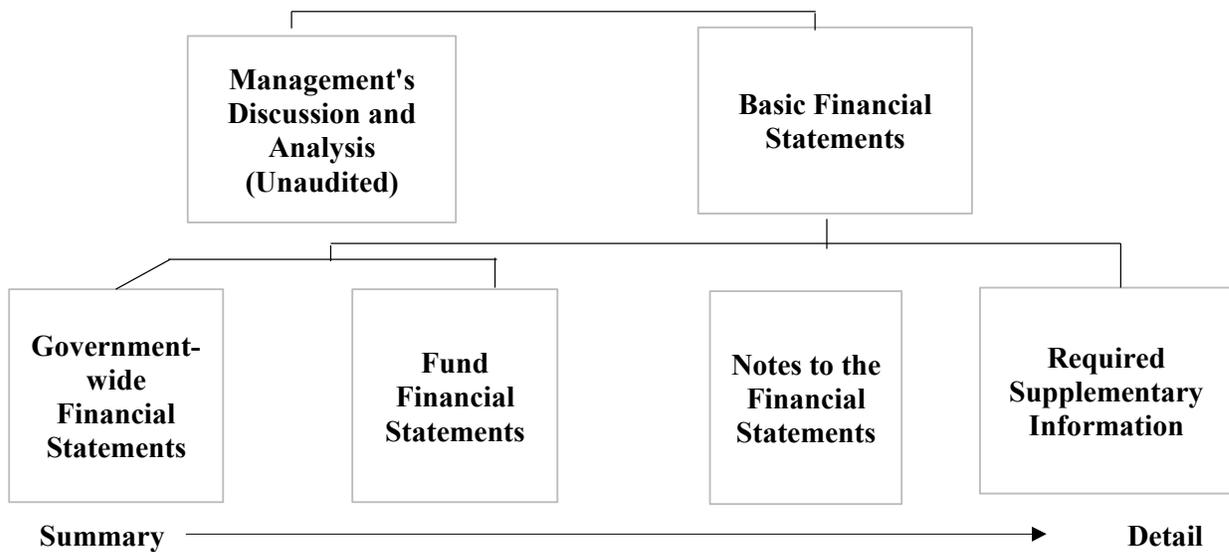
At the end of the current fiscal year, unassigned fund balance for the General Fund was \$50,456,258 or 34.51 percent of total General Fund expenditures including transfers out and excluding capital outlay financed by leases.

The County's total long-term debt decreased by \$4,606,774 as a result of debt service payments made during the fiscal year.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to Craven 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. 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 to enhance the reader's understanding of the financial condition of Craven County.

Required Components of Annual Financial Report



Basic Financial Statements

The first two statements 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, using the full-accrual basis of accounting, in a manner similar to a private-sector business.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental fund statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **Notes to the Financial Statements**. The notes are essential to a full understanding of the data provided in the government-wide and fund financial statements because they explain in detail some of the data contained in those statements. Following the notes is the **required supplemental information**. This section contains funding information about the County's pension and other postemployment benefit plans.

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

Government-wide Financial Statements

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

The two government-wide financial statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide financial statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include most of the County's basic services such as public safety, education, human services, environmental services, economic and physical development, and general administration. Property tax, sales tax, and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. For Craven County, only the water utility is reported as a business activity.

The final category is component units. CarolinaEast Health System (formerly Craven Regional Medical Center) is a public hospital operated by the CarolinaEast Health System authority. The County Commissioners appoint the governing board of the Health System and own the buildings and land of the main hospital site. The facility is leased for \$1 per year to the Health System by the County. The Craven County Tourism Development Authority (TDA) and the Coastal Carolina Regional Airport Authority (formerly Craven Regional Airport Authority) are separate legal entities. The County is financially accountable for the TDA as it derives its revenues through a special room occupancy tax authorized and revocable by the County Commissioners. The Airport Authority governing board is appointed by the County Commissioners and the County is responsible for financing any operating deficits of the Airport Authority. Although legally separate from the County, the Craven County Alcoholic Beverage Control Board is a component unit of the County because the County is financially accountable for the Board by appointing its members and because the Board is required to distribute its profits to the County.

The government-wide financial statements follow this analysis.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. Craven County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Craven County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using the accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental funds' 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.

Craven County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document.

The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds - Craven County has only two proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Craven County uses an enterprise fund to account for its water utility activity. This fund is the same as the separate activity shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of the County. The County uses an internal service fund to account for its risk management activity. Because this operation benefits predominately 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. Craven County has two fiduciary funds, both of which are custodial funds.

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

Other Information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the following: County's proportionate share of Net Pension Liability (Asset) for Local Government Employees' Retirement System and Registers of Deeds' Supplemental Pension Fund; County Contributions to Local Government Employees' Retirement System and Registers of Deeds' Supplemental Pension Fund; Pension liability for Law Enforcement Officers' Special Separation Allowance; and changes in the total OPEB liability and related ratios. Required supplementary information can be found following the Notes to the Financial Statements of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$215,179,064 as of June 30, 2024. The County's net position increased by \$21,468,822 for the fiscal year ended June 30, 2024. By far, the largest category of net position, totaling \$111,284,243 or 51.71 percent of the total net position, is the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt still outstanding that was issued to acquire those items. Craven County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Craven County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

An additional portion of Craven County's net position \$46,050,289 or 21.40 percent, represents resources that are subject to external restrictions on how they may be used. Most of this amount is a result of North Carolina statutes requiring restriction of assets not readily converted into cash. The remaining balance of \$57,844,533 is unrestricted at June 30, 2024 and would be significantly larger were it not for the method used to finance public school and community college debt in North Carolina. Under North Carolina law, the County is responsible for providing capital funding for the school system and the community college. The County has chosen to meet its legal obligation to provide the schools capital funding by using a mixture of County funds and debt. The assets funded by the County, however, are owned and utilized by the school systems. Since the County, as the issuing government, acquires no capital assets, the County has incurred a liability without a corresponding increase in assets. At the end of the fiscal year, approximately \$3,838,500 of outstanding debt on the County's financial statements was related to assets included in the school system's and community college's financial statements.

Even though the debt has been issued to finance capital outlay and construction for the schools and community college, the Governmental Accounting Standards Board has determined that it is not capital debt for the County since it is not financing assets owned by the County. As a result, the school debt is reportable within the unrestricted category of net position rather than as part of the net investment in capital assets category. The unrestricted net position balance is made up of the following:

School/College System Debt	\$	(3,838,500)
All Other		61,683,033
Total unrestricted net position	\$	<u>57,844,533</u>

Craven County's Net Position

	Governmental Activities		Business Type Activities		Total Activities	
	2024	2023	2024	2023	2024	2023
Current and other Assets	\$ 279,739,737	\$ 123,090,773	\$27,369,922	\$ 14,071,463	\$307,109,659	\$ 137,162,236
Capital Assets, net	88,869,131	78,513,193	44,818,375	42,629,769	133,687,506	121,142,962
Total assets	<u>368,608,868</u>	<u>201,603,966</u>	<u>72,188,297</u>	<u>56,701,232</u>	<u>440,797,165</u>	<u>258,305,198</u>
Total deferred outflows of resources	23,432,164	22,088,734	471,704	384,980	23,903,868	22,473,714
Long-term liabilities	61,023,909	61,138,649	10,478,231	11,265,962	71,502,140	72,404,611
Other Liabilities	9,929,952	8,610,301	750,788	829,179	10,680,740	9,439,480
Total liabilities	<u>70,953,861</u>	<u>69,748,950</u>	<u>11,229,019</u>	<u>12,095,141</u>	<u>82,182,880</u>	<u>81,844,091</u>
Total deferred inflows of resources	6,930,752	3,990,523	111,172	23,868	7,041,924	4,014,391
Net position:						
Net investment in capital assets	77,062,330	66,633,600	34,221,913	31,144,244	111,284,243	97,777,844
Restricted	46,050,289	34,553,842	-	-	46,050,289	34,553,842
Unrestricted	45,370,663	34,366,940	12,473,870	12,887,853	57,844,533	47,254,793
Total net position	<u>\$ 168,483,281</u>	<u>\$ 135,554,382</u>	<u>\$46,695,783</u>	<u>\$ 44,032,097</u>	<u>\$215,179,064</u>	<u>\$ 179,586,479</u>

The impact of unrestricted net position caused by the inclusion of the school debt without the corresponding assets was partially offset by the following positive factors:

- Continued diligence in the collection of property taxes. The collection percentage was 99.35, which was slightly up from the previous year's collection percentage of 99.14.
- Conservative approach to projecting revenue and expenditure based upon the economy and local trends. Total General Fund expenditures were less than projected by \$16.65 million.
- Managements proactive stance on monitoring spending across County departments to ensure compliance with the budget.

Craven County's Changes in Net Position

	Governmental Activities		Business Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues						
Charges for services	\$ 19,182,470	\$ 16,739,259	\$ 4,878,611	\$ 4,363,172	\$ 24,061,081	\$ 21,102,431
Operating grants and contributions	30,563,246	44,254,417	750,884	-	31,314,130	44,254,417
Capital grants and contributions	5,432,077	6,941,866	-	-	5,432,077	6,941,866
General revenues:						
Property taxes	66,835,217	61,606,085	-	-	66,835,217	61,606,085
Sales and use taxes	27,677,519	27,170,396	-	-	27,677,519	27,170,396
Other	10,244,083	7,305,369	217,714	125,413	10,461,797	7,430,782
Total revenues	<u>159,934,612</u>	<u>164,017,392</u>	<u>5,847,209</u>	<u>4,488,585</u>	<u>165,781,821</u>	<u>168,505,978</u>
Expenses:						
General government	16,956,802	18,237,517	-	-	16,956,802	18,237,517
Public Safety	33,773,575	31,157,647	-	-	33,773,575	31,157,647
Environmental Protection	9,055,929	8,138,308	-	-	9,055,929	8,138,308
Economic and physical development	5,534,912	4,954,213	-	-	5,534,912	4,954,213
Human Services	40,248,660	37,966,261	-	-	40,248,660	37,966,261
Culture and recreation	2,280,749	3,813,906	-	-	2,280,749	3,813,906
Education	30,560,310	31,821,071	-	-	30,560,310	31,821,071
Interest on long term debt	713,378	902,565	-	-	713,378	902,565
Water and sewer districts	-	-	5,188,684	5,021,897	5,188,684	5,021,897
Total expenses	<u>139,124,315</u>	<u>136,991,488</u>	<u>5,188,684</u>	<u>5,021,897</u>	<u>144,312,999</u>	<u>142,013,385</u>
Increase in net position before transfers	20,810,297	27,025,904	658,525	(533,312)	21,468,822	26,492,593
Transfers	<u>(2,005,161)</u>	<u>(4,524,295)</u>	<u>2,005,161</u>	<u>4,524,295</u>	<u>-</u>	<u>-</u>
Increase in net position after transfers	18,805,136	22,501,609	2,663,686	3,990,983	21,468,822	26,492,593
Net position beginning of year	<u>135,554,382</u>	<u>113,052,773</u>	<u>44,032,097</u>	<u>40,041,114</u>	<u>179,586,479</u>	<u>153,093,887</u>
Net Position ending	<u>\$ 168,483,281</u>	<u>\$ 135,554,382</u>	<u>\$ 46,695,783</u>	<u>\$ 44,032,097</u>	<u>\$ 215,179,064</u>	<u>\$ 179,586,480</u>

Governmental Activities - Governmental activities increased the County's net position by \$18,805,136 from the prior fiscal year. Key elements of this increase are as follows:

- Property tax revenues increased by \$5.2 million in 2024 due to continued diligence in collection efforts along with modest growth in the tax base and a recent revaluation.
- Sales tax revenues increased approximately \$507k from the prior year due to increased consumer spending in the County and around the State.
- Overall expenses increased \$2.1 million from the previous year with Public Safety and Human Services making up the largest portions of the increase at \$2.6 million and \$2.2 million, respectively.
- Many expense categories such as Human Services, General Government, and Public Safety all came in under budget which contributed to the increase in net position.

Business-type activities - Business-type activities for the County's water utility increased the County's total net position by \$2,663,686.

- Total revenues increased by approximately \$1.4 million compared to the last fiscal year. This increase included \$258,000 from service charges and \$92,000 from interest on investments. Roughly \$1 million in FEMA and insurance proceeds from Hurricane Florence contributed to this increase. Though operating and capital expenses rose compared to the previous year, this was balanced out by fewer transfers made in fiscal 2023. Overall, total water system and transfer costs decreased by \$850,000.

Financial Analysis of the County's Funds

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

Governmental Funds - The focus of Craven County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Craven 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. At June 30, 2024, the governmental funds of Craven County reported a combined fund balance of \$114,619,704, which represents a 11.065 percent increase from last year.

The General Fund is the chief operating fund of Craven County. At the end of fiscal 2024, the County's unassigned fund balance in the General Fund was \$50,456,258 while total fund balance reached \$65,533,753. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance of the County's General Fund represents 34.51 percent of total General Fund expenditures including transfers out, while total fund balance represents 44.83 percent of the total General Fund expenditures. The County has not adopted a formal fund balance policy but has identified a goal of maintaining an available fund balance in the range of 18 to 25 percent of expenditures to meet any unforeseen needs or opportunities that may arise.

The Opioid Settlement Fund (major governmental fund) had a increase in fund balance of approximately \$2,186,505. Restricted receivables net of an allowance of \$10,880,519 are reported in this fund for settlement proceeds expected in future years. This receivable is offset by a deferred inflow on the fund statements.

The Debt Service Fund (major governmental fund) had an increase in fund balance of approximately \$6,116,138 due to the transfer of funds from the General Fund to be used for future debt service payments.

Fund balances of the non-major governmental funds increased by \$2,600,701. The primary reason for this increase is the was related to transfers for projects for which the expenditures had not been incurred by year end.

General Fund Budgetary Highlights - The County approaches the budget using conservative, fact-based estimates for revenues and expenditures. While the County experienced higher than expected property taxes and sales taxes and investment earnings, there was a shortfall of intergovernmental revenues, resulting in revenues being under budget by \$1.9 million.

During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased budgeted revenues by \$7.7 million and expenditure appropriations by \$11.7 million.

Total expenditures during 2024 came in under budget by \$16.65 million or 11.34 percent. Savings from underspending appropriations occurred in all programs with general government, public safety, economic and physical development, health, and social services accounting for most of the variance. Appropriations in these four categories were underspent by \$2.9 million, \$3.6 million, \$2.9 million, \$1.6 million, and \$5.1 million, respectively.

Net transfers out increased the budget by approximately \$8 million, consisting of sales tax revenue designated for school capital expenditures transferred to the Debt Service Fund and transfers to the Human Services Expansion Project Fund.

Proprietary Funds – Craven County’s proprietary fund statements provide the same information found in the government-wide statements but in more detail. Unrestricted net position in the Water Fund decreased during the fiscal year by \$414 thousand to \$12.47 million, while net investment in capital assets increased by \$7.9 million. As a result of this activity, the total net position in the Water Fund increased by \$2.6 million. FEMA and insurance proceeds, additional interest income, and transfer of ARPA funds to the Telemetry water project were the main reasons for this increase.

Capital Asset and Debt Administration

Capital assets - Craven County's capital assets for its governmental and business-type activities as of June 30, 2024 totaled approximately \$133,687,506 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, vehicles, and water production and distribution infrastructure.

Major capital asset transactions during the year included:

- HVAC unit and control upgrades at Court Facilities
- ERP modules for Tax, Payroll, HR, Utility Billing
- Improvements to recreation assets at West Craven and Creekside Park
- Purchase of 44 vehicles including 30 for the Sheriff's Department
- Camera system and access controls upgrades at Judicial Center
- Finished construction on new building for Craven Area Rural Transportation Service (CARTS)
- Installation of flood barriers at the Convention Center
- Purchase of land for potential new Library site

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 19,269,736	\$ 16,908,495	\$ 947,354	\$ 947,354	\$ 20,217,090	\$ 17,855,849
Buildings	70,340,752	68,644,041	30,941,197	30,809,947	101,281,949	99,453,988
Improvements	40,369,356	38,406,078	30,153,432	30,153,432	70,522,788	68,559,510
Machinery and Equipment	11,969,097	10,344,872	272,318	272,318	12,241,415	10,617,190
Vehicles	10,864,144	9,676,808	531,655	452,854	11,395,799	10,129,662
Construction in progress	13,621,550	6,480,623	10,584,335	6,959,358	24,205,885	13,439,981
Right to use assets	783,702	504,118	-	-	783,702	504,118
Total	167,218,337	150,965,035	73,430,291	69,595,263	240,648,628	220,560,298
Less accumulated depreciation &	78,349,206	72,451,842	28,611,916	26,965,494	106,961,122	99,417,336
Total, net of depreciation	\$ 88,869,131	\$ 78,513,193	\$44,818,375	\$ 42,629,769	\$133,687,506	\$ 121,142,962

Additional information on the County's capital assets can be found in Note 5 of the Basic Financial Statements.

Long-term Debt - As of June 30, 2024, Craven County had total bonded general obligation debt outstanding of \$0 all of which is backed by the full faith and credit of the County. All other debt is covered by pledged collateral and is subject to appropriation.

Craven County's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
G.O. bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Installment debt	15,670,000	19,390,000	10,596,461	11,485,525	26,266,461	30,875,525
Lease liability	323,440	321,150	-	-	323,440	321,150
Total	\$ 15,993,440	\$ 19,711,150	\$10,596,461	\$ 11,485,525	\$ 26,589,901	\$ 31,196,675

Craven County's total debt decreased \$4.6 million during the fiscal year, primarily due to the retirement of existing debt principal. The County did not issue any new debt during the year.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The balance remaining of the legal debt margin for Craven County is \$1,117,016,535.

Additional information regarding Craven County's long-term debt can be found in Note 8 of the Basic Financial Statements.

Economic Factors and Next Year's Budget and Rates

The following key economic indicators reflect current economic conditions of the County:

- The County's average unemployment rate for the calendar year 2023 improved slightly, decreasing to 3.5 percent from the 3.7 percent reported for 2022. The rate remained steady for most of the year, reaching its lowest point of 3.0 percent in April 2023. In comparison, the statewide average unemployment rate for 2023 was also 3.5 percent, reflecting a slight decrease from the 3.7 percent reported for 2022. By the end of the fiscal year 2024, the County's unemployment rate rose to 4.0 percent in June 2024.
- Per capita personal income in Craven County rose by 6.1 percent, reaching \$58,120, according to the latest available information. In comparison, North Carolina experienced a 4.9 percent increase in 2023, while the national average rose by 5.4 percent. Craven County's per capita income is 94 percent of the state's average of \$61,839 and 83.3 percent of the national average of \$69,810. The county ranks 28th out of 100 counties in North Carolina for per capita income, with no change from the previous year. From 2013 to 2023, the average annual growth rate of per capita personal income in Craven County was 4.4 percent, compared to 5.0 percent for the state and 4.6 percent nationally.
- The residential development and local real estate market in Craven County are continuing to show positive trends, with solid gains reported over the last year. In 2023, the demand for new home construction rose by 45.5 percent compared to the previous year, resulting in 307 new home starts, up from 211 in 2022. Additionally, local sales data for 2023 indicates a 3.5 percent increase in the number of homes sold compared to the previous year. The median home sales price also increased 11.7 percent, reaching \$310,000. Although current mortgage rates have hit a 22-year high, market conditions are expected to remain stable as we head into the next fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2025

Governmental Activities - The County approved a \$155.3 million General Fund budget for fiscal year 2025, an increase of \$12.7 million or 8.9 percent from the previous year. Estimated assessed property values for fiscal 2025 were \$14.4 billion, a 5.1 percent increase from the \$13.7 billion estimate used for the 2024 budget. The County adopted the ad valorem tax rate of 44.48 cents per \$100 of assessed valuation, which reflects no change from the previous fiscal year. All revenues were budgeted conservatively, with projected increases of 5.2 percent in property tax revenues and 2.0 percent in sales tax receipts.

The County allocated \$3,921 from the fund balance to balance the 2025 budget. Management does not expect that any of the appropriated fund balance will be used, as revenues and expenditures were budgeted conservatively.

Capital expenditures in the amount of \$6.8 million are included in the 2025 budget. Major capital acquisitions include:

- Recreational improvements at County parks \$1,142,000
- IT infrastructure replacements and upgrades \$580,000
- Vehicle purchases in multiple departments \$378,000
- Transportation (CARTS) vehicles \$211,000
- Solid Waste convenience site upgrades and equipment replacements \$241,000
- Facility upgrades and improvements \$2,800,000
- Sheriff Department vehicles \$398,000
- Removable wall system at Convention Center \$400,000

Education constitutes the most significant portion of total expenditures, encompassing the public school system and community college. Appropriated operating and capital expenditures have increased by 4.5 percent compared to the previous year, reaching a total of \$31.5 million, which represents 20.3 percent of the fiscal year 2025 budget. As usual, additional funding may be allocated to public schools from the County's fund balance, depending on the final impacts of the State's budget. Health and Social Services is the second largest expenditure category, which totals approximately \$41.3 million, accounting for 26.6 percent of budgeted appropriations. Public Safety ranks as the third largest category, with expenditures of about \$29 million, making up 18.7 percent of the total general fund budget.

Business-type Activities: The County has approved a budget of \$4.8 million for the operations of its water system, with no changes to water rates for the fiscal year 2025. In fiscal year 2018, the County completed the construction of a new Water Treatment Plant, which cost \$30.9 million. This facility can process approximately 3 million gallons of water daily, potentially expanding up to 5 million gallons if future demand requires it. The budget includes annual debt service payments of \$808,950 for this new facility. The last rate increase for the water system occurred in October 2011, intended to generate funds to cover debt service and increased operating costs associated with the new plant. Management annually reviews these rates to ensure they adequately cover all operating and capital costs. Additionally, the County plans to conduct a capital needs assessment study for the water system in the upcoming budget. This study will help develop a comprehensive plan to address the system's current capital maintenance and repair needs and plan for its future capital requirements over the next 20 years.

Request for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Officer, Craven County, 406 Craven Street, New Bern, North Carolina, 28560. You may also call 252-636-6603 or visit our website www.cravencountync.gov.

BASIC FINANCIAL STATEMENTS

CRAVEN COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION

June 30, 2024

	Primary Government			Component Units	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Tourism Development Authority</u>	<u>Coastal Carolina Regional Airport Authority</u>
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 48,626,531	\$ 8,413,005	\$ 57,039,536	\$ 535,089	\$ 9,373,692
Short-term investments	59,501,948	3,914,333	63,416,281	-	7,302,075
Restricted cash	6,914,314	266,978	7,181,292	-	6,873,416
Accounts Receivable (net)	7,239,233	974,234	8,213,467	75,061	2,241,560
Lease Receivable - current	27,574	-	27,574	-	-
Taxes Receivable (net)	11,052,240	-	11,052,240	-	-
Accrued Interest Receivable	150,820	-	150,820	-	-
Internal Balances	-	-	-	-	-
Restricted opioid receivable, net	1,122,648	-	1,122,648	-	-
Inventories	-	-	-	-	-
Prepays	68,205	116,411	184,616	-	-
Total Current Assets	<u>134,703,513</u>	<u>13,684,961</u>	<u>148,388,474</u>	<u>610,150</u>	<u>25,790,743</u>
Non-Current Assets					
Lease Receivable - noncurrent	15,203	-	15,203	-	-
Opioid Receivable- noncurrent	9,757,871	-	9,757,871	-	-
Other assets	-	-	-	-	-
Net pension asset	132,131	-	132,131	-	-
Capital asset:					
Land and construction in progress	32,891,286	11,531,689	44,422,975	-	43,808,387
Other capital assets, net of depreciation	55,550,338	33,286,686	88,837,024	-	35,794,547
Right to use assets, net of amortization	427,507	-	427,507	-	-
Total capital assets	<u>88,869,131</u>	<u>44,818,375</u>	<u>133,687,506</u>	<u>-</u>	<u>79,602,934</u>
Total Non-current Assets	<u>98,774,336</u>	<u>44,818,375</u>	<u>143,592,711</u>	<u>-</u>	<u>79,602,934</u>
Total Assets	<u>233,477,849</u>	<u>58,503,336</u>	<u>291,981,185</u>	<u>610,150</u>	<u>105,393,677</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>23,432,164</u>	<u>471,704</u>	<u>23,903,868</u>	<u>-</u>	<u>451,484</u>
LIABILITIES					
Current Liabilities					
Accounts payable	8,158,392	430,790	8,589,182	8,373	3,723,061
Accrued salaries and benefits	1,717,576	52,665	1,770,241	-	102,978
Accrued interest payable	53,984	355	54,339	-	-
Customer Deposits	-	266,978	266,978	-	-
Unearned grant revenues	3,342,194	-	3,342,194	1,880	14,175,491
Current maturities of long term obligations	7,199,925	939,066	8,138,991	-	-
Total Current Liabilities	<u>20,472,071</u>	<u>1,689,854</u>	<u>22,161,925</u>	<u>10,253</u>	<u>18,001,530</u>
Long-term liabilities:					
Due in more than one year	12,411,811	9,736,490	22,148,301	-	-
Net pension liability	31,071,152	653,019	31,724,171	-	506,997
Total OPEB liability	17,540,946	88,722	17,629,668	-	315,915
Total Long-Term Liabilities	<u>61,023,909</u>	<u>10,478,231</u>	<u>71,502,140</u>	<u>-</u>	<u>822,912</u>
Total Liabilities	<u>81,495,980</u>	<u>12,168,085</u>	<u>93,664,065</u>	<u>10,253</u>	<u>18,824,442</u>
DEFERRED INFLOWS OF RESOURCES	<u>6,930,752</u>	<u>111,172</u>	<u>7,041,924</u>	<u>-</u>	<u>125,482</u>
NET POSITION					
Net Investments in capital assets	77,062,330	34,221,913	111,284,243	-	79,602,934
Restricted for:					
Stabilization by State Statute	14,928,288	-	14,928,288	75,061	-
ROD Pension Plan	132,131	-	132,131	-	-
General government	3,336,729	-	3,336,729	-	-
Education	18,385,939	-	18,385,939	-	-
Human services	202,615	-	202,615	-	-
Opioid settlement	3,302,452	-	3,302,452	-	-
Public Safety	2,633,069	-	2,633,069	-	-
Economic and physical development	3,129,066	-	3,129,066	524,836	-
Other purposes	-	-	-	-	-
Unrestricted	45,370,663	12,473,870	57,844,533	-	7,292,303
Total net position	<u>\$ 168,483,281</u>	<u>\$ 46,695,783</u>	<u>\$ 215,179,064</u>	<u>\$ 599,897</u>	<u>\$ 86,895,237</u>

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

CRAVEN COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION

June 30, 2024

	Component Units	
	<u>CarolinaEast</u> <u>Health System</u>	<u>Craven County</u> <u>ABC Board</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 19,838,065	\$ 1,506,399
Short-term investments	80,919,488	-
Restricted cash	318,574,377	-
Accounts Receivable (net)	115,390,118	-
Lease Receivable - current	-	-
Taxes Receivable (net)	-	-
Accrued Interest Receivable	261,456	-
Internal Balances	-	-
Restricted opioid receivable, net	-	-
Inventories	13,461,978	1,439,389
Prepays	8,933,057	37,193
Total Current Assets	557,378,539	2,982,981
Non-Current Assets		
Lease Receivable - noncurrent	81,335	-
Opioid Receivable- noncurrent	-	-
Other assets	8,564,348	-
Net pension asset	-	-
Capital asset:		
Land and construction in progress	38,370,270	473,830
Other capital assets, net of depreciation	185,827,881	7,122,112
Right to use assets, net of amortization	17,427,379	262,714
Total capital assets	241,625,530	7,858,656
Total Non-current Assets	250,271,213	7,858,656
Total Assets	807,649,752	10,841,637
DEFERRED OUTFLOWS OF RESOURCES	1,287,506	523,311
LIABILITIES		
Current Liabilities		
Accounts payable	45,684,708	2,129,378
Accrued salaries and benefits	13,220,424	-
Accrued interest payable	-	-
Customer Deposits	-	-
Unearned grant revenues	-	-
Current maturities of long term obligations	7,540,440	427,773
Total Current Liabilities	66,445,572	2,557,151
Long-term liabilities:		
Due in more than one year	59,978,159	4,887,994
Net pension liability	-	748,078
Total OPEB liability	-	-
Total Long-Term Liabilities	59,978,159	5,636,072
Total Liabilities	126,423,731	8,193,223
DEFERRED INFLOWS OF RESOURCES	1,014,694	1,795
NET POSITION		
Net Investments in capital assets	174,106,931	2,564,451
Restricted for:		
Stabilization by State Statute	-	-
ROD Pension Plan	-	-
General government	-	-
Education	-	-
Human services	-	-
Opioid settlement	-	-
Public Safety	-	-
Economic and physical development	-	-
Other purposes	3,159,927	524,624
Unrestricted	504,231,975	80,855
Total net position	\$ 681,498,833	\$ 3,169,930

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

Activities	<u>Program Revenues</u>			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental:				
General government	\$ 16,956,802	\$ 3,158,447	\$ 5,802,819	\$ 3,733,998
Public Safety	33,773,575	3,858,894	2,665,172	-
Social Services	25,982,081	773,616	13,474,551	134,684
Economic and physical development	5,534,912	60,677	2,520,697	-
Environmental protection	9,055,929	3,945,572	279,540	-
Health	14,266,579	6,363,794	5,726,661	-
Cultural and recreation	2,280,749	1,021,470	93,806	-
Education	30,560,310	-	-	1,563,395
Interest on long-term debt	713,378	-	-	-
Total governmental activities	<u>139,124,315</u>	<u>19,182,470</u>	<u>30,563,246</u>	<u>5,432,077</u>
Business-type:				
Water	5,188,684	4,878,611	750,884	-
Total business-type activities	<u>5,188,684</u>	<u>4,878,611</u>	<u>750,884</u>	<u>-</u>
Total primary government	<u>\$ 144,312,999</u>	<u>\$ 24,061,081</u>	<u>\$ 31,314,130</u>	<u>\$ 5,432,077</u>
Component units:				
Tourism Development Authority	\$ 858,929	\$ 813,822	\$ -	\$ -
Coastal Carolina Regional Airport Authority	7,459,808	2,834,297	2,729,704	15,532,428
CarolinaEast Health System	598,979,090	596,977,646	-	-
Craven County ABC Board	13,702,611	13,640,222	-	-
Total component units	<u>\$ 621,000,438</u>	<u>\$ 614,265,987</u>	<u>\$ 2,729,704</u>	<u>\$ 15,532,428</u>
General Revenues:				
Taxes:				
Property taxes, levied for general purposes				
Local option sales tax				
Other taxes				
Investment earnings, unrestricted				
Miscellaneous, unrestricted				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning				
Prior period restatement - change in accounting principle (see Note 19)				
Net position, beginning, as restated				
Net position, ending				

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

Net (Expense) Revenue and Changes in Net Position						
Primary Government			Component Units			
Governmental Activities	Business-type Activities	Total	Tourism Development Authority	Craven County Regional Airport Authority	CarolinaEast Health System	Craven County ABC Board
\$ (4,261,538)	\$ -	\$ (4,261,538)				
(27,249,509)	-	(27,249,509)				
(11,599,230)	-	(11,599,230)				
(2,953,538)	-	(2,953,538)				
(4,830,817)	-	(4,830,817)				
(2,176,124)	-	(2,176,124)				
(1,165,473)	-	(1,165,473)				
(28,996,915)	-	(28,996,915)				
(713,378)	-	(713,378)				
<u>(83,946,522)</u>	<u>-</u>	<u>(83,946,522)</u>				
-	440,811	440,811				
-	440,811	440,811				
<u>\$ (83,946,522)</u>	<u>\$ 440,811</u>	<u>\$ (83,505,711)</u>				
			\$ (45,107)	\$ -	\$ -	\$ -
			-	13,636,621	-	-
			-	-	(2,001,444)	-
			-	-	-	(62,389)
			<u>\$ (45,107)</u>	<u>\$ 13,636,621</u>	<u>\$ (2,001,444)</u>	<u>\$ (62,389)</u>
66,835,217	-	66,835,217	-	-	-	-
27,677,519	-	27,677,519	-	-	-	-
4,067,771	-	4,067,771	-	-	-	-
4,788,726	217,714	5,006,440	7,485	535,249	48,355,592	62,389
1,387,586	-	1,387,586	9,137	-	233,728	-
<u>(2,005,161)</u>	<u>2,005,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>102,751,658</u>	<u>2,222,875</u>	<u>104,974,533</u>	<u>16,622</u>	<u>535,249</u>	<u>48,589,320</u>	<u>62,389</u>
18,805,136	2,663,686	21,468,822	(28,485)	14,171,870	46,587,876	-
135,554,382	44,032,097	179,586,479	628,382	72,723,367	634,910,957	3,169,930
14,123,763	-	14,123,763	-	-	-	-
<u>149,678,145</u>	<u>44,032,097</u>	<u>193,710,242</u>	<u>628,382</u>	<u>72,723,367</u>	<u>634,910,957</u>	<u>3,169,930</u>
<u>\$ 168,483,281</u>	<u>\$ 46,695,783</u>	<u>\$ 215,179,064</u>	<u>\$ 599,897</u>	<u>\$ 86,895,237</u>	<u>\$ 681,498,833</u>	<u>\$ 3,169,930</u>

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

CRAVEN COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General	Opioid Settlement Fund	Debt Service Fund		
ASSETS					
Cash and cash equivalents	\$ 1,948,416	\$ -	\$ 16,443,450	\$ 24,394,152	\$ 42,786,018
Short-term investments	54,689,127	-	-	4,812,821	59,501,948
Restricted cash	3,342,194	3,302,506	-	269,614	6,914,314
Taxes receivable	8,916,600	240	1,661,141	474,259	11,052,240
Accounts receivable	6,492,334	-	-	115,949	6,608,283
Lease receivable	42,777	-	-	-	42,777
Restricted opioid receivable, net	-	10,880,519	-	-	10,880,519
Due from other funds	755,340	-	-	-	755,340
Prepays	56,205	-	-	-	56,205
Total Assets	<u>\$76,242,993</u>	<u>\$ 14,183,265</u>	<u>\$ 18,104,591</u>	<u>\$ 30,066,795</u>	<u>\$ 138,597,644</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 4,158,944	\$ 54	\$ -	\$ 1,587,519	\$ 5,746,517
Accrued salaries and benefits	1,717,576	-	-	-	1,717,576
Due to other funds	-	-	-	755,340	755,340
Unearned Revenues	3,342,194	-	-	-	3,342,194
Total liabilities	<u>9,218,714</u>	<u>54</u>	<u>-</u>	<u>2,342,859</u>	<u>11,561,627</u>
Deferred inflows of resources	<u>1,490,526</u>	<u>10,880,519</u>	<u>-</u>	<u>45,268</u>	<u>12,416,313</u>
Fund Balances:					
Non spendable					
Prepays	56,205	-	-	-	56,205
Leases	1,741	-	-	-	1,741
Restricted:					
Stabilization by State Statute	14,916,624	240	-	11,424	14,928,288
General Government	-	-	-	3,336,729	3,336,729
Human Services	-	-	-	202,615	202,615
Opioid Settlement	-	3,302,452	-	-	3,302,452
Public Safety	99,004	-	-	2,534,065	2,633,069
Economic and physical development	-	-	-	3,129,066	3,129,066
Education, schools	-	-	18,104,591	281,348	18,385,939
Committed:					
Capital Projects	-	-	-	18,433,096	18,433,096
Assigned:					
For subsequent year's expenditures	3,921	-	-	-	3,921
Unassigned	50,456,258	-	-	(249,675)	50,206,583
Total fund balances	<u>65,533,753</u>	<u>3,302,692</u>	<u>18,104,591</u>	<u>27,678,668</u>	<u>114,619,704</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$76,242,993</u>	<u>\$ 14,183,265</u>	<u>\$ 18,104,591</u>	<u>\$ 30,066,795</u>	<u>\$ 138,597,644</u>

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

CRAVEN COUNTY, NORTH CAROLINA
 Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position
 June 30, 2024

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

Total fund balance Governmental Funds	\$ 114,619,704
Charges relating to advance refunding debt issue	826,034
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation	88,869,131
Register of Deeds Net Pension Asset	132,131
Contributions to pension plans in the current fiscal year are deferred outflows or resources in the Statement of	4,704,884
Benefit payments and pension administration costs for LEOSSA paid in the current year are deferred outflows of resources in the Statement of Net Position	63,390
Contributions and pension administration costs for OPEB are deferred outflows of resources in the Statement of Net Position	668,294
Other Long term assets are not available to pay for current-period expenditures and therefore are unavailable in	150,820
Net pension liability (LGERS)	(28,486,577)
Total pension liability (LEOSSA)	(2,584,575)
Total OPEB liability	(17,540,946)
Internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are reported with governmental activities in the Statement of Net	4,071,588
Amounts reported in the fund statements as deferred inflows of resources for tax and fee receivables and opioid settlement receivables.	12,173,436
Pension related deferrals	13,145,833
OPEB related deferrals	(2,664,146)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(19,665,720)
Net position of governmental activities	<u><u>\$ 168,483,281</u></u>

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General	Opioid Settlement Fund	Debt Service Fund		
REVENUES					
Taxes:					
Property	\$ 64,061,929	\$ -	\$ -	\$ 2,537,509	\$ 66,599,438
Sales	26,431,221	-	-	1,246,298	27,677,519
Tourism Room	-	-	-	2,396,376	2,396,376
Intergovernmental	28,053,944	2,363,396	887,000	7,280,806	38,585,146
Charges for services	20,381,629	-	-	-	20,381,629
Interest	4,031,342	27,288	185,249	466,894	4,710,773
Miscellaneous	1,375,166	-	-	18,024	1,393,190
Total revenues	<u>144,335,231</u>	<u>2,390,684</u>	<u>1,072,249</u>	<u>13,945,907</u>	<u>161,744,071</u>
EXPENDITURES					
Current:					
General government	18,757,985	-	-	5,749,960	24,507,945
Public Safety	26,728,535	-	-	3,987,352	30,715,887
Environmental protection	8,865,464	-	-	-	8,865,464
Economic and physical development	3,627,920	-	-	1,540,718	5,168,638
Health	12,835,427	204,179	-	-	13,039,606
Social services	23,175,384	-	-	4,265,380	27,440,764
Culture and recreation	4,078,685	-	-	-	4,078,685
Education	29,333,261	-	-	1,227,049	30,560,310
Debt service:					
Principal	2,538,864	-	1,352,250	-	3,891,114
Interest	298,189	-	93,892	-	392,081
Total expenditures	<u>130,239,714</u>	<u>204,179</u>	<u>1,446,142</u>	<u>16,770,459</u>	<u>148,660,494</u>
Excess of revenues over (under) expenditures	<u>14,095,517</u>	<u>2,186,505</u>	<u>(373,893)</u>	<u>(2,824,552)</u>	<u>13,083,577</u>
OTHER FINANCING SOURCES					
Lease Proceeds	279,584	-	-	-	279,584
Transfers in	2,257,314	-	6,490,031	8,681,629	17,428,974
Transfers out	(16,227,759)	-	-	(3,256,376)	(19,484,135)
Total other financing sources (uses)	<u>(13,690,861)</u>	<u>-</u>	<u>6,490,031</u>	<u>5,425,253</u>	<u>(1,775,577)</u>
Net change in fund balances	404,656	2,186,505	6,116,138	2,600,701	11,308,000
FUND BALANCES					
Fund balance, beginning	<u>65,129,097</u>	<u>-</u>	<u>11,988,453</u>	<u>25,077,967</u>	<u>102,195,517</u>
Prior Period Restatement (see Note 19)	<u>-</u>	<u>1,116,187</u>	<u>-</u>	<u>-</u>	<u>1,116,187</u>
Fund balance, ending	<u>\$ 65,533,753</u>	<u>\$ 3,302,692</u>	<u>\$ 18,104,591</u>	<u>\$ 27,678,668</u>	<u>\$ 114,619,704</u>

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

CRAVEN COUNTY, NORTH CAROLINA
 Reconciliation of the Statement of Revenues, Expenditures, and changes in Fund Balances
 of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2024

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

Net Change in fund balances - total government funds	\$ 11,308,000
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 depreciation exceeded capital outlays in the current period.	10,293,405
Cost of capital assets disposed of during the year, not recognized on modified accrual basis.	(37,061)
Capital outlay expenditures associated with leases and subscriptions are recorded in the fund statements but capitalized as right to use assets in the statement of activities.	279,584
Amortization expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(179,990)
The contributions to the pension plans in the current fiscal year are not included in the Statement of Activities.	4,704,884
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position.	63,390
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position.	668,294
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(1,887,412)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, 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.	3,611,530
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(11,079,462)
Internal service fund is used by management to charge the costs of risk management to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.	<u>1,059,974</u>
Change in net position of governmental activities	<u><u>\$ 18,805,136</u></u>

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

CRAVEN COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET
AND ACTUAL
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 61,097,943	\$61,177,943	\$ 64,061,929	\$ 2,883,986
Sales	25,903,946	25,903,946	26,431,221	527,275
Intergovernmental	29,011,146	34,973,560	28,053,944	(6,919,616)
Charges for services	20,030,450	21,003,340	20,381,629	(621,711)
Interest	1,901,000	1,901,000	4,031,342	2,130,342
Miscellaneous	720,631	1,363,000	1,375,166	12,166
Total revenues	138,665,116	146,322,789	144,335,231	(1,987,558)
EXPENDITURES				
General government	19,667,755	21,633,265	18,757,985	2,875,280
Public Safety	28,161,824	30,360,477	26,728,535	3,631,942
Environmental protection	8,594,972	9,113,073	8,865,464	247,609
Economic and physical development	4,044,901	6,486,797	3,627,920	2,858,877
Health	12,980,700	14,452,746	12,835,427	1,617,319
Social services	25,966,452	28,311,634	23,175,384	5,136,250
Culture and recreation	3,711,524	4,109,306	4,078,685	30,621
Education - schools	29,406,773	29,613,773	29,333,261	280,512
Debt Service:				
Principal	2,367,752	2,482,058	2,538,864	(56,806)
Interest	315,660	327,226	298,189	29,037
Total debt service	2,683,412	2,809,284	2,837,053	(27,769)
Total expenditures	135,218,313	146,890,355	130,239,714	16,650,641
Excess of revenues over expenditures	3,446,803	(567,566)	14,095,517	14,663,083
OTHER FINANCING SOURCES (USES)				
Lease proceeds	-	-	279,584	279,584
Transfer in	3,678,293	4,538,998	2,257,314	(2,281,684)
Transfer out	(7,374,589)	(16,239,378)	(16,227,759)	11,619
Total other financing sources (uses)	(3,696,296)	(11,700,380)	(13,690,861)	(1,990,481)
Excess of revenues over (under) expenditures and other financing sources (uses)	(249,493)	(12,267,946)	404,656	12,672,602
Appropriated fund balance	249,493	12,267,946	-	(12,267,946)
Net change in fund balance	\$ -	\$ -	404,656	\$ 404,656
Fund balance, beginning			65,129,097	
Fund balance, ending			\$ 65,533,753	

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Fund	Non-major Northwest Craven Water and Sewer District	Eliminations	Total	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 8,413,005	\$ -	\$ -	\$ 8,413,005	\$ 5,840,513
Short-term investments	3,914,333	-	-	3,914,333	-
Accounts receivable, net of allowance for doubtful accounts	974,234	-	-	974,234	630,950
Prepays	116,411	-	-	116,411	12,000
Lease receivable-current	-	80,115	(80,115)	-	-
Total current assets	<u>13,417,983</u>	<u>80,115</u>	<u>(80,115)</u>	<u>13,417,983</u>	<u>6,483,463</u>
Noncurrent Assets:					
Restricted cash and cash equivalents	266,978	-	-	266,978	-
Capital assets:					
Land	947,354	-	-	947,354	-
Construction in process	10,584,335	-	-	10,584,335	-
Improvements other than buildings	30,398,981	-	-	30,398,981	-
Buildings	30,695,648	-	-	30,695,648	-
Machinery and equipment	803,973	-	-	803,973	-
Less accumulated depreciation	(28,611,916)	-	-	(28,611,916)	-
Total capital assets (net of accumulated depreciation)	<u>44,818,375</u>	<u>-</u>	<u>-</u>	<u>44,818,375</u>	<u>-</u>
Total noncurrent assets	<u>45,085,353</u>	<u>-</u>	<u>-</u>	<u>45,085,353</u>	<u>-</u>
Total assets	<u>58,503,336</u>	<u>80,115</u>	<u>(80,115)</u>	<u>58,503,336</u>	<u>6,483,463</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>471,704</u>	<u>-</u>	<u>-</u>	<u>471,704</u>	<u>-</u>
LIABILITIES					
Current Liabilities					
Accounts payable	430,790	-	-	430,790	2,411,875
Accrued salaries and benefits	52,665	-	-	52,665	-
Accrued interest payable	355	-	-	355	-
Customer deposit payable	266,978	-	-	266,978	-
Compensated absences liability - current	50,002	-	-	50,002	-
Installment notes payable - current	808,949	80,115	-	889,064	-
Obligations under lease - current	80,115	-	(80,115)	-	-
Total current liabilities	<u>1,689,854</u>	<u>80,115</u>	<u>(80,115)</u>	<u>1,689,854</u>	<u>2,411,875</u>
Noncurrent liabilities					
Compensated absences liability	29,092	-	-	29,092	-
Net pension liability	653,019	-	-	653,019	-
Total OPEB Liability	88,722	-	-	88,722	-
Installment notes payable	9,707,398	-	-	9,707,398	-
Total noncurrent liabilities	<u>10,478,231</u>	<u>-</u>	<u>-</u>	<u>10,478,231</u>	<u>-</u>
Total Liabilities	<u>12,168,085</u>	<u>80,115</u>	<u>(80,115)</u>	<u>12,168,085</u>	<u>2,411,875</u>
DEFERRED INFLOWS OF RESOURCES	<u>111,172</u>	<u>-</u>	<u>-</u>	<u>111,172</u>	<u>-</u>
NET POSITION					
Net Investment in capital assets	34,221,913	-	-	34,221,913	-
Unrestricted	12,473,870	-	-	12,473,870	4,071,588
Total net position	<u>\$ 46,695,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,695,783</u>	<u>\$ 4,071,588</u>

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Fund	Non-major Northwest Craven Water and Sewer District	Total	
OPERATING REVENUES				
Charges for services	\$ 4,425,411	\$ -	\$ 4,425,411	\$ 8,433,920
Miscellaneous	453,200	-	453,200	505,048
Total operating revenues	<u>4,878,611</u>	<u>-</u>	<u>4,878,611</u>	<u>8,938,968</u>
OPERATING EXPENSES				
Cost of services	3,452,630	-	3,452,630	8,006,947
Depreciation and amortization	1,732,147	-	1,732,147	-
Total operating expenses	<u>5,184,777</u>	<u>-</u>	<u>5,184,777</u>	<u>8,006,947</u>
Operating income/(loss)	<u>(306,166)</u>	<u>-</u>	<u>(306,166)</u>	<u>932,021</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	217,714	-	217,714	77,953
FEMA Grant	750,884	-	750,884	-
Interest expense	-	(3,907)	(3,907)	-
Total net nonoperating revenues (expenses)	<u>968,598</u>	<u>(3,907)</u>	<u>964,691</u>	<u>77,953</u>
Income (loss) before transfers	<u>662,432</u>	<u>(3,907)</u>	<u>658,525</u>	<u>1,009,974</u>
Transfers in	2,204,161	3,907	2,208,068	50,000
Transfers out	(202,907)	-	(202,907)	-
Total transfers in (out)	<u>2,001,254</u>	<u>3,907</u>	<u>2,005,161</u>	<u>50,000</u>
Change in net position	<u>2,663,686</u>	<u>-</u>	<u>2,663,686</u>	<u>1,059,974</u>
Net position, beginning	<u>44,032,097</u>	<u>-</u>	<u>44,032,097</u>	<u>3,011,614</u>
Net position, ending	<u>\$ 46,695,783</u>	<u>\$ -</u>	<u>\$ 46,695,783</u>	<u>\$ 4,071,588</u>

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

Craven County



CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	Business-type Activities -			Governmental Activities - Internal Service Fund
	Enterprise Funds			
	Water Fund	Non-major Northwest Craven Water and Sewer District	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 4,582,021	\$ -	\$ 4,582,021	\$ 8,451,049
Payments to customers and suppliers	(1,950,804)	-	(1,950,804)	(7,941,328)
Payments to employees	(1,335,262)	-	(1,335,262)	-
Net cash provided by (used in) operating activities	<u>1,295,955</u>	<u>-</u>	<u>1,295,955</u>	<u>509,721</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisitions & construction of capital assets	(4,002,425)	-	(4,002,425)	-
Repayment of installment notes and bonds	(808,950)	-	(808,950)	-
Payments on obligations under capital lease payable	-	(80,114)	(80,114)	-
Interest paid	-	(4,262)	(4,262)	-
Net cash used in capital and related financing activities	<u>(4,060,491)</u>	<u>(84,376)</u>	<u>(4,144,867)</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer in	2,204,161	84,376	2,288,537	50,000
Transfer out	(283,376)	-	(283,376)	-
Net cash provided by (used in) noncapital financing activities	<u>1,920,785</u>	<u>84,376</u>	<u>2,005,161</u>	<u>50,000</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Interest on cash and investments	217,660	-	217,660	77,953
Net cash provided by investing activities	<u>217,660</u>	<u>-</u>	<u>217,660</u>	<u>77,953</u>
Net increase (decrease) in cash and cash equivalents	(626,091)	-	(626,091)	637,674
CASH AND CASH EQUIVALENTS*				
Beginning*	<u>13,220,407</u>	<u>-</u>	<u>13,220,407</u>	<u>5,202,839</u>
Ending*	<u>\$ 12,594,316</u>	<u>\$ -</u>	<u>\$ 12,594,316</u>	<u>\$ 5,840,513</u>

* Includes short-term investments

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2024

	Business-type Activities -			Governmental Activities - Internal Service Fund
	Enterprise Funds			
	Water Fund	Non-major Northwest Craven Water and Sewer District	Total	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ (306,166)	\$ -	\$ (306,166)	\$ 932,021
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	1,732,147	-	1,732,147	-
Change in assets, liabilities, and deferred inflows and outflows:				
(Increase) decrease in accounts receivable	(240,008)	-	(240,008)	(487,919)
(Increase) decrease in prepaids	475	-	475	-
(Increase) decrease in deferred outflows of resources - pension	(55,789)	-	(55,789)	-
(Increase) decrease in deferred outflows of resources - OPEB	(30,935)	-	(30,935)	-
Increase (decrease) in accounts payable	59,273	-	59,273	65,619
Increase (decrease) in accrued payroll	944	-	944	-
Increase (decrease) in customer deposits	(56,582)	-	(56,582)	-
Increase (decrease) in compensated absences	11,619	-	11,619	-
Increase (decrease) in net pension liability	148,166	-	148,166	-
Increase (decrease) in total OPEB liability	(54,493)	-	(54,493)	-
Increase (decrease) in deferred inflows of resources - pension	(1,018)	-	(1,018)	-
Increase (decrease) in deferred inflows of resources - OPEB	88,322	-	88,322	-
Net cash provided by (used in) operating activities	<u>\$ 1,295,955</u>	<u>\$ -</u>	<u>\$ 1,295,955</u>	<u>\$ 509,721</u>

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF FIDICIARY NET POSITION
FIDICIARY FUND
JUNE 30, 2024

	<u>Custodial Fund</u>
ASSETS	
Cash and investments	\$ 108,659
Taxes receivable for other governments, net	<u>194,849</u>
Total Assets	<u>303,508</u>
 LIABILITIES	
Accounts payable	<u>-</u>
Total liabilities	<u>-</u>
 NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	<u>303,508</u>
Total fiduciary net position	<u><u>\$ 303,508</u></u>

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

CRAVEN COUNTY, NORTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Ad valorem taxes for other governments	\$ 27,571,817
Collections on behalf of inmates	<u>823,490</u>
Total additions	<u>28,395,307</u>
DEDUCTIONS	
Tax distributions to other governments	27,627,886
Payments on behalf of inmates	<u>767,318</u>
Total deductions	<u>28,395,204</u>
Net increase (decrease) in fiduciary net position	103
Net position, beginning	<u>303,405</u>
Net position, ending	<u><u>\$ 303,508</u></u>

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

Craven County, North Carolina

Notes to Financial Statements

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies

Summary of Significant Accounting Policies

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

Reporting Entity

Craven County (the County), which is governed by a seven-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. The County is located near the coast in eastern North Carolina, with its seat of government in the City of New Bern. The County is responsible for providing a full range of governmental services, including police and fire protection to residents in unincorporated areas of the County, health and social services, recreational programs, ambulance services, recycling operations, and operational and capital funding support for the public school systems.

As required by generally accepted accounting principles, these financial statements present the County (primary government) and its component units, legally-separate entities for which the County is financially accountable. The four discretely presented component units presented below are reported in separate columns in the County's government-wide financial statements in order to emphasize that they are legally separate from the County.

Craven County Tourism Development Authority. The Craven County Tourism Development Authority ("Tourism Development Authority") is governed by members appointed by the County Commissioners, the New Bern Board of Aldermen, the Havelock Board of Commissioners, and non-profit agencies. The County is financially accountable for the Tourism Development Authority, as the Tourism Development Authority derives its revenues through a special room occupancy tax authorized and revocable by the County Commissioners. The Tourism Development Authority does not issue separate financial statements.

Coastal Carolina Regional Airport Authority. The Coastal Carolina Regional Airport Authority ("Airport Authority") was established by a joint agreement between the City of New Bern and the County pursuant to State statute. The governing board is selected by the County Commissioners and the County is responsible for financing any operating deficits of the Airport. The County must approve issuance of any revenue bonds. The Airport Authority does not issue separate financial statements.

CarolinaEast Health System. The Craven County Commissioners established the CarolinaEast Health System ("Health System") to provide medical services to County residents. The Commissioners select the Health System's governing board. In addition, Craven County leases land and improvements to The Health System for \$1 per year "in perpetuity", and therefore does not record these assets in the County's financial statements. The Health System's financial statements are presented as of and for the year ended September 30, 2022 as if it were a proprietary fund. Complete financial statements for the Health System may be obtained at 2000 Neuse Boulevard, New Bern, NC 28561.

Craven County Alcoholic Beverage Control Board. The Craven County Alcoholic Beverage Control Board ("ABC Board") is governed by a board appointed by the County Commissioners. The ABC Board is required by State statute to distribute surpluses to the General Fund of the County. The ABC Board's financial statements are presented as of and for the year ended June 30, 2023 as if it were a proprietary fund. Complete financial statements for the ABC Board may be obtained at 3493 Martin Drive, New Bern, NC 28561.

Blended component units are separate legal entities whose operations are so intertwined with Craven County that they are, in substance, the same as Craven County. The County's non-major blended component units are the following water and sewer districts, which have been established to provide water and sewer services to the residents of the respective districts:

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Northwest Craven Water and Sewer District. The County has entered into an agreement with each existing District, which will encompass additional Districts as they are created, that transfers all assets, liabilities (excluding bonded indebtedness, loans, and installment notes), operational rights, and responsibilities to Craven County. In consideration for this agreement, the County has agreed to pay the Districts an amount equal to debt service costs for the respective Districts for the duration of the respective bonds, loans, and notes.

The County maintains the Districts' assets, provides water operations and makes payments on outstanding debts on behalf of the respective Districts. Therefore, the County's financial statements reflect the assets and debts in the Craven County Water Fund. The Board of County Commissioners sits as the Board of each District. No separate financial statements are issued by these Districts as their operations are reported in aggregate in the County's water fund which operates the separate systems for the various districts. Certain outstanding debt that is paid on their behalf by Craven County pursuant to the agreement noted above. The outstanding liabilities of the Districts are presented in individual statements along with the other proprietary funds, and the balances within the District and the corresponding balances in the Craven County Water fund are eliminated through internal balances.

The agreement terminates with each district at the time there is no outstanding debt. At this point the County has the option to purchase for \$1 all of the real and personal property owned by the districts. There is no outstanding debt for Tuscarora Rhems Water and Sewer District, East Craven Water and Sewer District, Township 6 Water and Sewer District, Neuse River Water and Sewer District, or Pembroke Water and Sewer District. The County has exercised its option to purchase the real and personal property of Tuscarora Rhems Water and Sewer District and East Craven Water and Sewer District.

Craven County Finance Corporation. Craven County Finance Corporation (CCFC) is a nonprofit public benefit corporation. The Corporation was organized and shall be operated exclusively for the purpose of providing debt financing for the County, to fulfill various statutory obligations involving, but not limited to, purchase and sale, construction and/or lease of real estate and improvements, facilities, and equipment. County debt and debt payments are made by the County's governmental funds. CCFC is a blended component unit and does not issue separate financial statements. During the June 30, 2024 year, the CCFC had no activity.

Basis of Presentation

Government-wide Statements. The statement of net position and the statement of activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Opioid Settlement Special Revenue Fund. This fund reports revenues for amounts paid by a number of corporations to settle various opioid lawsuits. These amounts are restricted to be spent for certain opioid abatement and remediation activities.

Debt Service Fund. The debt service fund is being used to account for the accumulation of resources and payment of general obligation school bond and installment loans principal and interest from intergovernmental and local resources. The fund is accounted for on the modified accrual basis of accounting.

The County reports the following major enterprise fund:

Water Fund. This is used to account for the operation of water services provided throughout Craven County.

The County reports the following other fund types:

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but are not revenues to the County, and the Jail Inmate Pay Fund, which holds cash deposits made to inmates as payment for work performed while incarcerated as well as cash collections for the benefit of inmates from their friends and families.

Internal Service Fund. This fund is used to finance and account for the County's health and dental insurance and workers' compensation program information. The County utilizes North Carolina Association of County Commissioners to insure these programs. This fund was considered a major fund for the current year.

Measurement Focus, Basis of Accounting

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

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

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting (continued)

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 system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as 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. Issuances of general long-term debt, leases initiated during the year, and new IT subscriptions 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 receivable 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 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, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

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

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes.

- 1.) The County Manager submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operational budget includes proposed expenditures and the means of financing them.
- 2.) Public hearings are conducted to obtain taxpayer comments.
- 3.) The budget is legally enacted through passage of an ordinance by June 30 each year.

The Board of Commissioners may amend the budget ordinance at any time after its adoption as long as the amended ordinance continues to meet the requirements of North Carolina's "Local Government Budget and Fiscal Control Act". No amendment may change the property tax levy unless the Board of Commissioners is so ordered by competent authority. During the year, several supplementary appropriations to the original budget were necessary. Individual amendments to the ordinance were not material in relation to the original appropriations, and all amendments were legally made. The budget amounts shown in the basic financial statements include the original budget as adopted prior to July 1, 2023 and the budget as amended at June 30, 2024.

Under State statutes, actual expenditures cannot exceed budgetary appropriations at the lowest level at which the budget ordinance is formally approved, which is at the departmental level. The County's budget ordinance authorizes expenditures by department total (the legal level of control) for all funds, including the enterprise funds. All budgets, including the enterprise funds' budgets, are fixed in nature. For internal management purposes, the budgets are detailed by line item within each department and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. All budgets are prepared using the modified accrual basis of accounting.

The County Manager is authorized to transfer appropriations within a fund up to \$20,000; however, the governing board must approve any revisions that alter total expenditures of any fund or exceed \$20,000. Annual appropriated budgets are adopted for the General Fund, certain Special Revenue Funds (all fire districts funds, Emergency Telephone Fund, Occupancy Tax Fund, and Representative Payee Fund), the Debt Service Fund, and all Proprietary Funds. The budget for Capital Projects Funds (except the School Capital Fund which is annually budgeted), and certain Special Revenue Funds, authorize activity for the life of each individual project. All annual appropriations lapse at fiscal year-end, whereas all project appropriations lapse at the end of the project.

The budget, as authorized for the General Fund, includes certain receipts to be received for and disbursed to, or on behalf of, other entities, or individuals, by the County as fiscal agent. For financial reporting purposes, these agency receipts and disbursements are reclassified to a separate agency fund.

The budgets for the enterprise funds are prepared on a modified accrual basis of accounting which excludes depreciation expense and recognizes purchases of capital assets as current expenditures. For financial reporting purposes, the activity of the enterprise funds has been reported using the accrual basis of accounting, which is in accordance with accounting principles generally accepted in the United States of America.

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

Deposits and Investments. The deposits of the County and its component units are made in Board designated official depositories and are secured as required by General Statute 159-31. They may designate as an official depository, any bank or savings and loan institution whose principal office is located in North Carolina. They may also establish time deposits in the form of NOW accounts, SuperNOW and money market accounts and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County and its component units 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).

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

The majority of the County and its component unit's investments are carried at fair value. Non-participating interest earning contracts are accounted for at cost. The North Carolina Capital Management Trust (NCCMT), a Government Portfolio, is a SEC-registered money market mutual fund that is certified by the Local Government Commission under the provisions of G.S.159-30(c)(8) and the North Carolina Administrative Code. The Government Portfolio, is a 2a7 fund that invests in treasuries, government agencies, and repurchase agreements collateralized by treasuries. It is rated AAAm by S&P and AAA-mf by Moody's Investor Services and reported at fair value.

The System has investments in debt and marketable equity securities which are carried at fair value. Fair value of investments other than those of the North Carolina Capital Management Trust ("NCCMT") and the First American Prime Obligation Fund are determined by quoted market prices. Amounts in the NCCMT (an SEC registered 2a-7 money market fund) and the First American Prime Obligation Fund are valued at the fair values as determined by the share prices. Debt securities consist primarily of obligations of the U.S. government, commercial paper and corporate bonds. Marketable equity securities consist primarily of common stocks and mutual funds that are traded or listed on national exchanges. Gains and losses on debt and marketable equity securities, both realized and unrealized, are included in non-operating revenues (expenses). Interest and dividends on investments in debt and equity securities are also included in non-operating revenues (expenses) when earned.

Cash and Cash Equivalents. The County pools cash from several funds and invests these funds jointly, including certain funds of the Airport Authority, to facilitate disbursement and investment and to maximize investment income. Each fund owns a pro rata share of the cash and investments pool. Investment earnings of the pool are allocated to all funds based on the individual fund's average cash balances outstanding during the month.

For the purposes of the County's proprietary fund types statement of cash flows, all highly liquid investments outside of the pool with an original maturity of three months or less when purchased are considered to be cash equivalents. For amounts in the County's cash and investment pool, since cash pools have the general characteristics of demand deposit accounts in that the individual funds may deposit additional cash at any time and withdraw cash at any time without prior notice or penalty, such cash and investments are considered to be cash.

Restricted Assets. Money in the School Capital Projects Fund is classified as restricted assets because its use is restricted per North Carolina General Statutes 159-18 through 22. Unspent funds for School Capital Projects and unspent grant proceeds are shown as restricted. Customer deposits held in the Water Fund are also shown as restricted. Money at the Coastal Carolina Regional airport received from the State Aid to Airports program has been restricted.

The amount of unspent resources obtained from the Opioid Settlement are restricted to use for specific purposes (i.e., opioid remediation). Accordingly, the assets from the settlement that remain on hand are reported as restricted assets. In addition to the restricted cash shown below, opioid receivables, net, of \$10,880,519 related to the settlement are also reported as restricted assets. The American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for the eligible state, local, territorial, and tribal governments. These funds are limited to specific purposes. So, until the amounts are assigned to use for a specific purpose they are reported as restricted assets.

Craven County Restricted Cash

Governmental Activities

School Capital Projects Fund	Unexpended Public School Building funds	\$ 160,112
General Fund	Unspent grant proceeds	3,342,194
Opioid Settlement Fund	Unexpended settlement funds	3,302,506
American Rescue Plan Fund	Unspent grant proceeds	109,502
Courthouse / EOC Recovery Project Fund	Unspent grant proceeds	-
Total Governmental Activities		\$ 6,914,314

Business-Type Activities

Water Fund	Customer Deposits	\$ 266,978
Total Business-Type Activities		\$ 266,978

Total Restricted Cash		\$ 7,181,292
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Component Units

Coastal Carolina Regional Airport	State Aid to Airport Funds Appropriated	\$ 6,873,416
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Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Ad Valorem Taxes Receivable. In accordance with North Carolina General Statutes [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles at July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2023.

Lease Receivable

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

Allowances for Doubtful Accounts. All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years. While this is the first year that the County reports a receivable for the amount to be received related to the Opioid Settlement the County has estimated an allowance for uncollectible accounts even in the absence of historical data to serve as the basis of the calculation. The County believes this is prudent given the term over which these amounts are to be paid and the possibility that corporations party to the settlement may experience bankruptcy or going concern issues. The initial allowance estimate has been established as a flat 10% of the outstanding receivable balance.

Patient Receivables Allowance for Doubtful Accounts. Allowances for doubtful accounts are maintained on all types of receivables which historically experience uncollectible accounts.

Exclusive of ad valorem taxes, the following summarizes other allowances for doubtful accounts by fund and receivable type at June 30, 2024:

Water Fund receivables allowance	\$ 36,457
<u>Component Unit - CarolinaEast Health System</u>	
Patient receivables allowance (at June 30, 2024)	\$ 18,122,549

Interfund Receivables/Payables. During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" in the fund financial statements.

Inventories. Inventories of the Health System and the ABC Board are valued at the lower of cost, (first-in, first-out) or net realizable value. The Health System inventory consists of expendable items, including pharmaceuticals and general supplies, held for sale to patients or consumption. The Health System inventories are recorded as expenses when consumed rather than when purchased. The ABC Board inventory consists of alcoholic beverages held for sale.

Prepaid Items. Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items. Prepaid items for the County's governmental funds are treated using the consumption method.

Assets Whose Use is Limited. CarolinaEast Health System's noncurrent cash and investments are designated or restricted for long-term purposes. Designated assets include assets set aside by the Board for future capital improvements over which the Board retains control.

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Capital Assets. In the government-wide and proprietary fund financial statements, 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. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization cost is \$5,000 for all capital assets. Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives of the individual assets:

Buildings	25-50 Years
Improvements other than buildings	10-40 Years
Machinery and equipment and vehicles	5-10 Years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. In governmental fund financial statements, capital outlays are recognized as expenditures and no depreciation is recognized.

The County's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the County reports a lease (only applies when the County is the lessee) or agreements where the County reports an Information Technology (IT) Subscription in accordance with the requirements of GASB 87 and GASB 96, respectively.

The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right to use lease assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.

When the County leases capital assets to a discretely presented component unit for a nominal amount, the County reports those capital assets and related depreciation in the component unit. Depreciation of all depreciable capital assets is charged as an expense against their operations. Accumulated depreciation is reported in the statement of net position.

Capital assets of the Airport Authority and the ABC Board are depreciated over the estimated useful lives of the individual assets on a straight-line basis.

CarolinaEast Health System policy is to generally capitalize assets with a cost of \$2,500 or greater. The Health System provides for depreciation using the straight-line method for both financial reporting and cost reimbursement purposes over the estimated useful lives of the depreciable properties. The range of estimated useful lives of major categories of property and equipment are as follows:

Land improvements	5 - 25 years
Building and improvements	15-40 years
Equipment	3 - 20 years

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

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 assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion - a charge on refunding, pension and OPEB related deferrals, and contributions made to the pension and OPEB plans in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet the criterion for this category: prepaid taxes, prepaid fees, leases, and other OPEB and pension related deferrals. In addition, certain unavailable revenues related to taxes, recycling fees, other prepaid fees, and opioid settlement receivables are reported as deferred inflows of resources, but only on the balance sheet of the governmental funds.

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

Compensated Absences. For the County's government-wide financial statements and in proprietary fund statements, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The vacation policies of the County provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. Compensated absences are not recognized in governmental fund financial statements until they are due to be paid.

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. The County or its component units do not have any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made. With the implementation of GASB No. 101, the County, Hospital, or TDA will estimate what sick leave is "more likely than not to be paid or used" and recognize that portion as a liability for compensated absence and salary-related payments.

Opioid Settlement Funds

In April 2022, drug manufacturer Johnson & Johnson, and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion-dollar nationwide settlement related to multiple opioid lawsuits. These funds will be disbursed to each participating state over an 18-year period according to an allocation agreement reached with all participating states. The majority of these funds are intended for opioid abatement and the distribution of the funds is front loaded. The County received \$1,116,187 as part of this settlement in Fiscal Years 2022 and 2023. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities.

The significance of this issue resulted in guidance being provided to state and local governments to help ensure that there was consistency in the accounting and financial reporting of these funds. The guidance provided that because of the restrictions on the use of the fund's revenue should not be recognized until the funds were expended. Because the county did not expend any amounts in FY22 and FY23, the total of \$1,116,187 that was received remained on hand at June 30, 2024. In such cases the guidance specified that the cash on hand should be reported as an asset offset by an amount for unearned revenues, a liability. The result was that amounts were only presented on the balance sheet of governmental funds and the statement of net position for governmental activities.

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

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

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

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

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

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

Thus far, the amounts the County has received or will receive qualify as an exchange or exchange-like transaction. Accordingly, it was necessary to record prior period adjustments for the activity that occurred in the prior fiscal year. See Note 19 Change in Accounting Principle for additional discussion about those adjustments.

In FY24 the County applied the exchange and exchange-like transactions guidance to these transactions. Accordingly, the cash received during the year of \$2,363,396 was recognized in the Opioid Settlement Major Special Revenue Fund. Because all funding was previously recognized for Governmental Activities, the revenue on the government-wide statements will be decreased for amounts previously recognized. This amount was calculated as follows:

<u>Accrual basis of accounting</u>	<u>Governmental Activities</u>
County's Share of North Carolina's Unpaid Aggregate Settlements through FY 24	\$ 12,089,466
Less: Allowance for uncollectible accounts	<u>(1,208,947)</u>
Opioid Settlement receivable at June 30, 2024	\$ 10,880,519
 County's Share of North Carolina's Unpaid Aggregate Settlements through FY 23	 \$ 14,452,862
Less: Allowance for uncollectible accounts	<u>(1,445,286)</u>
Opioid Settlement receivable at June 30, 2023	\$ 13,007,576
 Accrual basis revenue previously recognized	 <u><u>\$ (2,127,057)</u></u>

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Reimbursements for Pandemic-related Expenditures

In FY 2020/21, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for eligible state, local, territorial, and tribal governments. The County was allocated \$19,839,303 of fiscal recovery funds to be paid in two equal installments. The first installment of \$9,919,651.50 was received in May 2021. The second installment of \$9,919,651.50 was received in June 2022. County staff and the Board of Commissioners have elected to use \$161,000 towards the County's public health response to COVID-19, \$2,875,000 for premium pay, and \$7,500,000 to replace water and broadband infrastructure. The County used the remaining funds for revenue replacement in Fiscal Year 2023. \$646,406 was used for water infrastructure upgrades and was transferred to the SCADA/Telemetry Project Fund from the ARPA Fund. Revenue replacement funds will be transferred to the appropriate funds once the County has determined the intended use of the funds. All funds have been fully expended through June 30, 2024.

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

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

State law [G.S. 159-13(b)(16)] restricts the appropriation of fund balance to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

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. The following are the County's nonspendable fund balances as of June 30, 2024:

Prepays - Portion of fund balance that is not available resource because it represents the year-end balances of ending prepaids, which are not spendable resources.

Lease Receivable, net - portion of fund balance that is not an available resource because it is not in spendable form. The reported amount is calculated by reducing the lease receivable by the related deferred inflow of 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 the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS) is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 158-8(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 with RSS. RSS is included as component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Restricted fund balance (continued):

Restricted for general government: Portion of fund balance that is restricted by revenue source for the ERO Software Project and the Courthouse/EOC Recovery Project.

Restricted for ROD Pension Plan - Portion of fund balance that is restricted for the Register of Deeds Pension plan.

Restricted for public safety: Portion of fund balance that is restricted by revenue source for public safety expenditures.

Restricted for human services: Portion of fund balance that can only be used to benefit beneficiaries under the Social Security's Representative Payee Program.

Restricted for Opioid Settlement - portion of fund balance that is restricted by revenue source for opioid abatement and remediation activities.

Restricted for economic and physical development: Portion of fund balance that is restricted by revenue source for economic and physical development.

Restricted for education, schools: Portion of fund balance that is restricted by revenue source for the repayment of debt related to school construction projects or used for School Capital per G.S. 159-18-22.

Restricted fund balance differs between the governmental fund statements and the governmental activities net position on the government-wide statements by the amount restricted for the ROD pension plan which is not reported on the fund statements.

Committed fund balance: Portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Craven County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires the majority action by the governing body.

Committed for capital projects: Portion of fund balance committed by the County Board of Commissioners for the construction of specific assets held in the capital reserve fund. Specific board action is required to transfer funds out of this fund.

Assigned fund balance: Portion of fund balance that Craven County intends to use for specific purposes.

Assigned for subsequent year's expenditures: Portion of total fund balance (if any) that is appropriated in the next year's budget that is not already classified as restricted or committed.

Unassigned: The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

Craven 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. The General Fund is the only governmental fund where it is appropriate to report a positive unassigned fund balance amount.

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

Total Fund Balance - General Fund	\$ 65,533,753
Less:	
Nonspendable - Prepays	56,205
Nonspendable - Leases	1,741
Stabilization by State Statute	14,916,624
Public Safety	99,004
Appropriated Fund Balance in 2025 Budget	3,921
Working Capital / Fund Balance Policy	-
Remaining Fund Balance	<u>50,456,258</u>

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Defined Benefit Pension 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 for all plans are reported at fair value.

Reconciliation of Government-wide and Fund Financial Statements

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 total fund balance for the governmental funds and net position for governmental activities as reported in the government-wide Statement of Net Position. The net adjustment of \$53,863,577 consists of several elements as follows:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 166,434,635
Less accumulated depreciation	(77,993,011)
Right to Use assets used in governmental activities are not financial resources and are therefore not reported in the funds (net of accumulated amortization)	783,702
Less accumulated amortization	(356,195)
Net capital assets	<u>88,869,131</u>
Net pension asset	132,131
Contributions to the pension plan in the current fiscal year	4,704,884
Benefit payments and pension administration costs for LEOSSA	63,390
Contributions to OPEB plan in the current fiscal year	668,294
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund statements	150,820
Deferred outflows of resources related to refunding-included on government-wide Statement of Net Position but are not current financial resources	826,034
Deferred inflows of resources reported in the fund financial statements but not the government-wide statements	12,173,436
Internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in the Statement of Net Position for the governmental activities	4,071,588

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Reconciliation of Government-wide and Fund Financial Statements (continued):

Pension related deferrals	13,145,833
OPEB related deferrals	(2,664,146)
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and therefore not reported in the fund statements:	
Installment notes financing	(15,670,000)
Lease and Subscription Liabilities	(429,620)
Accrued interest payable	(53,984)
Total OPEB Liability	(17,540,946)
Compensated absences	(3,512,116)
Net pension obligation (LEOSSA)	(2,584,575)
Net pension obligation (LGERS)	(28,486,577)
Total Adjustment	<u>\$ 53,863,577</u>

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 for the governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. There are several elements of that total adjustment of \$7,497,136 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities	\$ 16,675,849
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the Statement of Activities but not in the fund statements	(6,382,444)
Cost of disposed capital asset not recorded in fund statements.	(37,061)
Capital outlay expenditures associated with leases or subscription are recorded in the fund statements but capitalized as right to use assets in the statement of activities.	279,584
Amortization expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(179,990)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position.	(279,584)
Principal payments on debt owed are recorded as a use of funds on the fund statements but	3,891,114
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	4,704,884
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	63,390
Contributions to the OPEB plan are deferred outflows of resources on the Statement of Net Position	668,294

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Reconciliation of Government-wide and Fund Financial Statements (Continued)

Description	Amount
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in fund statements:	
Compensated absences	(134,418)
OPEB expense	(1,650,044)
Pension expense	(8,973,703)
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	9,116
Bond refunding costs, premiums and other similar items, are amortized in the government-wide statements but not in the fund statements because they do not use current resources	(330,413)
Revenues reported in the Statement of Activities that do not provide current resources are not	
Taxes Receivable and Accrued Interest on Taxes Receivable	235,779
Recycling Fees	3,866
Restricted Opioid Receivables, net	(2,127,057)
Internal service fund is used by management to charge the costs of risk management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities	<u>1,059,974</u>
Total adjustment	<u>\$ 7,497,136</u>

Note 2. Stewardship, Compliance, and Accountability

Excess of Expenditures over Appropriations

The General Fund was overspent in Debt Service by \$27,769. However, the variance was a result of reclassifying lease and subscription payments from where they were originally budgeted and paid throughout the year to the Debt Service lines for financial statement presentation. Because there was adequate budget in the departments that the expenses were budgeted and paid, we did not consider this to be a budget violation that would result in a finding or that would require a response to the LGC for over-expending the budget.

Noncompliance with General Statutes (Tourism Development Authority)

The Tourism Development Authority purchased a fidelity bond for the finance officer dated May 26, 2023 in the amount of \$78,000, which exceeded the required amount based on the FY 23 budget. The coverage date of the policy was June 14, 2023 thru June 14, 2024. When the FY 24 budget was adopted, the minimum required coverage should have been increased to a minimum requirement which would exceed 10% of the current budget, which would have been \$85,969. Because the TDA did not follow the intent of the new standard by increasing the coverage to meet the requirement at the time the policy was purchased, but just failed to increase the coverage when the new budget was adopted, we have disclosed this information. However, we do not believe that it should be reported as a finding.

Note 3. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County and its component units' 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 units' agents in the units' name. 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 units, these deposits are considered to be held by their agents in the entities' name. The amount of the pledged collateral is based on an approved averaging method for noninterest 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 units or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the units 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 its component unit's relies on the State Treasurer to monitor those financial institutions. The County, the ABC Board, the Tourism Development Authority, the Airport Authority and the Health System do not have policies regarding custodial credit risk for deposits.

At June 30, 2024, the County's (primary government) deposits had a carrying amount of \$80,576,595, and a bank balance of \$83,195,222. Of the bank balance, \$250,000 was covered by federal depository insurance and \$82,945,222 was covered by collateral held under the pooling method.

At June 30, 2024, Craven County had \$18,572 cash on hand.

Component Unit Information

At June 30, 2024, the Tourism Development Authority had a carrying amount of \$127,604 and a bank balance of deposits of \$141,134. Of the bank balance, all of it was covered by federal depository insurance.

At June 30, 2024, the Airport Authority had a carrying amount of \$16,247,108. The Airport Authority and the County share a common operating bank account, therefore, the bank balance was covered one-hundred percent by collateral held under the pooling method. Of the carrying amount, \$2,550 was cash on hand.

At June 30, 2024, the ABC Board had \$13,000 cash on hand, and deposits in financial institutions with a carrying amount of \$463,619 and a bank balance of \$727,187. Of the bank balance, \$307,870 was covered by federal depository insurance and \$419,317 was covered by collateral held under the pooling method.

At June 30, 2024, the carrying amount of deposits for the Health System was \$19,587,605 and the bank balance was \$24,705,311. Of the bank balance, \$500,000 was covered by federal depository insurance and \$23,707,311 was covered by collateral held under the pooling method. Cash and cash equivalents consist of the following as of June 30, 2024:

Cash on hand	\$	11,697
Deposits		19,587,605
Money markets		238,763
	\$	<u>19,838,065</u>

Note 3. Detail Notes on All Funds (Continued)

2. Investments

As of June 30, 2024 the County had the following investments and maturities:

Investment Type	Valuation Measurement Method	Reported Value	Less Than Six Months	6-12 Months	1-3 Years
NC Capital Management Trust, Government Portfolio	Fair Value- Level 1	\$ 30,556,651	\$ 30,556,651	\$ -	\$ -
Wells Fargo Securities Federal Home Loan Bank	Fair Value- Level 2	32,859,630	32,859,630	-	-
		<u>\$ 63,416,281</u>	<u>\$ 63,416,281</u>	<u>\$ -</u>	<u>\$ -</u>

Component Unit - Tourism Development Authority

NC Capital Management Trust, Government Portfolio	Fair Value- Level 1	\$ 407,485	\$ 407,485	\$ -	\$ -
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Component Unit - Coastal Carolina Regional Airport Authority

Wells Fargo Securities Commercial paper	Fair Value- Level 2	7,302,075	7,302,075	-	-
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Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAM rating from S&P and AAA-mf by Moody's Investor Services.

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

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

Interest Rate Risk: The County does not have a formal investment interest rate policy that manages its exposure to fair value losses arising from increasing interest rates. However, as a means of limiting this exposure, the County's investment policy limits the County's investment portfolio to maturities of less than 5 years. Also maturity dates are to be staggered to avoid undue concentration in specific maturity sectors.

Credit Risk: State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County has no formal policy on managing credit risk. Instead, the County informally utilizes the State Law to minimize credit risks. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2023.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has no policy on custodial credit risk.

Concentration of Credit Risk: The County places no limit on the amount that the County may invest in any one issuer.

The Health System employs a blend of management styles to diversify its portfolio, reduce overall risk and create a superior opportunity for positive returns. Such approaches are intended to ensure the Health System has adequate reserves to hedge against unanticipated events, and allow the Health System to accomplish its short-term and long-term capital plan as well as to earn an acceptable return on available funds through a total return concept of managed assets, thereby supplementing capital and operational expenses.

Note 3. Detail Notes on All Funds (Continued)

2. Investments (Continued)

By policy, the Health System's investment portfolio should be comprised of approximately 70% equity, 20% fixed income and 10% real estate with each classification having a tolerable variability of +/- 5%.

CarolinaEast Health System Investment Type	Fair Value	Maturity
US Government Agency Mutual Funds	\$ 32,340	N/A
Vanguard Bond Mutual Funds-Corp	52,672	N/A
Oaktree Real Estate Income Fund, L.P.	13,680	N/A
Boyd Watterson Real Estate	16,520	N/A
Equity Securities and Mutual Funds	258,353	N/A
Short Term Cash Equivalents	328	N/A
NC Capital Management Trust	25,861	N/A
	<u>\$ 399,754</u>	

The above table does not include \$238,763 which is included in unrestricted cash and cash equivalents.

	Assets (Level 1)	Inputs (Level 2)	Inputs (Level 3)	Fair Value at 6/30/24
Assets:				
Mutual funds:				
Money market	\$ 284,476	\$ -	\$ -	\$ 284,476
Cash & Equivalents	39,795	-	-	39,795
Fixed income	84,716,047	-	-	84,716,047
Equity	258,392,888	-	-	258,392,888
Interest rate swap	-	5,004,420	-	5,004,420
				<u>5,004,420</u>
Total assets at fair value	<u>\$ 343,433,206</u>	<u>\$ 5,004,420</u>	<u>\$ -</u>	
Investments at net asset value				<u>\$ 30,199,623</u>
Total investments				<u>\$ 378,637,249</u>
Cash and cash equivalents as of 6/30/24 not included above				\$ 19,599,300
North Carolina Management Capital Trust - cash portfolio as of 6/30/24 carried at amortized cost.				\$ 26,099,801
Interest receivable as of 6/30/24 not included above				\$ 261,456

When quoted prices are available in active markets for identical instruments, investment securities are classified within Level 1 of the fair value hierarchy. Level 1 investments include mutual funds and common stock which are valued based on prices readily available in active markets in which those securities are traded. Level 2 investments include an interest rate swap agreement which is valued on a recurring basis based on inputs that are readily available in public markets or can be derived from information available in publicly quoted markets. Level 3 investments include hedge funds which are valued based on unobservable inputs about which little or no market data exists.

There were no changes during 2023 to the System's valuation technique used to measure asset and liability fair values on a recurring basis.

Note 3. Detail Notes on All Funds (Continued)

2. Investments (Continued)

Interest Rate Risk: As a means of limiting its exposure to fair value losses, the System investment policy dictates that mortgage backed securities or other asset backed securities will never comprise more than 40% of the fixed income portfolio and corporate debt securities will never comprise more than 60% of the fixed income portfolio. Additionally, the policy provides that the maximum maturity of any non-mortgage backed fixed income instrument will not exceed 12 years without the approval of The System's Investment Committee and investment managers should not exceed a 7-year expected weighted average maturity for investments in mortgage backed paper and government agencies including Ginnie Maes, Freddie Macs or Fannie Maes.

Credit Risk: The System's investment policy requires corporate obligations to meet the commercial paper rating of A1 by Moody's or P1 by S&P and bond rating in the "BBB" category or better by S&P, Moody's, and Fitch. "BBB" securities will be limited to 10% of the fixed income portfolio. No single "BBB" issue will be greater than \$500,000 face value at purchase. Obligations of the U.S. Government or explicitly guaranteed by the U.S. Government are generally not considered to have credit risk.

As of June 30, 2024, the total quality ratings for the above holdings were as follows:

	Holdings			
	US Government Agencies	Corporate/Other Bond Mutual Funds	Short term Cash Equivalents	NC Capital Management
AAA	100.00%	5.08%	100.00%	100.00%
AA		4.99%		
A		37.84%		
BBB		50.71%		
BB		0.65%		
B		0.41%		
Not Rated		0.31%		
Total	100.00%	100.00%	100.00%	100.00%

Concentration of Credit Risk: The Health System's investment policy states individual cumulative debt instruments by any one issuer shall be confined to a maximum of 5% of the fixed income portfolio. There is no concentration of credit risk.

Equity Investment Guidelines: Each equity holding will be limited to 6% of the equity portfolio determined at the time of investment.

Permissible types of equity investments include equities of U.S. and foreign companies listed on the NYSE, ASE and NASDAQ traded OTC securities to include common and preferred and convertible preferred stocks. Equity investments may also include publicly traded mutual funds, unit trusts and other common investment funds comprised of commingled securities listed on the NYSE, ASE and NASDAQ traded OTC securities.

Alternative Assets: A fund of funds hedge fund is employed to offer diversification as an investment alternative with low correlation to fixed income and equity securities. A fund of funds performance is measured against the performance of an appropriate hedge fund index.

Other Investment Guidelines: The primary portfolio shall contain no derivatives to enhance the overall yield of the stock or bond portfolio. The Alternative Asset class may use derivatives. Investment managers must maintain compliance with State of North Carolina laws and regulations, and all other applicable laws, rules and regulations.

Note 3. Detail Notes on All Funds (Continued)

2. Investments (Continued)

Due to the level of risks associated with investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near future and such changes could materially affect the amounts reported in these financial statements.

As of June 30, 2024 the ABC Board had the following investments and maturities:

Investment Type	Valuation Measurement Method	Book Value at 6/30/24	Maturity	Rating
US Government Treasuries	Fair Value-Level 1	\$ -	Up to 3 years	AAA
US Government Agencies	Fair Value-Level 1	1,018,990	Up to 3 years	AAA
NC Capital Management Trust Government FD #47	Fair Value-Level 1	10,790	Up to 3 years	AAA
		<u>\$ 1,029,780</u>		

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 three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2021	\$ 1,329,571	\$ 315,778	\$ 1,645,349
2022	1,366,197	201,515	1,567,712
2023	1,377,661	79,216	1,456,877
2024	1,131,826	65,080	1,196,906
Total	<u>\$ 5,205,255</u>	<u>\$ 661,589</u>	<u>\$ 5,866,844</u>

Note 4. Receivables

Receivables at the government-wide level at June 30, 2024, were as follows:

	Accounts Receivable	Taxes Receivable	Interest Receivable	Total
Governmental Activities				
General	\$ 6,492,306	\$ 9,354,600	\$ 150,820	\$ 15,997,726
Other Governmental	776,287	2,106,280	-	2,882,567
Total Receivables	7,268,593	11,460,880	150,820	18,880,293
Allowance for Doubtful Accounts	-	(438,000)	-	(438,000)
Total - governmental activities	<u>\$ 7,268,593</u>	<u>\$ 11,022,880</u>	<u>\$ 150,820</u>	<u>\$ 18,442,293</u>
Business-type activities				
Water	\$ 884,017	\$ 126,674	\$ -	\$ 1,010,691
Allowance for doubtful accounts	(36,457)	-	-	(36,457)
Total - business-type activities	<u>\$ 847,560</u>	<u>\$ 126,674</u>	<u>\$ -</u>	<u>\$ 974,234</u>

Taxes Receivable includes receivables for local option sales tax and sales tax refunds receivable.

Leases Receivable

General Fund

On 7/1/21, the County entered into a 115 month lease as Lessor for the use of network fiber. An initial lease receivable was recorded in the amount of \$25,139. As of 06/30/2024, the value of the lease receivable is \$17,751. The lessee is required to make monthly fixed payments of \$240 for July 2021 thru January 2031. The lease has an interest rate of 2%. The value of the deferred inflow of resources as of 06/30/2024 was \$17,269, and the County recognized lease revenue of \$2,623 during the fiscal year.

On 7/1/22, the County entered into a 30 month lease as Lessor for the use of a building. An initial lease receivable was recorded in the amount of \$123,457. As of 06/30/2024, the value of the lease receivable is \$25,026. The lessee is required to make monthly fixed payments of \$4,212 for July 2022 thru December 2024. The lease has an interest rate of 4.5%. The value of the deferred inflow of resources as of 06/30/2024 was \$23,766, and the County recognized lease revenue of \$47,532 during the fiscal year.

Year Ending June 30	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 27,574	\$ 661
2026	2,600	280
2027	2,652	228
2028	2,706	174
2029	2,760	120
2030-2034	4,485	75
Total	<u>\$ 42,777</u>	<u>\$ 1,538</u>

Note 5. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2024 was as follows:

	Capital Assets			Capital Assets
	June 30, 2023	Additions	Retirements	June 30, 2024
Governmental Activities				
Capital assets, not being depreciated				
Land, other	\$ 16,908,495	\$ 2,389,540	\$ 28,299	\$ 19,269,736
Construction in progress	6,480,623	9,957,172	2,816,245	13,621,550
Total capital assets not being depreciated	<u>23,389,118</u>	<u>12,346,712</u>	<u>2,844,544</u>	<u>32,891,286</u>
Capital assets, being depreciated				
Buildings	68,644,041	1,696,711	-	70,340,752
Vehicles	9,676,808	1,582,265	394,929	10,864,144
Equipment	10,344,872	1,903,128	278,903	11,969,097
Other improvements	38,406,078	1,963,278	-	40,369,356
Total capital assets being depreciated	<u>127,071,799</u>	<u>7,145,382</u>	<u>673,832</u>	<u>133,543,349</u>
Less accumulated depreciation for:				
Buildings	43,592,160	2,091,613	-	45,683,773
Vehicles	7,300,694	1,427,901	386,929	8,341,666
Equipment	7,335,765	847,713	278,141	7,905,337
Other Improvements	14,047,018	2,015,217	-	16,062,235
Total accumulated depreciation	<u>72,275,637</u>	<u>6,382,444</u>	<u>665,070</u>	<u>77,993,011</u>
Total capital assets, being depreciated, net	<u>54,796,162</u>	<u>762,938</u>	<u>8,762</u>	<u>55,550,338</u>
Capital assets, being amortized				
Right to use assets				
Leased equipment	79,434	-	-	79,434
Leased land	41,966	-	-	41,966
Leased buildings	382,718	116,704	-	499,422
IT Subscriptions	-	162,880	-	162,880
Total right to use assets	<u>504,118</u>	<u>279,584</u>	<u>-</u>	<u>783,702</u>
Less accumulated amortization for:				
Leased equipment	27,621	17,058	-	44,679
Leased land	27,978	13,989	-	41,967
Leased buildings	120,606	94,650	-	215,256
IT Subscriptions	-	54,293	-	54,293
Total accumulated amortization	<u>176,205</u>	<u>179,990</u>	<u>-</u>	<u>356,195</u>
Total capital assets, being amortized, net	<u>327,913</u>	<u>\$ 99,594</u>	<u>\$ -</u>	<u>427,507</u>
Governmental activity capital assets, net	<u><u>\$ 78,513,193</u></u>			<u><u>\$ 88,869,131</u></u>
Business-type Activities				
Capital assets, not being depreciated				
Land, other	\$ 947,354	\$ -	\$ -	\$ 947,354
Construction in process	6,959,358	3,624,977	-	10,584,335
Total capital assets not being depreciated	<u>7,906,712</u>	<u>3,624,977</u>	<u>-</u>	<u>11,531,689</u>
Capital assets, being depreciated				
Buildings & other improvements	60,963,379	164,750	33,500	61,094,629
Vehicles	452,854	131,026	52,225	531,655
Equipment	272,318	-	-	272,318
Total capital assets being depreciated	<u>61,688,551</u>	<u>295,776</u>	<u>85,725</u>	<u>61,898,602</u>
Less accumulated depreciation for:				
Buildings & other improvements	26,390,746	1,643,025	33,500	28,000,271
Vehicles	349,882	63,325	52,225	360,982
Equipment	224,866	25,797	-	250,663
Total accumulated depreciation	<u>26,965,494</u>	<u>\$ 1,732,147</u>	<u>\$ 85,725</u>	<u>28,611,916</u>
Total capital assets, being depreciated, net	<u>34,723,057</u>			<u>33,286,686</u>
Business activity capital assets, net	<u><u>\$ 42,629,769</u></u>			<u><u>\$ 44,818,375</u></u>

Note 5. Capital Assets (continued)

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

Governmental activities:	
General government	\$ 1,463,577
Public Safety	2,543,144
Social services	526,832
Economic and physical development	551,504
Health	441,603
Environmental protection	178,178
Culture and recreation	857,596
Total depreciation expense, governmental activities	<u>\$ 6,562,434</u>
Business-type activities:	
Water Fund	<u>\$ 1,732,147</u>
Total depreciation expense-business-type activities	<u>\$ 1,732,147</u>

The government has an active construction project as of June 30, 2024. At June 30, 2024, the government's commitment with a contractor is as follows:

Project	Spent-to-date	Remaining Commitment
CARTS Building Project	\$ 1,343,042	\$ 79,866
Courthouse/EOC Restoration Project	6,988,988	2,923,604
Human Services Complex Project	3,208,405	4,353,586
SCADA/Telemetry Project	5,555,023	25,000
Lawson Creek Pump Station Project	923,106	82,741
Total	<u>\$ 18,018,564</u>	<u>\$ 7,464,797</u>

Discretely presented component units

The following is a summary of the capital assets of the Airport Authority at June 30, 2024.

	Year Ended June 30, 2024			Ending Balance
	Beginning Balance	Increases	Decreases	
Capital assets, not being depreciated				
Land	\$ 10,067,110	\$ -	\$ -	\$ 10,067,110
Construction in progress	25,059,337	18,551,660	(9,869,722)	33,741,275
Total capital assets, not being depreciated	<u>35,126,447</u>	<u>18,551,660</u>	<u>(9,869,722)</u>	<u>43,808,385</u>
Capital assets, being depreciated				
Buildings	16,573,543	-	-	16,573,543
Improvements other than buildings	34,535,154	9,569,634	-	44,104,788
Machinery, equipment, and vehicles	3,475,280	198,973	(2,500)	3,671,753
Total capital assets being depreciated	<u>54,583,977</u>	<u>9,768,607</u>	<u>(2,500)</u>	<u>64,350,084</u>
Less accumulated depreciation	26,232,516	2,325,635	(2,614)	28,555,537
Total capital assets being depreciated, net	<u>28,351,461</u>	<u>\$ 7,442,972</u>	<u>\$ 114</u>	<u>35,794,547</u>
Capital assets, net	<u>\$ 63,477,908</u>			<u>\$ 79,602,932</u>

Title to the real property occupied by the Airport Authority rests with Craven County. The land is leased to the Airport Authority for an annual rent of one dollar through a lease signed November 1, 1993 which has been extended through 2033.

Note 5. Capital Assets (continued)

The following is a summary of the Health System capital asset activity for the year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	\$ 15,179,508	\$ 254,932	\$ -	\$ 15,434,440
Construction in progress	2,457,056	24,905,231	(4,426,457)	22,935,830
Total capital assets, not being depreciated	<u>17,636,564</u>	<u>25,160,163</u>	<u>(4,426,457)</u>	<u>38,370,270</u>
Capital assets, being depreciated/amortized				
Land improvements	7,104,245	18,557	-	7,122,802
Building and fixtures	292,558,180	1,849,391	-	294,407,571
Equipment	265,556,039	12,474,505	(663,697)	277,366,847
Total capital assets being depreciated	<u>565,218,464</u>	<u>14,342,453</u>	<u>(663,697)</u>	<u>578,897,220</u>
Less accumulated depreciation/amortization for:				
Land Improvements, buildings and fixtures and equipment	(370,098,186)	(23,634,186)	663,033	(393,069,339)
	<u>(370,098,186)</u>	<u>\$ (23,634,186)</u>	<u>\$ 663,033</u>	<u>(393,069,339)</u>
Total capital assets being depreciated/amortized, net	<u>195,120,278</u>			<u>185,827,881</u>
Health System capital assets, net	<u>\$ 212,756,842</u>			<u>\$ 224,198,151</u>

All depreciation is directly or indirectly in relation to the provision of healthcare services. Depreciation expense was approximately \$23,609,600 for the year ended June 30, 2024. The Health System has various renovation projects in progress at June 30, 2024. The estimated cost to complete the projects is approximately \$16,481,000.

Legal title to the Health System's property and equipment, except equipment purchased by the Health System from unrestricted funds, is held by Craven County. The facilities are leased to the Health System, under a lease agreement which expires in 2024, for an annual rental of one dollar. In the event of dissolution of the Health System or its failure to function as a Health System and to operate as required in the lease, all of its monies, properties and assets shall revert to Craven County.

The following is a summary of the capital assets of the ABC Board at June 30, 2024:

Capital assets, not being depreciated	
Land	\$ 473,830
Construction in progress	-
Total capital assets not being depreciated	<u>473,830</u>
Capital assets, being depreciated:	
Buildings	7,829,498
Furniture & Equipment	871,219
Automobile	189,184
Total capital assets being depreciated	<u>8,889,901</u>
Less accumulated depreciation	<u>1,767,789</u>
Total capital assets being depreciated, net	<u>7,122,112</u>
Right to use asset, being amortized:	
Buildings	376,663
Total right to use assets being amortized	<u>376,663</u>
Less accumulated amortization	<u>113,949</u>
Total right to use assets being amortized, net	<u>262,714</u>
Capital assets, net	<u>\$ 7,858,656</u>

Note 6. Pension Plan and Other Postemployment Benefits

Local Governmental Employees' Retirement System

Plan Description. Craven County, the Airport Authority and the ABC Board are participating employers 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.

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute 6% of their compensation. The County, Airport Authority and ABC Board's contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County, Airport Authority and ABC Board's contractually required contribution rate for the year ended June 30, 2024, are as follows:

	Employees Not Engaged In Law <u>Enforcement</u>	Employees Engaged In Law <u>Enforcement</u>
Craven County	12.90%	14.04%
Airport Authority	13.08%	
ABC Board	12.93%	

The rates shown above were actuarially determined as amounts that, when combined with employee contributions, are expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County, Airport Authority and ABC Board were \$4,802,177, \$97,010, and \$142,420, respectively, for the year ended June 30, 2024.

Refunds of Contributions - County, Airport, and ABC Board 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.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Local Governmental Employees' Retirement System (Continued)

At June 30, 2024, the County, Airport Authority and ABC Board reported liabilities of \$29,139,596, \$506,997, and \$748,078, respectively, for their proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2023. The total pension liability used to calculate the net pension liabilities were determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County, Airport Authority and ABC Board's proportion of the net pension liabilities were based on a projection of the County, Airport Authority and ABC Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2024, the County, Airport Authority and ABC Board's proportions were .44%, .0077% and .0113% (measured as of June 30, 2023), respectively, which were increases/(decreases) of .0402%, 0.0014%, and .0019%, respectively (measured as of June 30, 2022).

For the year ended June 30, 2023, the County, Airport Authority and ABC Board's recognized pension expense of \$8,859,620, \$174,479, and \$253,467, respectively.

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

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,247,014	\$ 69,902
Changes in assumption	1,238,265	-
Net difference between projected and actual earnings on pension plan investments	7,799,031	-
Changes in proportion and differences between County contributions and proportionate share of contributions	967,383	19,849
County contributions subsequent to the measurement date	4,802,177	-
Total	\$ 18,053,870	\$ 89,751

At June 30, 2024, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources
Differences between expected and actual experience	\$ 56,495	\$ 1,216
Changes in assumptions	21,544	-
Net difference between projected and actual earnings on pension plan investments	135,695	-
Changes in proportion and differences between Airport Authority's contributions and proportionate share of contributions	59,406	2,273
Airport Authority's contributions subsequent to the measurement date	97,010	-
Total	\$ 370,150	\$ 3,489

Note 6. Pension Plan and Other Postemployment Obligations (Continued)

Local Governmental Employees' Retirement System (Continued)

At June 30, 2024, the ABC Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 83,358	\$ 1,795
Changes in assumptions	31,789	-
Net difference between projected and actual earnings on pension plan investments	200,218	-
Changes in proportion and differences between ABC Board's contributions and proportionate share of contributions	65,526	-
ABC Board's contributions subsequent to the measurement date	142,420	-
Total	<u>\$ 523,311</u>	<u>\$ 1,795</u>

\$4,802,177, \$97,010, and \$142,420 reported as deferred outflows of resources related to pensions resulting from the County, Airport Authority and ABC Board contributions, respectively, subsequent to the measurement date, will be recognized as a decrease of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Airport		
	County	Authority	ABC Board
2025	\$ 4,768,641	\$ 101,337	\$ 140,466
2026	2,569,826	57,106	80,207
2027	5,493,690	105,470	149,957
2028	329,785	5,738	8,466
2029	-	-	-
Thereafter	-	-	-
Total	<u>\$ 13,161,942</u>	<u>\$ 269,651</u>	<u>\$ 379,096</u>

Actuarial Assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary Increases	3.25% to 8.25%, which includes a 3.25% inflation and productivity factor
Investment rate of return	6.5 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2022 valuations were based on the results of an actuarial experience review for LGERS for the period January 1, 2015 through December 31, 2019.

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

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Local Governmental Employees' Retirement System (Continued)

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, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	33.0%	2.4%
Global Equity	38.0%	6.9%
Real Estate	8.0%	6.0%
Alternatives	8.0%	8.6%
Credit	7.0%	5.3%
Inflation Protection	6.0%	4.3%
Total	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

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

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

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	\$ 50,483,205	\$ 29,139,596	\$ 11,567,537
Airport Authority's proportionate share of the net pension liability (asset)	\$ 878,353	\$ 506,997	\$ 201,263
ABC Board's proportionate share of the net pension liability (asset)	\$ 1,296,015	\$ 748,078	\$ 296,964

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.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Law Enforcement Officers Special Separation Allowance

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

At full-time County law enforcement officers of the County are covered by the Separation Allowance.

At December 31, 2023 the Separation Allowance's membership consisted of:

Retirees receiving benefits	12
Active plan members	104
Total	<u>116</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, 2023 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.3 to 7.8 percent, including inflation and productivity factor
Discount Rate	3.77 percent

The discount rate used to measure the TPL is the Fidelity GO AA Bond index 20-year bond rate.

The actuarial assumptions used in the December 31, 2023 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.

Mortality Rate

Deaths After Retirement (Healthy): Pub-2010 Safety Retirees Mortality Table projected generationally using MP-2019. The male and female rates are set forward 1 year and adjusted by 97% for all ages.

Deaths Before Retirement: Pub-2010 Safety Employees Male and Female Mortality tables projected generationally with MP-2019.

Deaths After Retirement (Disabled): Pub-2010 General Disabled Retirees Mortality Table projected generationally using MP-2019. The male and female rates are set back 3 years.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Law Enforcement Officers Special Separation Allowance (Continued)

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$127,573 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, 2024, the County reported a total pension liability of \$2,584,575. The total pension liability was measured as of December 31, 2023 based on a June 30, 2023 actuarial valuation. The total pension liability was rolled forward to December 31, 2023 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024 the County recognized pension expense of \$286,357.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 329,389	\$ 63,707
Changes of assumptions and other inputs	294,188	335,744
County benefit payments and plan administrative expenses subsequent to the measurement date	63,390	-
Total	\$ 686,967	\$ 399,451

The County paid \$63,390 subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2025		\$ 111,232
2026		78,807
2027		12,118
2028		28,471
2029		(6,502)
Thereafter		-
Total		\$ 224,126

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 3.77 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77 percent) or 1-percentage-point higher (4.77 percent) than the current rate:

	1% Decrease (2.77%)	Discount Rate (3.77%)	1% Increase (4.77%)
Total Pension Liability	\$ 2,825,124	\$ 2,584,575	\$ 2,366,871

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Law Enforcement Officers Special Separation Allowance (Continued)

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

	<u>2024</u>
Beginning balance	\$ 2,115,459
Service Cost	128,291
Interest on the total pension liability	88,526
Changes of benefit terms	-
Difference between expected and actual experience in the measurement of the total pension liability	255,280
Changes of assumptions or other inputs	120,017
Benefit payments	(122,998)
Other changes	-
Ending balance of the total pension liability	<u>\$ 2,584,575</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 4.31 percent at June 30, 2023 to 3.77 percent at June 30, 2024.

Changes in Benefit Terms. Reported compensation adjusted to reflect the assumed rate of pay as 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 June 30, 2023 valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five year period ending December 31, 2019.

Supplemental Retirement Income Plan for Law Enforcement Officers:

Plan Description. Craven County contributes to the Supplemental Retirement Income Plan (Plan), a defined contributions pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report 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, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan.

The County contributed \$290,282 for the reporting year. No amounts were forfeited.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Register of Deeds' Supplemental Pension Fund

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

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$9,139 for the year ended June 30, 2024.

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

At June 30, 2024, the County reported an asset of \$132,131 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2024, the County's proportion was 0.44%, which was an increase of 0.0402% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the County recognized pension expense of \$25,517. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 5,849
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	67,115	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	5,357
County contributions subsequent to the measurement date	9,139	-
Total	<u>\$ 76,254</u>	<u>\$ 11,206</u>

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Register of Deeds' Supplemental Pension Fund (Continued)

\$9,139 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ 11,785
2026	20,408
2027	19,484
2028	4,232
2029	-
Thereafter	-
Total	\$ 55,909

Actuarial Assumptions : The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.25% - 8.25% percent, including inflation and productivity factor
Investment rate of return	3.00%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2022 valuations were based on the results of an actuarial experience review for LGERS for the period January 1, 2015 through December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODS PF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2024 is 0.9%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

Discount rate . The discount rate used to measure the total pension liability was 3.00%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Register of Deeds' Supplemental Pension Fund (Continued)

Sensitivity of the County's proportionate share of net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	\$ (90,194)	\$ (132,131)	\$ (167,491)

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.

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

The net pension liability (asset) for LGERS and ROD was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as December 31, 2022. The total pension liability for LEOSSA was measured as of June 30, 2023, with an actuarial valuation date of December 31, 2022.

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:

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability	\$ 29,139,596	\$ (132,131)	\$ -	\$ 29,007,465
Proportion of the Net Pension Liability (Asset)	0.43997%	1.09953%	n/a	
Total Pension Liability	-	-	2,584,575	2,584,575
Pension Expense	\$ 8,859,620	\$ 25,517	\$ 286,357	\$ 9,171,494

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual	\$ 3,247,014	\$ -	\$ 329,389	\$ 3,576,403
Changes of assumptions	1,238,265	-	294,188	1,532,453
Net difference between projected and actual earnings on pension plan investments	7,799,031	67,115	-	7,866,146
Changes in proportion and differences between County contributions and proportionate share of contributions	967,383	-	-	967,383
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	4,802,177	9,139	63,390	4,874,706

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

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

Deferred Inflows of Resources

Differences between expected and actual	\$	69,902	\$	5,849	\$	63,707	\$	139,458
Changes of assumptions		-		-		335,744		335,744
Changes in proportion and differences between County contributions and proportionate share of contributions		19,849		5,357		-		25,206

Health System Plans

CarolinaEast Health System sponsors and has responsibility for CarolinaEast Medical Center Money Purchase Pension Plan (primary retirement plan), a noncontributory defined contribution plan covering all employees of CarolinaEast Health System who meet the eligibility requirements. An employee is eligible to participate in the plan following four consecutive full-time years of service with the Health System. Fulltime employees are those that customarily work at least 36 hours per week. Employer contributions are based on a fixed percentage of base earnings for each employee. The benefit to the employee under the plan is the Health System's contribution plus investment earnings. Employees are fully vested after ten years of continuous employment.

The primary retirement plan issues a separate, stand-alone financial report which can be obtained by contacting the V.P. of Finance, 2000 Neuse Boulevard, New Bern, N.C. 28561. The Plan was created by act of the Trustees of CarolinaEast Medical Center, who have the ability to amend or terminate the Plan.

Funding Policy: The Health System's contributions to the primary retirement plan were calculated using a covered payroll amount of \$94,947,776 for the year ended June 30, 2024. Total contributions were \$5,696,867 for the year ended June 30, 2024, which represents 6 percent of the covered payroll for the year. Effective January 1, 2014, the effective contribution percentage reduced from ten percent to six percent.

Significant Accounting Policies of the Plan: The Plan prepares its financial statements on the accrual basis of accounting. Employer contributions are recognized when due and receivable. Distributions to participants are recognized when due and payable in accordance with the term of the Plan. Investments are valued at fair value based on quoted market prices. The Plan does have formal policies regarding investment objectives, diversified funding options, performance and risk review, and participant education and communication.

CarolinaEast Health System Tax Sheltered Annuity Plans ("Supplementary Plans"): The Health System also maintains supplementary retirement plans under IRS Code Sections 403(b) and 457(b) which are administered by the Lincoln National Life Insurance Company and the Variable Annuity Life Insurance Company (VALIC). The 403(b) plan is a contributory plan with the Health System matching a fixed percentage of base earnings for each eligible employee. To receive an employer contribution, eligible employees must contribute a minimum of 3 percent of their eligible salary, and have completed 1 year of continuous service. Contributions by eligible employees are matched by the Health System at a rate of 2% of the employee's eligible salary. Employees contributing a portion of the eligible salary to the 457(b) plan do not receive a matching employer contribution. All employees are eligible to participate in both plans at the date of hiring. The employee contributions are made on a tax-deferred basis. The benefit to the employee under each plan is the amount contributed plus investment earnings. Employees are fully vested after one year of continuous employment.

The Health System's 403(b) contributions were calculated using a covered payroll amount of \$110,987,120 for the year ended June 30, 2024. The Health System's contributions were \$2,219,742, or 2 percent of covered payroll for the year ended June 30, 2024. Employee contributions to the plan totaled \$10,783,732 or 9.72% of covered payroll for the year ended June 30, 2024. Employee contributions to the 457(b) plan totaled \$2,418,308 for the year ended June 30, 2024. These plans are not included in the Health System's reporting entity and do not issue separate, stand-alone financial reports.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Other Postemployment Benefits

Healthcare Benefits

Plan Description. Under a County resolution, Craven County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan) that is used to provide postemployment benefits other than pensions (OPEB) for all retirees of the County and Airport Authority who participate in the North Carolina Local Governmental Employees' Retirement System.

Benefits Provided. As of October 1, 2003, this plan provides postemployment healthcare benefits to retirees of the County, provided they participated at least 20 years of creditable service in the North Carolina Local Governmental Employees' Retirement System (System) and have 15 years of creditable service with the County. The County pays the full cost of coverage for employees' benefits through the County's self-insured plan administered by ACS Benefit Services, Inc. and employees have the option of purchasing dependent coverage at the County's group rates. Prior to October 1, 2003, retirees had to contribute 100% towards the healthcare benefits. Employees hired on or after October 1, 2003 who retire with less than 20 years of service are not eligible for postemployment coverage but have the option of purchasing coverage for themselves and dependents at the County' group rate. Upon reaching 20 years of service with the NCLGERS, the County will pay 50% of the group plan individual health premium and will increase that amount by 5% for each additional year of NCLGERS service up to the maximum of 100% for 30 years of service.

Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental plan after qualifying for Medicare. The Governing Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Retired Employees' Years of Creditable Service	Date Hired Pre-October 1, 2003	Date Hired on or after October 1, 2003
Less than 15 years	Not eligible for full coverage	Not eligible for full coverage
15-19 years with LGERS and County	Full coverage paid by the retiree	Full coverage paid by retiree
20+ years with LGERS, 15 from the County	Full coverage paid by the retiree	Full coverage a portion paid by the county based on years over 20, balance paid by retiree

Membership of the HCB Plan consisted of the following at June 30, 2023, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers:
Retirees and dependents receiving benefits	49	12
Active plan members	535	104
Total	<u>584</u>	<u>116</u>

Total OPEB Liability

The County's total OPEB liability of \$17,945,583 was measured as of June 30, 2023 and was determined by an actuarial valuation as of June 30, 2023.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Other Postemployment Benefits (Continued)

Healthcare Benefits (Continued)

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2023 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%
Wage Inflation	3.25%
Salary increases, including wage inflation:	
General employees	3.3% - 8.3%
Law Enforcement Officers	3.3% - 8.3%
Municipal Bond Index Rate:	
Prior Measurement Date	3.54%
Measurement Date	3.86%
Health Care Cost Trends:	

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

Changes in the Total OPEB Liability

	General Fund	Water Fund	Airport	Total
Balance at July 1, 2023	\$ 20,631,031	\$ 143,215	\$ 376,819	\$ 21,151,065
Changes for the year:				
Service cost at the end of the year	935,281	16,664	19,085	971,030
Interest on TOL and cash flows	705,154	12,465	14,012	731,631
Difference between expected and actual experience	(3,837,533)	(67,837)	(76,256)	(3,981,626)
Changes of assumptions or other inputs	(534,896)	(9,455)	(10,629)	(554,980)
Benefit payments and implicit subsidy credit	(358,091)	(6,330)	(7,116)	(371,537)
Net Changes	(3,090,085)	(54,493)	(60,904)	(3,205,482)
Balance at June 30, 2024	\$ 17,540,946	\$ 88,722	\$ 315,915	\$ 17,945,583

Changes in assumptions and other inputs reflect a change in the discount rate from 3.54% to 3.86%.

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

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2015 - December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023 valuation.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.86 percent) or 1-percentage-point higher (4.86 percent) than the current discount rate:

	1% Decrease (2.86%)	Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB Liability	\$ 19,605,713	\$ 17,945,583	\$ 16,451,795

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Other Postemployment Benefits (Continued)

Healthcare Benefits (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:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 16,109,857	\$ 17,945,583	\$ 20,097,384

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

For the year ended June 30, 2024, the County recognized OPEB expense of \$1,686,989. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,080,645	\$ 3,718,537
Changes of assumptions another inputs	2,576,348	2,702,093
Benefit payments and administrative costs made subsequent to the measurement date	685,307	-
Total	<u>\$ 4,342,300</u>	<u>\$ 6,420,630</u>

\$685,307 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a decrease in the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Measurement Period Ended June</u>	
2025	\$ (47,864)
2026	(20,564)
2027	(171,016)
2028	(455,286)
2029	(838,197)
Thereafter	(1,230,710)

Plan Description. CarolinaEast Health Center sponsors and has responsibility for CarolinaEast Medical Center Employee Benefit Trust, a single-employer, defined benefit OPEB plan established and governed by the Health System's governing board. A trust was established April 1, 2007 for this plan and has a plan year of January 1 to December 31. As such, the Plan's first fiscal year end was December 31, 2007. The Health System provides other postemployment benefits (OPEB) comprised of health care and group life insurance benefits to retirees of CarolinaEast Medical Center who have at least 20 years of continuous fulltime service, have attained the age of 55 and were employed prior to July 1, 1995. The Health System pays the full cost of coverage for these benefits until age 65. Also, retirees can purchase coverage for their spouse at the Health System's group rates. The Health System elected to discontinue the post-retirement benefit to individuals employed on or after July 1, 1995. The plan issues a stand-alone financial report. That report can be obtained by contacting the V.P. of Finance, 2000 Neuse Boulevard, New Bern, N.C. 28561.

As of the actuarial valuation report date January 1, 2024, the Health System's membership consisted:

Retirees receiving benefits	33
Active Plan members	<u>49</u>
Total	<u><u>82</u></u>

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Other Postemployment Benefits (Continued)

Healthcare Benefits (Continued)

Funding Policy. Prior to April 1, 2007, the Health System funded these obligations on a pay-as-you-go basis. During 2007, the Health System funded the actuarially determined net OPEB obligation which was accrued at September 30, 2006 and made some interim pay-as-you-go benefit payments until the trust was funded and thereafter the annual required contributions determined in actuarial valuations.

Total OPEB Asset (Liability). The total OPEB asset (liability) was therefore determined based on the January 1, 2023 actuarial valuations, using membership data as of January 1, 2022 and generally accepted actuarial procedures, and update procedures were utilized to roll forward the total OPEB asset (liability) to the measurement date of January 1, 2023. Information included in the following schedules is based on the certification provided by the System's consulting actuary.

For the year ended June 30, 2024, the System recognized an OPEB gain of approximately \$467,000.

The following represents the changes in the net OPEB liability as of June 30, 2024:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Liability) asset (a)+(b)
Balances at June 30, 2023	\$ (4,791,167)	\$ 6,814,789	\$ 2,023,622
Changes for the Year:			
Services cost	(48,643)	-	(48,643)
Interest cost	(302,788)	-	(302,788)
Change in actuarial assumptions	272,455	-	272,455
Contributions from employer	-	508,950	508,950
Net investment earnings	-	1,137,689	1,137,689
Actual Benefits paid	505,950	(505,950)	-
Additional expected benefit payments	438,314	-	438,314
Other	130,328	(1,000,000)	(869,672)
Net Changes	995,616	140,689	1,136,305
Balances at June 30, 2024	\$ (3,795,551)	\$ 6,955,478	\$ 3,159,927

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Other Postemployment Benefits (Continued)

Healthcare Benefits (Continued)

Sensitivity analysis

The following represents the sensitivity of the total OPEB liability to changes in the discount rate based on values as of June 30, 2024:

	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
Total OPEB Liability	\$ 3,887,646	\$ 3,792,551	\$ 3,693,930

The following represents the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates based on values as of June 30, 2024:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 3,673,430	\$ 3,792,551	\$ 3,917,551

Summary of Significant Accounting Policies. The plan's financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Funded Status and Funding Progress. The plan was initially funded on April 1, 2007, the date the trust was established.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Methods and assumptions as of the latest actuarial valuations for June 30, 2024 are as follows:

Valuation date	January 1, 2024
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Remaining amortization period	Immediately
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7.00%
Health care cost trend rates	5.0% per year increase in all future years
Includes inflation at	3.00%
Cost-of-living adjustments	None

Mortality rates were based on the PUB-2010 Mortality Table with generational projection of mortality improvements using the MP-2021 Projection Scale.

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Other Postemployment Benefits (Continued)

Healthcare Benefits (Continued)

Deferred items related to OPEB. At June 30, 2024, the Hospital reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,287,506	\$ 1,158,512
Changes of assumptions and other inputs	-	(29,192)
Differences between expected and actual return on plan assets	-	(185,694)
Total	\$ 1,287,506	\$ 943,626

Fair Value of Plan Asset. The Fair Value Measurements and Application Standard addresses accounting and financial reporting issues related to fair value measurements. The standard describes fair value as an exit price. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

The statement establishes a three-level hierarchy of inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets or liabilities, inputs that are observable for the asset or liability, and market-corroborated inputs. Level 3 inputs are unobservable inputs and take into account all information about market participant assumptions that are reasonably available. The Plan categorizes its fair value measurements within the fair value hierarchy established by this standard.

When quoted prices are available in active markets for identical instruments, investment securities are classified within Level 1 of the fair value hierarchy. Level 1 investments include mutual funds which are valued based on prices readily available in active markets in which those securities are traded.

The Plan does not have any financial assets or liabilities measured at fair value on a recurring basis categorized as Level 2 or 3, and there were no transfers in or out of Level 3 during 2024. There were no changes during 2024 to the Plan's valuation technique used to measure asset and liability fair values on a recurring basis.

The following tables set forth by level within the fair value hierarchy the Plan's assets accounted for at fair value on a recurring basis as of June 30, 2024:

	June 30, 2024			
	Level 1	Level 2	Level 3	Fair Value
Money market funds	\$ 15,439	\$ -	\$ -	\$ 15,439
Mutual Funds	6,937,038	-	-	6,937,038
Total	\$ 6,952,477	\$ -	\$ -	\$ 6,952,477

Note 6. Pension Plan and Other Postemployment Benefits (Continued)

Other Employment Benefits

Death Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State administrated, 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 death benefit will be a minimum of \$25,000 and will not exceed \$50,000. Because the benefit payments are made by 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.

The County provides \$10,000 of group-term life insurance to all eligible employees.

Note 7. Commitments and Contingencies

Contingent Liabilities

Amounts received or receivable from granter agencies are subject to audit and adjustment by granter agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the granter cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The County and Health System are defendants in various lawsuits. Management of the County and Health System and their respective legal counsels feel that these claims can be successfully defended and intend to resist the allegations of these matters in every way and do not plan to seek out-of-court settlements. In the event that judgments adverse to the interest of the County and the Health System should be rendered, management and its legal counsel feel any liability will be covered by existing insurance policies.

Note 8. Long-Term Obligations

Lease Liabilities

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

On 08/24/2021, the County entered into a 20 month lease as Lessee for the use of postage machine in Finance. An initial lease liability was recorded in the amount of \$16,033. As of 06/30/2024, the value of the lease liability is \$6,573. The County is required to make quarterly fixed payments of \$840 for August 2021 thru July 2026. The lease has an interest rate of 2%. The value of the right to use asset as of 06/30/2024 of \$16,033 with accumulated amortization of \$9,162 is included in the Capital Asset note as leased equipment. The County has 1 extension option(s), each for 12 months.

On 08/24/2021, the County entered into a 20 month lease as Lessee for the use of postage machine in Child Support. An initial lease liability was recorded in the amount of \$6,734. As of 06/30/2024, the value of the lease liability is \$1,932. The County is required to make quarterly fixed payments of \$420 for August 2021 thru July 2026. The lease has an interest rate of 2%. The value of the right to use asset as of 06/30/2024 of \$6,734 with accumulated amortization of \$1,980 is included in the Capital Asset note as leased equipment. The County has 1 extension option(s), each for 12 months.

On 7/1/21, the County entered into a 17 month lease as Lessee for the use of postage machine in Social Services. An initial lease liability was recorded in the amount of \$13,467. As of 06/30/2024, the value of the lease liability is \$3,242. The County is required to make quarterly fixed payments of \$840 for July 2021 thru July 2025. The lease has an interest rate of 2%. The value of the right to use asset as of 06/30/2024 of \$13,467 with accumulated amortization of \$9,506 is included in the Capital Asset note as leased equipment. The County has 1 extension option(s), each for 12 months.

Note 8. Long-Term Obligations (continued)

Lease Liabilities (continued)

On 7/1/21, the County entered into a 17 month lease as Lessee for the use of postage machine in Health. An initial lease liability was recorded in the amount of \$18,284. As of 06/30/2024, the value of the lease liability is \$5,512. The County is required to make quarterly fixed payments of \$1,119 for July 2021 thru July 2025. The lease has an interest rate of 2%. The value of the right to use asset as of 06/30/2024 of \$18,284 with accumulated amortization of \$12,907 is included in the Capital Asset note as leased equipment. The County has 1 extension option(s), each for 12 months.

On 7/1/21, the County entered into a 36 month lease as Lessee for the use of land for convenience site. An initial lease liability was recorded in the amount of \$41,966. As of 06/30/2024, the value of the lease liability is \$0. The County is required to make monthly fixed payments of \$1,200 for July 2021 thru June 2024. The lease has an interest rate of 2%. The value of the right to use asset as of 06/30/2024 of \$41,966 with accumulated amortization of \$41,966 is included in the Capital Asset note as leased land. The County has 1 extension option(s), each for 12 months.

On 7/1/21, the County entered into a 57 month lease as Lessee for the use of building space for a FQHC clinic in Havelock. An initial lease liability was recorded in the amount of \$241,824. As of 06/30/2024, the value of the lease liability is \$85,283. The County is required to make monthly fixed payments of \$6,667 for July 2021 thru March 2022 and then \$3,833 for April 2022 through March 2026. The lease has an interest rate of 2%. The value of the right to use asset as of 06/30/2024 of \$241,824 with accumulated amortization of \$152,731 is included in the Capital Asset note as leased building. The County has 1 extension option(s), each for 12 months.

On 12/21/21, the County entered into a 61 month lease as Lessee for the use of wide format printer in GIS. An initial lease liability was recorded in the amount of \$10,564. As of 06/30/2024, the value of the lease liability is \$5,320. The County is required to make monthly fixed payments of \$182 for December 2021 thru December 2026. The lease has an interest rate of 2%. The value of the right to use asset as of 06/30/2024 of \$10,564 with accumulated amortization of \$5,368 is included in the Capital Asset note as leased equipment. The County has 1 extension option(s), each for 12 months.

On 11/1/22, the County entered into a 60 month lease as Lessee for the use of building space for Veterans Services in New Bern. An initial lease liability was recorded in the amount of \$140,894. As of 06/30/2024, the value of the lease liability is \$99,457. The County is required to make monthly fixed payments of \$2,500 for November 2022 thru October 2025, and then \$2,800 for November 2025 thru October 2027. The lease has an interest rate of 4.5%. The value of the right to use asset as of 06/30/2024 of \$140,894 with accumulated amortization of \$46,965 is included in the Capital Asset note as leased building.

On 6/30/23, the County entered into a 64 month lease as Lessee for the use of wide format printer in Planning. An initial lease liability was recorded in the amount of \$14,353. As of 06/30/2024, the value of the lease liability is \$11,665. The County is required to make monthly fixed payments of \$252 for July 2023 thru September 2028. The lease has an interest rate of 4.5%. The value of the right to use asset as of 06/30/2024 of \$14,353 with accumulated amortization of \$3,110 is included in the Capital Asset note as leased equipment.

On 11/1/23, the County entered into a 60 month lease as Lessee for the use of the Jackson Family Suite 506. An initial lease liability was recorded in the amount of \$116,704. As of 06/30/2024, the value of the lease liability is \$103,834. The County is required to make monthly fixed payments of \$1,970 for November 2023 thru October 2028. The lease has an interest rate of 4.5%. The value of the right to use asset as of 06/30/2024 of \$116,704 with accumulated amortization of \$15,561 is included in the Capital Asset note as leased equipment.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 111,374	\$ 10,303
2026	99,789	6,783
2027	60,850	3,794
2028	41,189	1,310
2029	10,239	95
Total	\$ 323,441	\$ 22,285

Note 8. Long-Term Obligations (continued)

Loans and Installment notes payable:

Purpose	Interest Rates	Amount
Governmental Activities:		
2013 LOB Refunded School Projects/Fiber Optic	2.07%	\$ 3,838,500
2013 LOB Refunded LEC/Park/Tyron Palace	2.07%	4,691,500
2019 Convention Center	2.20%	7,140,000
Total Governmental Activities		15,670,000
Business-type Activities:		
Water Line expansion project - Northwest Craven Water	2.66%	80,115
Castle Hayne Aquifer Water Treatment Project - Water	0%	10,516,346
Total Business-Type Activities		10,596,461
Total loans and installment notes payable		\$ 26,266,461

On April 10, 2013, the County issued \$33,950,000 of limited obligation refunding bonds, Series 2013, for the purpose of advance refunding a portion of the County's outstanding Certificates of Participation, Series 2007. The Series 2013 Limited Obligation Refunding Bond was issued for the purpose of locking in a lower interest rate thus reducing overall bond debt service costs. The bonds issued are to provide resources to purchase US Government Securities that were placed in an irrevocable trust to be used for all future debt service payments of \$28,225,000 of limited obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The outstanding value remaining on this obligation at June 30, 2024 is \$8,529,999.

On September 12, 2019, a direct placement loan was obtained by the County in the amount of \$10,000,000 at a 2.20% interest rate. The loan was for the Convention Center. Payments are due in installment ranging from \$714,000 to \$715,000 annually, plus interest at 2.20%. The loan will mature in April 2034.

The 2003 direct placement drinking water revolving loan, in the original amount of \$1,602,284, is for the purpose of providing water line extension in the Northwest Craven Water & Sewer District. The note is payable in annual installments of \$80,114 plus interest. The note is collateralized by the water lines.

On June 5, 2013, a direct placement planning loan was obtained from the Department of Natural Resources through the Drinking Water Revolving Loan Fund in the amount of \$3,014,530 at a zero percent interest rate for a term of five years for the purpose of providing funding for the planning, design and permitting of the treatment plant. On August 5, 2014, this loan was modified and the loan amount was increased to \$16,178,995 to be used for the construction of the Castle Hayne Aquifer Water Treatment Plant. The first principal payment was due May 1, 2018. The loan is payable by revenues of the water system.

The annual debt service requirements for installment notes payable are as follows:

Year ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 3,639,000	\$ 303,377	\$ 889,064	\$ 2,131
2026	3,559,000	227,950	808,950	-
2027	3,474,000	154,230	808,950	-
2028	714,000	109,956	808,950	-
2029	714,000	94,248	808,950	-
2030-2034	3,570,000	235,620	4,044,750	-
2035-2039	-	-	2,426,847	-
Total	\$ 15,670,000	\$ 1,125,381	\$ 10,596,461	\$ 2,131

Note 8. Long-Term Obligations (Continued)

Subscription Liability

The County has entered into agreements to use IT subscriptions. The agreements qualify as other than short-term leases under GASB 96 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On 7/15/2023, the County entered into a 3 year subscription as subscriber for the use of ArcGIS by Environmental Systems Research Institute, Inc. An initial lease liability was recorded in the amount of \$162,880. As of 06/30/2024, the value of the lease liability is \$106,180. The County is required to make annual fixed payments of \$56,700 for August 2023 thru August 2025. The subscription has an interest rate of 4.5%. The value of the right to use asset as of 06/30/2024 of \$162,880 with accumulated amortization of \$54,293 is included in the Right to Use asset note.

The future minimum lease obligations and the net present value of these minimum subscription payments as of June 30, 2024, were as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 51,921	\$ 4,778
2026	54,259	2,442
	<u>\$ 106,180</u>	<u>\$ 7,220</u>

Changes in the County's long-term obligations for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities:					
Loans and installment notes	\$ 19,390,000	\$ -	\$ 3,720,000	\$ 15,670,000	\$ 3,639,000
Lease liability	321,150	116,704	114,414	323,440	111,374
Subscription Liability	-	162,880	56,700	106,180	51,921
Total pension liability	2,115,459	469,116	-	2,584,575	-
Total OPEB liability	20,631,031	-	3,090,085	17,540,946	668,294
Net Pension liability (LGERS)	22,049,576	6,437,001	-	28,486,577	-
Compensated absences	3,377,698	2,863,754	2,729,336	3,512,116	2,729,336
Governmental Activities Long-term Liabilities	<u>\$ 67,884,914</u>	<u>\$ 10,049,455</u>	<u>\$ 9,710,535</u>	<u>\$ 68,223,834</u>	<u>\$ 7,199,925</u>
Due within one year					\$ 7,199,925
Due in more than one year					61,023,909
Total Governmental Activities					<u>\$ 68,223,834</u>
Business-type Activities					
Loans and installment notes	\$ 11,485,525	\$ -	\$ 889,064	\$ 10,596,461	\$ 889,064
Total OPEB liability	143,215	-	54,493	88,722	4,940
Net pension liability (LGERS)	504,853	148,166	-	653,019	-
Compensated absences	67,475	61,621	50,002	79,094	50,002
Business-type Activities Long-term Liabilities	<u>\$ 12,201,068</u>	<u>\$ 209,787</u>	<u>\$ 993,559</u>	<u>\$ 11,417,296</u>	<u>\$ 944,006</u>
					\$ 944,006
					10,473,290
					<u>\$ 11,417,296</u>

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

State statutes provide for a legal debt limit of 8 percent of the County's assessed value of taxable property. The County has utilized \$16,099,620 of its legal debt limitation of \$1,133,116,155 leaving a legal debt margin of \$1,117,016,535 at June 30, 2024.

Note 8. Long-Term Obligations (Continued)

Component Unit Long-Term Obligations

Airport Authority

The Airport Authority does not have any general obligation bonds outstanding at June 30, 2024.

Health System

In October 2016, the System issued \$60,000,000 of tax-exempt bank direct purchase bonds named Series 2016 Health Care System Revenue Bonds (“Series 20165 Bonds”) purchased by Truist Bank with the System’s accounts receivable as collateral.

In August 2022, the System refinanced the Series 2016 Bonds and issued \$52,395,000 of tax-exempt bank direct purchase bonds named Series 2022 Health Care System Revenue Refunding Bonds which were purchased by Truist Bank. All of the System’s accounts receivable was named as collateral. The System entered into an interest rate swap agreement effective August 1, 2022. Under the swap agreement the System pays interest at 2.79% and received interest at 79% of the one-month SOFR plus 0.6478%. The notional amount under the swap at June 30, 2024 was \$49,125,000. During the year ended June 30, 2024, management has assessed the swap as an ineffective interest rate hedge. The fair value of the swap at June 30, 2024 was an asset of approximately \$5,004,000 with the change in fair value reported in non-operating revenues (expenses) on the statements of revenues, expenses, and changes in net position. The System was in compliance with all other covenants at June 30, 2024.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds Payable					
Revenue Bonds	\$ 50,775,000	\$ -	\$ 1,650,000	\$ 49,125,000	\$ 1,685,000

ABC Board

The ABC Board leased one retail location that qualified as other than short-term leases under GASB 87. The lease agreement was executed on June 1, 2021 and requires 120 monthly payments of \$3,700 to \$4,070. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 4.20%, which is the Board's incremental borrowing rate. As a result of the lease, the Board has recorded a right to use asset with a net book value of \$262,714 at June 30, 2024.

The future minimum lease obligation and the net present value of these minimum lease payments as of June 30, 2024 were as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 33,010	\$ 11,390	\$ 44,400
2026	34,804	9,966	44,770
2027	40,462	8,378	48,840
2028	42,207	6,633	48,840
2029	44,028	4,812	48,840
2030-2034	89,765	3,845	93,610
Total	\$ 284,276	\$ 45,024	\$ 329,300

Note 9. Interfund Assets/Liabilities and Transfers

Transfers to/from other funds at June 30, 2024, consist of the following:

From General Fund to the Self Insurance Fund to supplement resources.	\$ 50,000
From General Fund to the Human Services Expansion Project to provide resources for project expenses.	8,681,861
From the Convention Center Restoration Project to the General Fund to return funds not used for project expenses.	585,799
From Capital Reserve Fund to the General Fund to provide resources for budgeted capital expenditures.	584,705
From Capital Reserve Fund to the Sudan Redevelopment Project Fund to provide resources for budgeted capital expenditures.	373,750
From Capital Reserve Fund to the Courthouse Project Fund to provide resources for budgeted capital expenditures.	824,312
From General Fund to the Capital Reserve Fund to provide resources for future capital expenses.	42,124
From General Fund to the School Capital Reserve Fund to reserve for future school capital expenses.	790,000
From ARPA Fund to SCADA / Telemetry Water Project Fund to provide funding for project expenses.	2,186,161
From General Fund to the School Debt Service Fund to transfer local option sales tax restricted for School Debt Service.	6,490,031
From General Fund to the CDBG Project Fund to provide resources to close out the fund.	1,152
From General Fund to Township 1 for approved reimbursable expenses along with County Grant Match.	13,937
From General Fund to Township 3 for approved reimbursable expenses along with County Grant Match.	84,175
From General Fund to Little Swift Creek VFD for approved reimbursable expenses along with County Grant Match.	30,000
From General Fund to Township 9 for approved reimbursable expenses along with County Grant Match.	26,479
From the Occupancy Tax Fund to the General Fund to service convention center debt payment.	887,810
From the General Fund to the Water Fund to transfer monthly allocation of Howell Rd Building rent.	18,000
From the Water Fund to Northwest Craven Debt Service Fund to cover debt service payment.	84,376
From the Water Fund to the General Fund for IT, Admin, Finance, Maintenance, and Rent allocations.	<u>199,000</u>
Total	<u><u>\$ 21,953,672</u></u>

Balances due to / from other funds at June 30, 2024, consist of the following:

Due to the General Fund for temporary cash overdrafts (all of these funds are part of the central depository account of the County):

Capital Reserve Fund	\$ 584,705
NC Housing Finance Grant Fund	23,492
CDBG-NR NC Dept of Commerce Grants Fund	<u>147,143</u>
Total Due to the General Fund	<u><u>\$ 755,340</u></u>

Note 10: Net Investment in Capital Assets

Debt Related to Capital Activities - Of the Governmental Activities debt listed, only \$12,261,120 relates to assets the County holds title.

The total net investment in capital assets at June 30, 2024 is composed of the following elements:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
Capital assets (net of depreciation)	\$ 88,869,131	\$ 44,818,375
Add:		
Deferred charges (capital related)	454,319	-
Total capital assets and related deferred charges	<u>89,323,450</u>	<u>44,818,375</u>
Total debt, gross	16,099,620	10,596,462
Less:		
Other non-capital related debt	3,838,500	-
Capital related unspent debt issuances	-	-
Total capital debt	<u>12,261,120</u>	<u>10,596,462</u>
Net investment in capital assets	<u>\$ 77,062,330</u>	<u>\$ 34,221,913</u>

Note 11: Deferred Compensation Plan

The County offers its employees two deferred compensation plans in accordance with Internal Revenue Code Section 457. One plan is administered by the National Association of Counties (NACO), with Nationwide acting as its agent in fulfilling certain of the administrative and marketing requirements. The plan, available to all permanent 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.

The second plan, administered by the American General Financial Group - VALIC, is available to all permanent County employees who wish 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.

In January 1997, the County amended the plans in accordance with the provisions of IRC Section 457(g). On that date, assets of the plans were placed in trust for the exclusive benefit of participants and their beneficiaries. The requirements of that IRC Section prescribes that the County no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, were removed from the County's financial statements in a prior year.

Note 12. Deferred Outflows/Inflows of Resources

Deferred outflows/inflows of resources that are reported in the government-wide financial statements at June 30, 2024 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Charges of refunding of debt	\$ 826,034	\$ -
Pensions - difference between expected and actual experience		
Pensions	3,576,403	139,458
OPEB	1,060,112	3,647,886
Pension - Changes of assumptions		
Pensions	1,532,453	335,744
OPEB	2,527,397	2,650,753
Pensions - difference between projected and actual investment earnings (Pensions)	7,866,146	-
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions	967,383	25,206
Contributions to plans in current fiscal year		
Pensions	4,874,706	-
OPEB	673,234	-
Prepaid taxes not yet earned (General Fund)	-	121,364
Prepaid fees (General Fund)	-	80,477
Leases (General Fund)	-	41,036
Total reported in the government wide statements	<u>23,903,868</u>	<u>7,041,924</u>

Deferred outflows/inflows of resources that are reported in the governmental fund financial statements at June 30, 2024 are as follows:

Property taxes receivable, net (General Fund)	-	1,004,813
Property taxes receivable, net (Special Revenue Fund)	-	45,268
Recycling fees receivable (General Fund)	-	242,836
Prepaid taxes not yet earned (General Fund)	-	121,364
Prepaid fees (General Fund)	-	80,477
Restricted Opioid settlement receivables, net (Special Revenue)	-	10,880,519
Leases (General)	-	41,036
Total reported in the fund statements	<u>\$ -</u>	<u>\$ 12,416,313</u>

Deferred inflows and outflows for OPEB and pensions will not tie in directly to footnote schedule for OPEB and pensions due to the fact that the portions related to the Airport Authority are not included in the schedule above.

Note 13. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County's Internal Service Fund was established to account for a limited risk, self-insurance program to provide health and dental benefits to County employees. Premiums are paid into the Internal Service Fund by all other funds (including amounts withheld from employees) and are available to pay claims and administrative costs of the program. The interfund premiums are based upon actuarial estimates of the amounts needed to pay prior and current year claims. An excess coverage insurance policy provides for individual claims in excess of \$155,000. A total of \$6,040,520 in claims was incurred for benefits during fiscal year 2024. Payments received from the insurer for claims over the limit of \$505,048 and \$519,579 during fiscal 2024 and fiscal 2023, have been netted against the claims shown below. Changes in the fund's claims liability amounts (net refunds due) for the past two fiscal years were as follows:

Note 13. Risk Management (continued)

	Net Liability at Fiscal Year Beginning	Current Claims and Changes in Estimates	Claim Payments	Net Liability at Fiscal Year End
2023-2024	\$ 1,512,123	\$ 6,040,520	\$ 6,263,520	\$ 1,289,123
2022-2023	\$ 826,122	\$ 7,605,732	\$ 6,919,731	\$ 1,512,123

During 2003, the County entered into a limited risk, self-funded workers' compensation claim program with administrative services provided by a third-party administrator. Premiums are paid into the Internal Service Fund by all other funds and are available to pay claims and administrative costs of the program. The interfund premiums are based upon estimates of amounts needed to pay prior and current year claims. An excess coverage insurance policy provides for individual claims in excess of \$500,000. A total of \$1,197,942 in claims or changes in estimates were incurred for benefits during fiscal year 2024. Changes in the fund's claims liability amounts for the past two fiscal years were as follows:

	Net Liability at Fiscal Year Beginning	Current Claims and Changes in Estimates	Claim Payments	Net Liability at Fiscal Year End
2023-2024	\$ 829,864	\$ 1,197,942	\$ 905,506	\$ 1,122,300
2022-2023	\$ 429,439	\$ 1,367,612	\$ 967,187	\$ 829,864

The County participates in one risk financing pool administered by the North Carolina Association of County Commissioners. Through this pool, the County obtains property coverage equal to replacement cost values of owned property subject to a blanket limit of \$156 million; general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, and crime coverage of \$250,000 per occurrence. The pool is audited annually by certified public accountants, and the audited financial statements are available to the County upon request.

The County carries flood insurance through the National Flood Insurance Plan (NFIP). Because the County is in an area of the State that has been mapped and portions of which are designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, the County is eligible to purchase coverage of \$500,000 per structure through the NFIP. The County has purchased the NFIP coverage for three buildings, the Convention Center, the Administration Building, and the Water Maintenance Facility. These three buildings are in an "A" flood zone, the 100 year flood area. The County is also eligible to and has purchased commercial flood insurance for another \$5,900,000 of coverage for the Convention Center.

All County employees are covered under a \$250,000 blanket insurance policy for theft and crime. The Director of Finance is covered by a \$1,000,000 individual bond. The Tax Collector, Register of Deeds and Sheriff are each individually bonded for \$100,000, \$50,000 and \$10,000, respectively. The County also has liquor legal liability coverage for the Convention Center.

Craven County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Board has property, general liability, auto liability, workers' compensation, and employee health coverage. The Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any part of the past three years. In accordance with G.S. 18B-700(i), each board member and the employees designated as the general manager and finance officer are bonded in the amount of \$50,000 secured by a corporate surety.

The Tourism Development Authority had a separate bond as required by G.S. 159-29 for the finance officer in the amount of \$78,000.

The Craven County Regional Airport Authority has property, general liability, and workers' compensation coverage. Employee health coverage is provided through the County's self-insurance program described above. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years. The Director of Finance had a separate bond as required per G.S. 159-29 for the Airport Authority in the amount of \$756,000.

Note 13. Risk Management (continued)

Effective January 1, 2001, the CarolinaEast Health System established a limited risk, self-insurance program to provide health benefits to the Health System's employees. The Health System changed plan administrator's on January 1, 2016. The System is billed on a weekly basis for claims by MedCost, the plan administrator. The Health System carries stoploss insurance through MedCost, which has stop loss for individual claims in excess of \$265,000. The claims liability reported at year-end is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the statement of net position date and the amount can be reasonably estimated.

Changes in the Health System's claims liability amount for retained risk for the fiscal years ending June 30, 2024 and 2023 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2023-2024	\$ 3,483,632	\$ 26,463,361	\$ 26,206,122	\$ 3,740,871
2022-2023	\$ 3,283,632	\$ 23,541,007	\$ 23,341,007	\$ 3,483,632

Total claims expense is partially offset by employee contributions.

The Health System formerly had professional liability and/or workers' compensation insurance coverage with three insurance companies that are now in liquidation:

- PHICO Insurance Company ("PHICO"): Went into liquidation on February 1, 2002. Provided professional liability and workers' compensation coverage for Health System.
- Reliance Insurance Company ("Reliance"): Went into liquidation on October 31, 2001. Provided workers' compensation coverage for Health System.
- The Virginia Insurance Reciprocal ("ROA"): Went into liquidation on June 20, 2003. Provided workers' compensation coverage for Health System.

Following the start of liquidation of each of these companies, responsibility for further defense and/or payments relating to cases and claims formerly insured by the companies was assumed by the North Carolina Insurance Guaranty Association ("Guaranty Fund" or "Fund"). The Fund handled the cases and claims and paid all costs and expenses relating thereto with limited input from the Health System.

The Fund notified the Health System that it was requesting reimbursement for both indemnity payments and defense expenses relating to cases and claims pertaining to all three former insurers pursuant to N.C.G.S. §58-48-50 (a1)(1). Such reimbursement claim was based on the Health System's having a net worth that exceeded \$50,000,000 on December 31 of the year in which each of the former insurers became insolvent.

The Health System notified the Guaranty Fund that it disputed the Guaranty Fund's legal position with regard to the Fund's right to reimbursement for all indemnity payments and defense expenses, including attorneys' fees, paid by the Fund in the subject cases and claims. Discussions continued between the Fund and Health System concerning this matter until the Fund initiated formal litigation by filing a declaratory judgment action on March 4, 2004.

Prior to the dispute between the Fund and the Health System, the Health System had established certain reserves to provide for payment of professional liability cases where the settlement or judgment would potentially exceed the statutory \$300,000 indemnity payment limit provided by the Fund. The amount of the reserve relating to each pending case was based upon assessment of the Health System's potential financial exposure for settlements or judgments that exceeded the indemnity provided by the Fund. The Health System reassessed the nature and extent of its reserves once the Health System became aware of the Fund's claim for reimbursement and in anticipation of the Health System having to eventually reimburse the Fund for all indemnity payments and all or part of defense expenses relating to cases and claims.

Note 13. Risk Management (continued)

On September 29, 2004, the Fund and Health System agreed upon a resolution of the declaratory judgment action and entered into a formal Settlement Agreement and Release of All Claims.

The Virginia Insurance Reciprocal ("ROA") case was purchased by Providence Washington Insurance Company whereby all responsibility for paying, administering, processing and handling of all workers compensation claims within this book of business was assumed by the new carrier effective December 29, 2014. Subsequently, \$278,000 was removed from reserves as the Health System has no additional financial liability for the ROA case. The Health System continues to maintain reserves to cover reimbursement obligations relating to one other case and claims that remain pending. This includes a professional liability matter that may involve substantial exposure for both indemnity and defense expenses. The nature and extent of the reserve is periodically reviewed for adequacy and reasonableness by management.

Professional Liability: These premiums represent a transfer of risk and are not determined retrospectively. These policies are claims made basis policies, meaning claims are covered based on incidents arising on or after the policy retroactive date and which are reported during the term of the policy.

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

Asserted and Unasserted claims: The Health System is aware of various asserted and unasserted claims. Management has been unable to reasonably estimate the amount of the loss, if any, since the ultimate resolution of these matters will be dependent upon future events. Management of the Health System and its legal counsel feel that these claims can be successfully defended and intend to resist the allegations of these matters in every way and do not plan to seek out-of-court settlements. In the event that judgments adverse to the interests of the Health System should be rendered, management and its legal counsel feel any liability will be fully covered under the Health System's existing insurance policies.

Note 14. Joint Ventures

The County participates in a joint venture with the City of New Bern to operate the New Bern/Craven County Library. The County appoints five board members of the ten-member board. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2024. During the year ended June 30, 2024, the County appropriated a total of \$1,855,318 to the regional library system. In addition to the New Bern/Craven County Library, the County appoints board members to the three other Craven County municipal library boards. Complete financial statements for the New Bern/Craven County Library can be obtained from the Library's administrative offices at 400 Johnson Street, New Bern, NC 28560.

The County, in conjunction with Carteret County and Pamlico County, participates in the Coastal Regional Solid Waste Management Authority. Craven County appoints three members of the seven-member board. The Waste Management Authority is a joint venture established to provide solid waste management within these counties. The County has an ongoing financial responsibility for the Waste Management Authority because it and the other counties are legally obligated under the intergovernmental agreement that created the Waste Management Authority to honor any deficiencies in the event that proceeds from other sources are insufficient. The County did not contribute any funds to the Waste Management Authority during the fiscal year ended June 30, 2024. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2024. Complete financial statements for the Waste Management Authority can be obtained from the Waste Management Authority's administrative offices at 7400 Old Highway 70 West, Cove City, NC.

Note 14. Joint Ventures (continued)

The County, in conjunction with Jones, Pamlico, Bertie, Gates, Hertford, Northampton, Pitt, Beaufort, Camden, Chowan, Currituck, Dare, Hyde, Martin, Pasquotank, Perquimans, Tyrrell and Washington Counties, participates in a joint venture to operate East Carolina Behavioral Health ("ECBH") which, effective July 1, 2015, consolidated with a similar entity to become Trillium Health Resources ("THR"). Each of the nineteen counties appoints one commissioner as a member of the Board of Directors which consists of 24 members. The County Commissioner members jointly appoint five non-Commissioner Board members. The County has an ongoing financial responsibility for the joint venture because THR's continued existence depends on the participating governments' funding in conjunction with funding from the State of North Carolina. None of the participating governments have any equity interest in THR, so no equity interest has been reflected in the financial statements at June 30, 2024. The County appropriated \$394,827 to the THR during the fiscal year ended June 30, 2024, which included money received from the ABC Board designated for alcohol education. Complete financial statements for THR can be obtained from THR's administrative offices at 1708 East Arlington Boulevard, Greenville, NC 27858-5782.

The County, in conjunction with the State of North Carolina, participates in a joint venture to operate Craven Community College. The County appoints five members of the eleven-member board of trustees of the Community College. The college is included as a component unit of the State of North Carolina. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. Of the last general obligation bond issue for this purpose, \$0 is outstanding. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$4,543,629 and \$500,000 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2024. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the financial statements at June 30, 2024.

Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 800 College Court, New Bern, NC 28562.

Note 15. Jointly Governed Organizations

The County, in conjunction with nine other counties and 26 municipalities, established the Eastern Carolina Council ("Council") formerly known as Neuse River Council of Governments. The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board.

Effective June 30, 2022, the County, in conjunction with one other county, governs the operations of the Craven-Pamlico Regional Library. Each participating government appoints three board members to the nine member board. The County has no ongoing financial responsibility for the joint venture because the library's continued existence depends on the State of North Carolina's continued funding. None of the participating governments have any equity interest in the library, so no equity interest has been reflected in the financial statements at June 30, 2024.

Note 16. Related Organization

The County's governing board is also responsible for appointing the members of the board of the Industrial Facilities and Pollution Control 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. Craven County Industrial Facility and Pollution Control Financing Authority has 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 by letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither 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.

Note 17. Summary Disclosure of Significant Commitments and Contingencies

Federal and State-Assisted Programs

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

Note 18. Subsequent Events

The County has evaluated its subsequent events (events occurring after June 30, 2024) through November 21, 2024 which represents the date the financial statements were available to be issued.

Note 19. Adjustments to and Restatements of Beginning Balances

Change in Accounting Principle

In the prior fiscal year, the County received money from the Opioid Settlement. At that time the appropriate accounting and financial reporting guidance was thought to be that for government-mandated and voluntary nonexchange transactions. As such revenue recognition could only occur when all eligibility requirements were met. The incurrence of qualifying expenditures was among the eligibility requirements. The County did not incur any qualifying expenditures during FY23. Accordingly, no revenue was recognized. See Note I.D Opioid Settlement Funds for further discussion of this nationwide settlement.

During FY24 the conclusion for the appropriate accounting and financial reporting guidance evolved. Instead of a single approach being applicable to the activity, there was realization that the approach needed to be more nuanced. Based on the facts and circumstances of the different distribution methods of the funds, it was determined that the appropriate guidance is either that for exchange and exchange-like transactions or that for government-mandated or voluntary nonexchange transactions.

After reviewing the method through which the County received the resources it was determined that the activity should have followed the guidance for exchange and exchange-like transactions. As a result, it was necessary for the County to record prior period adjustments in FY24 for a change in accounting principle.

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

In the prior years, the County received a cash payment of \$1,116,187. This amount qualified for revenue recognition on both an accrual and modified accrual basis of accounting. It was also necessary to determine if any additional revenue should have been recognized on an accrual basis in FY23. Given that settlements had reached \$26 billion in FY23 it was necessary to determine the portion of that amount related to the County and recognize an additional prior period adjustment for that amount.

Following are the prior period adjustments for this change in accounting principle:

	<u>Governmental</u> <u>Activities</u>
<u>Accrual basis of accounting</u>	
Net position, beginning, as previously reported	\$ 135,554,382
Prior period adjustment - change in accounting principle - Revenue for cash received	1,116,187
Prior period adjustment - change in accounting principle - County's share of NC's Unpaid Aggregate Settlements thru FY 23, net of allowance for uncollectible accounts of \$1,445,286	<u>13,007,576</u>
Net Position, beginning, as restated	<u>\$ 149,678,145</u>

Note 19. Adjustments to and Restatements of Beginning Balances (continued)

<u>Modified accrual basis of accounting</u>	Opioid Settlement - Major Special Revenue Fund	Total Governmental Funds
Fund balances, beginning, as previously reported	\$ -	\$ 102,195,517
Prior period adjustment - change in accounting principle - Revenue	<u>1,116,187</u>	<u>1,116,187</u>
Fund Balance, beginning, as restated	<u>\$ 1,116,187</u>	<u>\$ 103,311,704</u>

REQUIRED SUPPLEMENTARY INFORMATION

- Schedule of County's Proportionate Share of Net Pension Liability (Asset) for Local Government Employee's Retirement System
- Schedule of County Contributions to Local Government Employees' Retirement System
- Schedule fo County Contribution Proportionate Share of Net Pension Liability (Asset) for Register of Deeds' Supplemental Pension Fund
- Schedule of County Contributions for Register of Deeds' Supplemental Pension Fund
- Schedule of Coastal Carolina Regional Airport Authority's Proportionate Share of Net Pension Liability (Asset) for Local Government Employees' Retirement System
- Schedule of Coastal Carolina Regional Airport Authority's Contribtuions to Local Government Employees' Retirement System
- Schedule of Craven County ABC Board's Proportionate Share of Net Pension Liability (Asset) for Local Government Employees' Retirement System
- Schedule of Craven County ABC Board's Contributions to Local Government Employees' Retirement System
- Schedule of Changes in Total Pension Liability - Law Enforcement Officers' Special Separation Allowance
- Schedule of Total Pension Liability as a percentage of Covered Payroll - Law Enforcement Officers' Special Separation Allowance
- Schedule of Changes in the Total OPEB Liability and Related Ratios

Craven County



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Schedule of County's Proportionate Share of Net Pension Liability (Asset)
 Local Government Employees' Retirement System
 Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's proportion of the net pension liability (asset) %	0.440%	0.400%	0.393%	0.402%	0.371%
County's proportionate share of the net pension liability (asset) \$	\$ 29,139,596	\$ 22,554,429	\$ 6,033,013	\$ 14,350,879	\$ 10,119,705
County's covered payroll	\$ 36,678,651	\$ 31,514,640	\$ 29,665,567	\$ 29,913,077	\$ 25,617,364
County's proportionate share of the net pension liability (asset) as a percentage of it's covered-employee payroll	79.45%	71.57%	20.34%	47.98%	39.50%
Plan fidiciary net position as a percentage of the total pension liability	82.49%	84.14%	95.51%	88.61%	90.86%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset) %	0.378%	0.383%	0.381%	0.390%	0.406%
County's proportionate share of the net pension liability (asset) \$	\$ 8,972,909	\$ 5,843,846	\$ 8,094,798	\$ 1,748,322	\$ (2,397,200)
County's covered payroll	\$ 26,440,751	\$ 25,550,943	\$ 24,774,857	\$ 24,162,555	\$ 24,220,773
County's proportionate share of the net pension liability (asset) as a percentage of	33.94%	22.87%	32.67%	7.24%	-9.90%
Plan fidiciary net position as a percentage of the total pension liability	92.00%	94.18%	91.47%	98.09%	102.64%

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

Schedule of County Contributions
Local Government Employees' Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 4,802,177	\$ 4,507,959	\$ 3,611,047	\$ 3,038,004	\$ 2,700,885
Contributions in relation to the contractually required contribution	<u>4,802,177</u>	<u>4,507,959</u>	<u>3,611,047</u>	<u>3,038,004</u>	<u>2,700,885</u>
Contribution deficiency (excess)	<u>\$ -</u>				
County's covered payroll	36,720,106	36,678,651	31,514,640	29,665,567	29,913,077
Contributions as a percentage of covered payroll	13.08%	12.29%	11.46%	10.24%	9.03%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,151,022	\$ 2,005,720	\$ 1,873,840	\$ 1,667,585	\$ 1,718,722
Contributions in relation to the contractually required contribution	<u>2,151,022</u>	<u>2,005,720</u>	<u>1,873,840</u>	<u>1,667,585</u>	<u>1,718,722</u>
Contribution deficiency (excess)	<u>\$ -</u>				
County's covered payroll	25,617,364	26,440,751	25,550,943	24,774,857	24,162,555
Contributions as a percentage of covered payroll	8.40%	7.59%	7.33%	6.73%	7.11%

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

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

Register of Deeds' Supplemental Pension Fund

Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's proportion of the net pension liability (asset)%	1.100%	1.073%	1.045%	1.052%	0.977%
County's proportionate share of the net pension liability (asset) \$	\$ (132,131)	\$ (142,004)	\$ (200,780)	\$ (241,008)	\$ (192,901)
Plan fiduciary net position as a percentage of the total pension liability (asset)	135.74%	139.04%	156.53%	173.62%	164.11%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset)%	0.872%	1.178%	1.217%	1.111%	1.108%
County's proportionate share of the net pension liability (asset) \$	\$ (144,347)	\$ (201,138)	\$ (227,499)	\$ (257,688)	\$ (251,203)
Plan fiduciary net position as a percentage of the total pension liability (asset)	153.31%	153.77%	160.17%	197.29%	193.88%

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

Schedule of County Contribution
Register of Deeds' Supplemental Pension Fund
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 9,139	\$ 9,813	\$ 12,295	\$ 12,542	\$ 10,069
Contributions in relation to the contractually required contribution	<u>9,139</u>	<u>9,813</u>	<u>12,295</u>	<u>12,542</u>	<u>10,069</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 9,287	\$ 10,238	\$ 10,238	\$ 9,941	\$ 8,897
Contributions in relation to the contractually required contribution	<u>9,287</u>	<u>10,238</u>	<u>10,238</u>	<u>9,941</u>	<u>8,897</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>				

Schedule of Coastal Carolina Regional Airport Authority's Proportionate Share of Net Pension Liability (Asset)

Local Governmental Employees' Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Authority's proportion of the net pension liability (asset) %	0.008%	0.006%	0.007%	0.006%	0.005%
Authority's proportionate share of the net pension liability (asset) \$	\$ 506,997	\$ 355,410	\$ 99,684	\$ 216,550	\$ 146,924
Authority's covered payroll	\$ 800,117	\$ 652,598	\$ 595,446	\$ 538,641	\$ 437,773
Authority's proportionate share of the net of its covered payroll	63.37%	54.46%	16.74%	40.20%	33.56%
Plan fiduciary net position as a percentage of the total pension liability	82.49%	84.14%	95.51%	88.61%	90.86%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability (asset) %	0.001%	0.005%	0.004%	0.003%	0.003%
Authority's proportionate share of the net pension liability (asset) \$	\$ 143,527	\$ 72,567	\$ 92,746	\$ 17,502	\$ (19,462)
Authority's covered payroll	\$ 462,079	\$ 366,986	\$ 354,738	\$ 345,577	\$ 314,856
Authority's proportionate share of the net of its covered payroll	31.06%	19.77%	26.14%	5.06%	-6.18%
Plan fiduciary net position as a percentage of the total pension liability	92.00%	94.18%	91.47%	98.09%	102.64%

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

Schedule of Coastal Carolina Regional Airport Authority's Contributions
Local Governmental Employees' Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 97,010	\$ 98,655	\$ 76,028	\$ 60,438	\$ 49,111
Contributions in relation to the contractually required contribution	<u>97,010</u>	<u>98,655</u>	<u>76,028</u>	<u>60,438</u>	<u>49,111</u>
Contribution deficiency (excess)	<u>\$ -</u>				
County's covered payroll	\$ 741,666	\$ 800,117	\$ 652,598	\$ 595,446	\$ 538,641
Contributions as a percentage of covered payroll	13.08%	12.33%	11.65%	10.15%	9.12%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 33,767	\$ 34,656	\$ 26,606	\$ 23,663	\$ 25,400
Contributions in relation to the contractually required contribution	<u>33,767</u>	<u>34,656</u>	<u>26,606</u>	<u>23,663</u>	<u>25,400</u>
Contribution deficiency (excess)	<u>\$ -</u>				
County's covered payroll	\$ 437,773	\$ 462,079	\$ 366,986	\$ 354,738	\$ 345,577
Contributions as a percentage of covered payroll	7.71%	7.50%	7.25%	6.67%	7.35%

Schedule of Craven County ABC Board's Proportionate Share of Net Pension Liability (Asset)
Local Governmental Employees' Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
ABC Board's proportion of the net pension liability (asset) %	0.01130%	0.00940%	0.00911%	0.00908%	0.00763%
ABC Board's proportionate share of the net pension liability (asset) \$	\$ 748,078	\$ 530,294	\$ 139,711	\$ 324,467	\$ 208,369
ABC Board's covered payroll	\$1,046,260	\$ 910,537	\$ 789,629	\$ 751,821	\$ 714,459
ABC Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	71.50%	58.24%	17.69%	43.16%	29.16%
Plan fiduciary net position as a percentage of the total pension liability**	82.49%	84.14%	95.51%	88.61%	90.86%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
ABC Board's proportion of the net pension liability (asset) %	0.00786%	0.00843%	0.00728%	0.00735%	0.00621%
ABC Board's proportionate share of the net pension liability (asset) \$	\$ 186,466	\$ 128,787	\$ 154,506	\$ 32,986	\$ (36,623)
ABC Board's covered payroll	\$ 676,367	\$ 685,968	\$ 580,917	\$ 570,899	\$ 474,494
ABC Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	27.57%	18.77%	26.60%	5.78%	-7.72%
Plan fiduciary net position as a percentage of the total pension liability**	92.00%	94.18%	91.47%	98.09%	102.64%

* 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.

Schedule of Craven County ABC Board's Contributions
Local Governmental Employees' Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 142,420	\$ 127,330	\$ 104,439	\$ 81,332	\$ 68,341
Contributions in relation to the contractually required contribution	<u>142,420</u>	<u>127,330</u>	<u>104,439</u>	<u>81,332</u>	<u>68,341</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 1,101,469	\$ 1,046,260	\$ 910,537	\$ 789,629	\$ 751,821
Contributions as a percentage of covered payroll	12.93%	12.17%	11.47%	10.30%	9.09%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 56,300	\$ 51,877	\$ 51,104	\$ 39,851	\$ 40,320
Contributions in relation to the contractually required contribution	<u>56,300</u>	<u>51,877</u>	<u>51,104</u>	<u>39,851</u>	<u>40,320</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 714,459	\$ 676,367	\$ 685,968	\$ 580,917	\$ 570,899
Contributions as a percentage of covered payroll	7.88%	7.67%	7.45%	6.86%	7.06%

Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Last Seven Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning Balance	\$2,115,459	\$2,282,144	\$ 2,311,100	\$1,800,412
Service Cost	128,291	177,309	167,905	96,688
Interest on the total pension liability	88,526	50,151	43,355	56,377
Difference between expected and actual experience in the measurement of the total pension liability	255,280	166,374	(42,045)	(138,029)
Changes of assumptions or other inputs	120,017	(440,063)	(68,757)	637,773
Benefit payments	<u>(122,998)</u>	<u>(120,456)</u>	<u>(129,414)</u>	<u>(142,121)</u>
Ending Balance of the total pension liability	<u><u>\$2,584,575</u></u>	<u><u>\$2,115,459</u></u>	<u><u>\$ 2,282,144</u></u>	<u><u>\$2,311,100</u></u>

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Beginning Balance	\$1,531,403	\$1,699,481	\$ 1,585,538
Service Cost	80,218	78,775	69,732
Interest on the total pension liability	53,039	52,055	58,828
Changes of benefit terms	-	-	-
Difference between expected and actual experience in the measurement of the total pension liability	237,415	(140,990)	(1,068)
Changes of assumptions or other inputs	46,918	(53,553)	109,457
Benefit payments	(148,581)	(104,365)	(123,006)
Other changes	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance of the total pension liability	<u><u>\$1,800,412</u></u>	<u><u>\$1,531,403</u></u>	<u><u>\$ 1,699,481</u></u>

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

The schedule is intended to show information for ten year, and additional years' information will be displayed as it becomes available.

Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
Last Seven Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 2,584,575	\$2,115,459	\$ 2,282,144	\$2,311,100
Covered payroll	5,580,656	4,746,709	4,520,298	4,158,309
Total pension liability as a percentage of covered payroll	46.31%	44.57%	50.49%	55.58%

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total pension liability	\$ 1,800,412	\$1,531,403	\$ 1,699,481
Covered payroll	3,798,109	3,344,394	3,206,963
Total pension liability as a percentage of covered payroll	47.40%	45.79%	52.99%

Notes to the schedules:

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

Craven County
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Seven Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability - beginning	\$ 21,151,065	\$ 23,143,266	\$ 19,278,312	\$ 16,596,576
Service Cost	971,030	1,234,154	1,018,725	751,540
Interest on the total pension liability	731,631	521,177	439,861	594,429
Difference between expected and actual experience	(3,981,626)	(338,660)	666,435	1,567
Changes of assumptions	(554,980)	(2,908,473)	2,531,946	2,069,353
Benefit payments	<u>(371,537)</u>	<u>(500,399)</u>	<u>(792,013)</u>	<u>(735,153)</u>
Net change in total OPEB liability	<u>(3,205,482)</u>	<u>(1,992,201)</u>	<u>3,864,954</u>	<u>2,681,736</u>
Total OPEB liability - ending	<u>\$ 17,945,583</u>	<u>\$ 21,151,065</u>	<u>\$ 23,143,266</u>	<u>\$ 19,278,312</u>
Covered-employee Payroll	\$ 35,527,082	\$ 29,549,487	\$ 29,549,487	\$ 26,685,118
Total OPEB Liability as a percentage of covered-employee payroll	50.51%	71.58%	78.32%	72.24%

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability - beginning	\$ 14,058,772	\$ 13,825,361	\$ 13,876,112
Service Cost	593,237	613,031	662,069
Interest on the total pension liability	531,977	477,912	411,261
Difference between expected and actual experience	1,868,749	369,590	14,747
Changes of assumptions	317,752	(418,307)	(709,756)
Benefit payments	<u>(773,911)</u>	<u>(808,815)</u>	<u>(429,072)</u>
Net change in total OPEB liability	<u>2,537,804</u>	<u>233,411</u>	<u>(50,751)</u>
Total OPEB liability - ending	<u>\$ 16,596,576</u>	<u>\$ 14,058,772</u>	<u>\$ 13,825,361</u>
Covered-employee Payroll	\$ 26,685,118	\$ 27,587,907	\$ 27,587,907
Total OPEB Liability as a percentage of covered-employee payroll	62.19%	50.96%	50.11%

Notes to Schedule

Craven County has elected not to fund the OPEB plan through a qualified trust.

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

<u>Fiscal year</u>	
2018	3.56%
2019	3.89%
2020	3.50%
2021	2.21%
2022	2.16%
2023	3.54%
2024	3.86%

The schedule is intended to show information for ten years, and additional years' information will be displayed as it becomes available.

Craven County



GENERAL FUND

Craven County



CRAVEN COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE, BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 61,177,943	\$ 64,061,929	\$ 2,883,986
Sales	25,903,946	26,431,221	527,275
Intergovernmental	34,973,560	28,053,944	(6,919,616)
Charges for services	21,003,340	20,381,629	(621,711)
Interest	1,901,000	4,031,342	2,130,342
Miscellaneous	1,363,000	1,375,166	12,166
Total revenues	<u>146,322,789</u>	<u>144,335,231</u>	<u>(1,987,558)</u>
EXPENDITURES			
General government:			
Commissioners	868,767	798,006	70,761
Administration	969,178	913,236	55,942
Human Resources	874,540	697,026	177,514
Information technology	3,468,622	3,074,030	394,592
Finance	1,446,768	1,348,452	98,316
Elections	654,603	596,003	58,600
Tax assessor	1,421,277	1,227,500	193,777
Tax collections	883,161	849,998	33,163
Register of Deeds	1,554,345	1,230,646	323,699
Public buildings	2,590,966	1,423,911	1,167,055
Housekeeping	479,615	467,333	12,282
Court facilities	753,701	699,876	53,825
County garage	1,613,639	1,572,718	40,921
Maintenance	2,018,101	1,909,189	108,912
Non-departmental	2,035,982	1,950,061	85,921
Total general government	<u>21,633,265</u>	<u>18,757,985</u>	<u>2,875,280</u>
Public Safety			
Animal control	1,517,554	956,208	561,346
Medical examiner	230,000	214,500	15,500
Sheriff	14,329,931	12,833,233	1,496,698
Jail	6,916,273	5,832,160	1,084,113
Fire marshal/Emergency management	1,736,349	1,583,234	153,115
Inspections	831,870	645,056	186,814
Volunteer rescue squads	4,798,500	4,664,144	134,356
Total public safety	<u>30,360,477</u>	<u>26,728,535</u>	<u>3,631,942</u>

CRAVEN COUNTY, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE, BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Environmental protection			
Solid Waste	6,432,707	6,344,396	88,311
Environmental health	1,429,244	1,383,204	46,040
Soil Conservation	863,435	792,438	70,997
Cooperative extension	387,687	345,426	42,261
Total environmental protection	<u>9,113,073</u>	<u>8,865,464</u>	<u>247,609</u>
Economic and physical development			
Planning	1,725,044	1,418,157	306,887
Economic Development Commission	3,032,833	658,370	2,374,463
Convention center	1,657,920	1,483,501	174,419
Special Appropriation	71,000	67,892	3,108
Total economic and physical development	<u>6,486,797</u>	<u>3,627,920</u>	<u>2,858,877</u>
Health			
Dental	593,232	558,857	34,375
Maternity	1,577,984	1,342,040	235,944
Child Health	2,008,737	1,856,575	152,162
Risk Reduction	243,737	167,292	76,445
WIC	602,954	577,561	25,393
Adult health services	2,539,666	1,788,188	751,478
Communicable disease	480,084	454,769	25,315
Bio-terrorism	39,524	37,236	2,288
Family planning	1,017,791	979,348	38,443
Home health	2,141,256	2,054,139	87,117
Mental health	394,827	391,460	3,367
Pharmacy	727,744	696,614	31,130
Opioid Epidemic Response	186,476	181,962	4,514
Other - unclassified	1,898,734	1,749,386	149,348
Total health	<u>14,452,746</u>	<u>12,835,427</u>	<u>1,617,319</u>
Social services			
Transportation	2,730,616	1,877,245	853,371
Administration	3,662,736	3,200,104	462,632
Employment assistance	6,396,002	5,342,863	1,053,139
Adult/child services	2,107,540	2,009,658	97,882
Veterans services	440,481	406,365	34,116
Senior services	992,969	639,057	353,912
Public assistance payments	1,664,561	433,919	1,230,642
TANF	9,394,809	8,351,503	1,043,306
Child support enforcement	854,491	847,592	6,899
Special appropriation	67,429	67,078	351
Total social services	<u>28,311,634</u>	<u>23,175,384</u>	<u>5,136,250</u>

CRAVEN COUNTY, NORTH CAROLINA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE, BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Culture and recreation			
Recreation	2,061,466	2,030,845	30,621
Libraries	1,855,318	1,855,318	-
Special appropriation	192,522	192,522	-
Total culture and recreation	<u>4,109,306</u>	<u>4,078,685</u>	<u>30,621</u>
Education - schools			
Public schools - current expenditures	22,072,991	22,066,600	6,391
Public schools - fines and forfeitures	790,000	621,064	168,936
Public schools - capital outlay	1,707,153	1,601,968	105,185
Community college	5,043,629	5,043,629	-
Total education	<u>29,613,773</u>	<u>29,333,261</u>	<u>280,512</u>
Debt Service:			
Principal	2,482,058	2,538,864	(56,806)
Interest	327,226	298,189	29,037
Total debt service	<u>2,809,284</u>	<u>2,837,053</u>	<u>(27,769)</u>
Total expenditures	<u>146,890,355</u>	<u>130,239,714</u>	<u>16,650,641</u>
Excess of revenues over expenditures	<u>(567,566)</u>	<u>14,095,517</u>	<u>14,663,083</u>
OTHER FINANCING SOURCES (USES)			
Lease proceeds	-	279,584	279,584
Transfer in	4,538,998	2,257,314	(2,281,684)
Transfer out	(16,239,378)	(16,227,759)	11,619
Total other financing sources (uses)	<u>(11,700,380)</u>	<u>(13,690,861)</u>	<u>(1,990,481)</u>
Excess of revenues over (under) expenditures and other financing sources (uses)	<u>(12,267,946)</u>	<u>404,656</u>	<u>12,672,602</u>
Appropriated fund balance	<u>12,267,946</u>	<u>-</u>	<u>(12,267,946)</u>
Net change in fund balance	<u>\$ -</u>	<u>404,656</u>	<u>\$ 404,656</u>
FUND BALANCE			
Fund balance, beginning		<u>65,129,097</u>	
Fund balance, ending		<u>\$ 65,533,753</u>	

Craven County



OTHER MAJOR GOVERNMENTAL FUNDS

Craven County



CRAVEN COUNTY, NORTH CAROLINA
OPIOID SETTLEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Project Authorization	Current Year	Variance Positive (Negative)
REVENUES			
Restricted Intergovernmental - Opioid Settlement Funds	\$ 622,048	\$ 2,363,396	\$ 1,741,348
Investment Earnings	-	27,288	27,288
Total revenues	<u>622,048</u>	<u>2,390,684</u>	<u>1,768,636</u>
EXPENDITURES			
Human Services			
Salaries and Benefits	100,847	45,682	55,165
Other Operating Expenses	516,201	155,448	360,753
Capital Outlay	5,000	3,049	1,951
Total expenditures	<u>622,048</u>	<u>204,179</u>	<u>417,869</u>
Revenues over (under) expenditures	<u>\$ -</u>	2,186,505	<u>\$ 2,186,505</u>
Fund balance, beginning		-	
Prior Period Restatement - Change in Accounting Principle (see Note 19)		<u>1,116,187</u>	
Fund balance, ending		<u>\$ 3,302,692</u>	

CRAVEN COUNTY, NORTH CAROLINA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental - lottery proceeds	\$ 1,000,000	\$ 887,000	\$ (113,000)
Interest	-	185,249	185,249
Total revenues	<u>1,000,000</u>	<u>1,072,249</u>	<u>72,249</u>
EXPENDITURES			
Principal	1,352,250	1,352,250	-
Interest and fiscal charges	94,953	93,892	(1,061)
Total expenditures	<u>1,447,203</u>	<u>1,446,142</u>	<u>(1,061)</u>
Revenues over (under) expenditures	<u>(447,203)</u>	<u>(373,893)</u>	<u>73,310</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From General fund	<u>447,203</u>	<u>6,490,031</u>	<u>6,042,828</u>
Total other financing sources (uses)	<u>447,203</u>	<u>6,490,031</u>	<u>6,042,828</u>
Revenues, other sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	6,116,138	<u>\$ 6,116,138</u>
Fund balance, beginning		<u>11,988,453</u>	
Fund balance, ending		<u>\$ 18,104,591</u>	

COMBINING SCHEDULES OF NONMAJOR FUNDS

Craven County



CRAVEN COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 5,678,283	\$ 18,715,869	\$ 24,394,152
Sales tax receivable	378,659	95,600	474,259
Accounts receivable	17,141	98,808	115,949
Restricted cash	109,502	160,112	269,614
Total assets	<u>\$ 6,183,585</u>	<u>\$ 23,883,210</u>	<u>\$ 30,066,795</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 218,951	\$ 1,368,568	\$ 1,587,519
Due to other funds	170,635	584,705	755,340
Total liabilities	<u>389,586</u>	<u>1,953,273</u>	<u>2,342,859</u>
Deferred inflows of resources:			
Taxes receivable	45,268	-	45,268
Total deferred inflows of resources	<u>45,268</u>	<u>-</u>	<u>45,268</u>
Fund balances:			
Restricted:			
Stabilization by state statute	11,424		11,424
Public Safety	2,534,065	-	2,534,065
General government	-	3,336,729	3,336,729
Social services	202,615	-	202,615
Economic and physical development	3,129,066	-	3,129,066
Education, schools	121,236	160,112	281,348
Committed:			
Capital projects	-	18,433,096	18,433,096
Unassigned	(249,675)	-	(249,675)
Total fund balances	<u>5,748,731</u>	<u>21,929,937</u>	<u>27,678,668</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,183,585</u>	<u>\$ 23,883,210</u>	<u>\$ 30,066,795</u>

CRAVEN COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 6,180,183	\$ -	\$ 6,180,183
Intergovernmental	3,546,808	3,733,998	7,280,806
Miscellaneous	18,024	-	18,024
Interest	97,861	369,033	466,894
Total revenues	\$ 9,842,876	\$ 4,103,031	\$ 13,945,907
EXPENDITURES			
Current:			
General government	\$ -	\$ 5,749,960	\$ 5,749,960
Public safety	3,987,352	-	3,987,352
Social services	684,144	3,581,236	4,265,380
Economic and physical development	1,216,023	324,695	1,540,718
Education	437,049	790,000	1,227,049
Total expenditures	6,324,568	10,445,891	16,770,459
Excess of revenues over (under) expenditures	3,518,308	(6,342,860)	(2,824,552)
OTHER FINANCING SOURCES (USES)			
Transfers in	(2,030,418)	10,712,047	8,681,629
Transfer out	(887,810)	(2,368,566)	(3,256,376)
Total other financing sources (uses)	(2,918,228)	8,343,481	5,425,253
Net change in fund balances	600,080	2,000,621	2,600,701
Fund balance, beginning	5,148,651	19,929,316	25,077,967
Fund balance, ending	\$ 5,748,731	\$ 21,929,937	\$ 27,678,668

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specified revenue sources (other than Special Assessments) or to finance specified activities as required by law or administrative regulation.

The following comprise the County's Special Revenue Funds:

Major Fund:

- **Opioid Settlement Fund** - Established to track funds received for Opioid Recovery efforts.

Non-major Funds:

- **Fire District Funds** - The Fire District Funds are used to account for the County's collection of tax revenues and related expenditures for each of the 11 fire districts.
- **Emergency Telephone System Fund** - The Emergency Telephone System E-911 Fund is used to account for the revenues and expenditures related to the emergency 911 system.
- **Occupancy Tax Fund** - The Occupancy Tax Fund is used to account for the receipt of occupancy tax legally restricted to be used for a convention center in New Bern, NC and a tourist center in Havelock, NC.
- **Stream Debris Removal Project Fund** - These funds are allocated for the cutting and removing woody and non-woody debris from the targeted stream channels, which impede or potentially impedes water flow during rain events. This program has helped alleviate the severity and duration of flooding caused by upstream discharge.
- **Community Development Block Grant Disaster Recovery (CDBG-DR)** - As a result of Hurricane Matthew, the State of North Carolina made funds available to help low to moderate-income households recover from the storm. These funds will help six to seven household rehabilitate and/or elevate their homes.
- **ARPA Funds** - The project fund accounts for revenues and expenditures relative to the American Rescue Plan Act of 2021.
- **Community Development Block Grant Neighborhood Revitalization** - As a result of Hurricane Matthew, the County received \$750,000 from the NC Department of Commerce to elevate and rehabilitate 6 structures in western Craven County.
- **Grant Project Fund** - As a result of Hurricane Florence, the County entered into an expedited buyout program for six residential structures. The County will also provide shoreline re-stabilization to forty-two individual sites, and fund an emergency capital need for the Board of Education.
- **Representative Payee Fund** - As a result of the implementation of GASB 84, the County established a representative payee fund to track DSS trust account balances.
- **NC Housing Finance Grant Fund**- The project fund funds received to rehab three homes.

CRAVEN COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	Fire District Funds	Emergency Telephone System	Occupancy Tax Fund	Stream Debris Removal Project	CDBG-DR Active Disaster Grants Fund
ASSETS					
Cash and cash equivalents	\$ 1,862,559	\$ 338,115	\$3,091,624	\$ 32,330	\$ -
Restricted cash	-	-	-	-	-
Taxes receivable	378,659	-	-	-	-
Accounts receivable	-	11,424	-	-	-
Total assets	<u>\$ 2,241,218</u>	<u>\$ 349,539</u>	<u>\$3,091,624</u>	<u>\$ 32,330</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 104,390	\$ -	\$ -
Due to other funds	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>104,390</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:					
Taxes receivable	45,268	-	-	-	-
Total deferred inflows of resources	<u>45,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted:					
Stabilization by state statute	-	11,424	-	-	-
Public Safety	2,195,950	338,115	-	-	-
Human services	-	-	-	-	-
Economic and physical development	-	-	2,987,234	32,330	-
Education	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>2,195,950</u>	<u>349,539</u>	<u>2,987,234</u>	<u>32,330</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,241,218</u>	<u>\$ 349,539</u>	<u>\$3,091,624</u>	<u>\$ 32,330</u>	<u>\$ -</u>

CRAVEN COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	American Rescue Plan Fund	CDBG-NR NC Dept of Commerce Grants Fund	Grant Project Fund	Representative Payee Fund	NC Housing Finance Grant Fund	Totals
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ 151,040	\$ 202,615	\$ -	\$ 5,678,283
Restricted cash	109,502	-	-	-	-	109,502
Taxes receivable	-	-	-	-	-	378,659
Accounts receivable	-	-	5,717	-	-	17,141
Total assets	<u>\$ 109,502</u>	<u>\$ -</u>	<u>\$ 156,757</u>	<u>\$ 202,615</u>	<u>\$ -</u>	<u>\$ 6,183,585</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 114,561	\$ -	\$ -	\$ 218,951
Due to other funds	-	147,143	-	-	23,492	170,635
Unearned revenues	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>147,143</u>	<u>114,561</u>	<u>-</u>	<u>23,492</u>	<u>389,586</u>
Deferred inflows of resources:						
Taxes receivable	-	-	-	-	-	45,268
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,268</u>
Fund balances:						
Restricted:						
Stabilization by state statute	-	-	-	-	-	11,424
Public Safety	-	-	-	-	-	2,534,065
Human services	-	-	-	202,615	-	202,615
Economic and physical development	109,502	-	-	-	-	3,129,066
Education	-	-	121,236	-	-	121,236
Unassigned	-	(147,143)	(79,040)	-	(23,492)	(249,675)
Total fund balances	<u>109,502</u>	<u>(147,143)</u>	<u>42,196</u>	<u>202,615</u>	<u>(23,492)</u>	<u>5,748,731</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 109,502</u>	<u>\$ -</u>	<u>\$ 156,757</u>	<u>\$ 202,615</u>	<u>\$ -</u>	<u>\$ 6,183,585</u>

CRAVEN COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024

	Fire District Funds	Emergency Telephone System	Occupancy Tax Fund	Stream Debris Removal Project	CDBG-DR Active Disaster Grants Fund
REVENUES					
Taxes	\$ 3,783,807	\$ -	\$2,396,376	\$ -	\$ -
Intergovernmental	-	117,831	-	-	-
Miscellaneous	-	8,886	9,138	-	-
Interest	-	4,114	54,122	-	-
Total revenues	<u>3,783,807</u>	<u>130,831</u>	<u>2,459,636</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current:					
Public safety	3,797,185	92,650	-	-	-
Social services	-	-	-	-	-
Economic and physical development	-	-	927,572	-	-
Education	-	-	-	-	-
Total expenditures	<u>3,797,185</u>	<u>92,650</u>	<u>927,572</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>(13,378)</u>	<u>38,181</u>	<u>1,532,064</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers in (out)					
To general fund	-	-	(887,810)	-	-
To water project fund	-	-	-	-	-
From general fund	154,591	-	-	-	1,152
Total other financing sources (uses)	<u>154,591</u>	<u>-</u>	<u>(887,810)</u>	<u>-</u>	<u>1,152</u>
Net change in fund balances	<u>141,213</u>	<u>38,181</u>	<u>644,254</u>	<u>-</u>	<u>1,152</u>
Fund balance, beginning	<u>2,054,737</u>	<u>311,358</u>	<u>2,342,980</u>	<u>32,330</u>	<u>(1,152)</u>
Fund balance, ending	<u>\$ 2,195,950</u>	<u>\$ 349,539</u>	<u>\$ 2,987,234</u>	<u>\$ 32,330</u>	<u>\$ -</u>

CRAVEN COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2024

	American Rescue Plan Fund	CDBG-NR NC Dept of Commerce Grants Fund	Grant Project Fund	Representative Payee Fund	NC Housing Finance Grant Fund	Totals
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,180,183
Intergovernmental	2,339,299	28,260	379,902	681,516	-	3,546,808
Miscellaneous	-	-	-	-	-	18,024
Interest	39,625	-	-	-	-	97,861
Total revenues	<u>2,378,924</u>	<u>28,260</u>	<u>379,902</u>	<u>681,516</u>	<u>-</u>	<u>9,842,876</u>
EXPENDITURES						
Current:						
Public safety	-	-	97,517	-	-	3,987,352
Social services	-	-	-	684,144	-	684,144
Economic and physical development	153,138	111,821	-	-	23,492	1,216,023
Education	-	-	437,049	-	-	437,049
Total expenditures	<u>153,138</u>	<u>111,821</u>	<u>534,566</u>	<u>684,144</u>	<u>23,492</u>	<u>6,324,568</u>
Revenues over (under) expenditures	<u>2,225,786</u>	<u>(83,561)</u>	<u>(154,664)</u>	<u>(2,628)</u>	<u>(23,492)</u>	<u>3,518,308</u>
OTHER FINANCING SOURCES (USES)						
Transfers in (out)						
To general fund	-	-	-	-	-	(887,810)
To water project fund	(2,186,161)	-	-	-	-	(2,186,161)
From general fund	-	-	-	-	-	155,743
Total other financing sources (uses)	<u>(2,186,161)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,918,228)</u>
Net change in fund balances	<u>39,625</u>	<u>(83,561)</u>	<u>(154,664)</u>	<u>(2,628)</u>	<u>(23,492)</u>	<u>600,080</u>
Fund balance, beginning	<u>69,877</u>	<u>(63,582)</u>	<u>196,860</u>	<u>205,243</u>	<u>-</u>	<u>5,148,651</u>
Fund balance, ending	<u>\$ 109,502</u>	<u>\$ (147,143)</u>	<u>\$ 42,196</u>	<u>\$ 202,615</u>	<u>\$ (23,492)</u>	<u>\$ 5,748,731</u>

CRAVEN COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET

ALL FIRE DISTRICTS FUNDS

June 30, 2024

	Rhems	No. 1 Township	Tri- Community	Little Swift Creek	No. 3 Township	No. 5 Township
ASSETS						
Cash and cash equivalents	\$ 261,961	\$ 240,785	\$ 279,659	\$ 125,403	\$ 57,881	\$ 129,147
Taxes receivable	28,618	33,625	53,043	25,094	38,238	44,766
Total assets	<u>\$ 290,579</u>	<u>\$ 274,410</u>	<u>\$ 332,702</u>	<u>\$ 150,497</u>	<u>\$ 96,119</u>	<u>\$ 173,913</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:						
Unavailable revenue - taxes	\$ 2,736	\$ 5,458	\$ 6,262	\$ 5,460	\$ 6,757	\$ 5,089
Total deferred inflows of resources	<u>2,736</u>	<u>5,458</u>	<u>6,262</u>	<u>5,460</u>	<u>6,757</u>	<u>5,089</u>
Fund balances:						
Restricted						
Public Safety	287,843	268,952	326,440	145,037	89,362	168,824
Total fund balances	<u>287,843</u>	<u>268,952</u>	<u>326,440</u>	<u>145,037</u>	<u>89,362</u>	<u>168,824</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 290,579</u>	<u>\$ 274,410</u>	<u>\$ 332,702</u>	<u>\$ 150,497</u>	<u>\$ 96,119</u>	<u>\$ 173,913</u>

CRAVEN COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET

ALL FIRE DISTRICTS FUNDS

June 30, 2024

	No. 6	No. 7	West	No. 9	Sandy Point	
	Township	Township	New Bern	Township	Service	Totals
					District	
ASSETS						
Cash and cash equivalents	\$ 264,745	\$ 144,459	\$ 179,273	\$ 163,959	\$ 15,287	\$ 1,862,559
Taxes receivable	30,083	57,478	42,177	24,675	862	378,659
Total assets	<u>\$ 294,828</u>	<u>\$ 201,937</u>	<u>\$ 221,450</u>	<u>\$ 188,634</u>	<u>\$ 16,149</u>	<u>\$ 2,241,218</u>
LIABILITIES, DEFERRED						
INFLOWS, AND FUND						
BALANCES						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:						
Unavailable revenue - taxes	\$ 1,760	\$ 5,547	\$ 2,210	\$ 3,790	\$ 199	\$ 45,268
Total deferred inflows of resources	<u>1,760</u>	<u>5,547</u>	<u>2,210</u>	<u>3,790</u>	<u>199</u>	<u>45,268</u>
Fund balances:						
Restricted						
Public Safety	293,068	196,390	219,240	184,844	15,950	2,195,950
Total fund balances	<u>293,068</u>	<u>196,390</u>	<u>219,240</u>	<u>184,844</u>	<u>15,950</u>	<u>2,195,950</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 294,828</u>	<u>\$ 201,937</u>	<u>\$ 221,450</u>	<u>\$ 188,634</u>	<u>\$ 16,149</u>	<u>\$ 2,241,218</u>

CRAVEN COUNTY, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL FIRE DISTRICT FUNDS
For the Year Ended June 30, 2024

	Rhems	No. 1 Township	Tri- Community	Little Swift Creek	No. 3 Township	No. 5 Township
REVENUES						
Taxes:						
Property	\$ 189,582	\$ 216,483	\$ 367,629	\$ 146,238	\$ 223,062	\$ 305,720
Sales and use tax	96,754	105,292	174,877	73,396	117,684	148,323
Total revenues	<u>\$ 286,336</u>	<u>\$ 321,775</u>	<u>\$ 542,506</u>	<u>\$ 219,634</u>	<u>\$ 340,746</u>	<u>\$ 454,043</u>
EXPENDITURES						
Remittances to fire districts	\$ 216,178	\$ 286,455	\$ 530,761	\$ 253,160	\$ 427,796	\$ 450,516
Grant match - safety	-	-	-	-	28,892	-
Miscellaneous	1,031	1,031	1,031	1,043	2,523	1,031
Total expenditures	<u>217,209</u>	<u>287,486</u>	<u>531,792</u>	<u>254,203</u>	<u>459,211</u>	<u>451,547</u>
Revenues over (under) expenditures	69,127	34,289	10,714	(34,569)	(118,465)	2,496
OTHER FINANCING SOURCES (USES)						
Transfers in (out):						
From General Fund	-	13,937	-	30,000	84,175	-
Between fire districts	(34,025)	(18,960)	7,380	18,960	3,000	2,414
Total other financing sources (uses)	<u>(34,025)</u>	<u>(5,023)</u>	<u>7,380</u>	<u>48,960</u>	<u>87,175</u>	<u>2,414</u>
Net change in fund balances	35,102	29,266	18,094	14,391	(31,290)	4,910
Fund balance, beginning	<u>252,741</u>	<u>239,686</u>	<u>308,346</u>	<u>130,646</u>	<u>120,652</u>	<u>163,914</u>
Fund balance, ending	<u>\$ 287,843</u>	<u>\$ 268,952</u>	<u>\$ 326,440</u>	<u>\$ 145,037</u>	<u>\$ 89,362</u>	<u>\$ 168,824</u>

CRAVEN COUNTY, NORTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL FIRE DISTRICT FUNDS
For the Year Ended June 30, 2024

	No. 6 Township	No. 7 Township	West New Bern	No. 9 Township	Sandy Point Service District	Totals
REVENUES						
Taxes:						
Property	\$ 219,432	\$ 407,305	\$ 312,639	\$ 144,434	\$ 4,985	\$ 2,537,509
Sales and use tax	105,879	194,132	149,409	78,072	2,480	1,246,298
Total revenues	<u>\$ 325,311</u>	<u>\$ 601,437</u>	<u>\$ 462,048</u>	<u>\$ 222,506</u>	<u>\$ 7,465</u>	<u>\$ 3,783,807</u>
EXPENDITURES						
Remittances to fire districts	\$ 292,681	\$ 577,333	\$ 482,126	\$ 239,274	\$ -	\$ 3,756,280
Grant match - safety	-	-	-	-	-	28,892
Miscellaneous	1,031	1,431	1,031	830	-	12,013
Total expenditures	<u>293,712</u>	<u>578,764</u>	<u>483,157</u>	<u>240,104</u>	<u>-</u>	<u>3,797,185</u>
Revenues over (under) expenditures	31,599	22,673	(21,109)	(17,598)	7,465	(13,378)
OTHER FINANCING SOURCES (USES)						
Transfers in (out):						
From General Fund	-	-	-	26,479	-	154,591
Between fire districts	(2,414)	-	34,025	(3,000)	(7,380)	-
Total other financing sources (uses)	<u>(2,414)</u>	<u>-</u>	<u>34,025</u>	<u>23,479</u>	<u>(7,380)</u>	<u>154,591</u>
Net change in fund balances	29,185	22,673	12,916	5,881	85	141,213
Fund balance, beginning	263,883	173,717	206,324	178,963	15,865	2,054,737
Fund balance, ending	<u>\$ 293,068</u>	<u>\$ 196,390</u>	<u>\$ 219,240</u>	<u>\$ 184,844</u>	<u>\$ 15,950</u>	<u>\$ 2,195,950</u>

CRAVEN COUNTY, NORTH CAROLINA
RHEMS FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 170,723	\$ 189,582	\$ 18,859
Sales and use tax	96,416	96,754	338
Total revenues	<u>267,139</u>	<u>286,336</u>	<u>19,197</u>
EXPENDITURES			
Remittances to fire districts	216,178	216,178	-
Capital outlay	22,747	-	22,747
Miscellaneous	1,099	1,031	68
Total expenditures	<u>240,024</u>	<u>217,209</u>	<u>22,815</u>
Revenues over (under) expenditures	<u>27,115</u>	<u>69,127</u>	<u>42,012</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
To West New Bern Fire District	<u>(34,025)</u>	<u>(34,025)</u>	<u>-</u>
Total other financing sources (uses)	<u>(34,025)</u>	<u>(34,025)</u>	<u>-</u>
Revenues over (under) expenditures and other financing sources (uses)	<u>(6,910)</u>	<u>35,102</u>	<u>42,012</u>
Appropriated fund balance	<u>6,910</u>	<u>-</u>	<u>(6,910)</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>35,102</u>	<u>\$ 35,102</u>
Fund balance, beginning		<u>252,741</u>	
Fund balance, ending		<u>\$ 287,843</u>	

CRAVEN COUNTY, NORTH CAROLINA
NO. 1 TOWNSHIP FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 203,878	\$ 216,483	\$ 12,605
Sales and use tax	104,925	105,292	367
Total revenues	308,803	321,775	12,972
EXPENDITURES			
Remittances to fire districts	287,068	286,455	613
Capital outlay	23,136	-	23,136
Miscellaneous	1,099	1,031	68
Total expenditures	311,303	287,486	23,817
Revenues over (under) expenditures	(2,500)	34,289	36,789
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From General Fund			-
To Little Swift Creek Fire District	(18,960)	(18,960)	-
Total other financing sources (uses)	(18,960)	(18,960)	-
Revenues over (under) expenditures and other financing sources (uses)	(21,460)	15,329	36,789
Appropriated fund balance	21,460	-	(21,460)
Revenues, other uses, and appropriated fund balance over (under) expenditures	\$ -	15,329	\$ 15,329
Fund balance, beginning		239,686	
Fund balance, ending		\$ 255,015	

CRAVEN COUNTY, NORTH CAROLINA
TRI-COMMUNITY FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ 343,302	\$ 367,629	\$ 24,327
Sales and use tax	174,268	174,877	609
Total revenues	<u>517,570</u>	<u>542,506</u>	<u>24,936</u>
EXPENDITURES			
Remittances to fire districts	530,761	530,761	-
Miscellaneous	1,099	1,031	68
Total expenditures	<u>531,860</u>	<u>531,792</u>	<u>68</u>
Revenues over (under) expenditures	<u>(14,290)</u>	<u>10,714</u>	<u>25,004</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From Sandy Point	7,380	7,380	-
Total other financing sources (uses)	<u>7,380</u>	<u>7,380</u>	<u>-</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	18,094	<u>\$ 18,094</u>
Fund balance, beginning		<u>308,346</u>	
Fund balance, ending		<u>\$ 326,440</u>	

CRAVEN COUNTY, NORTH CAROLINA
LITTLE SWIFT CREEK FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 138,558	\$ 146,238	\$ 7,680
Sales and use tax	73,140	73,396	256
Total revenues	<u>211,698</u>	<u>219,634</u>	<u>7,936</u>
EXPENDITURES			
Remittances to fire districts	253,160	253,160	-
Capital outlay	13,309	-	13,309
Miscellaneous	1,099	1,043	56
Total expenditures	<u>267,568</u>	<u>254,203</u>	<u>13,365</u>
Revenues over (under) expenditures	<u>(55,870)</u>	<u>(34,569)</u>	<u>21,301</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From General fund	30,000	30,000	-
From Township No. 9 Fire District Fund	18,960	18,960	-
Total other financing sources (uses)	<u>48,960</u>	<u>48,960</u>	<u>-</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	14,391	<u>\$ 14,391</u>
Fund balance, beginning		<u>130,646</u>	
Fund balance, ending		<u>\$ 145,037</u>	

CRAVEN COUNTY, NORTH CAROLINA
NO. 3 TOWNSHIP FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 234,806	\$ 223,062	\$ (11,744)
Sales and use tax	117,274	117,684	410
Total revenues	352,080	340,746	(11,334)
EXPENDITURES			
Remittances to fire districts	432,488	427,796	4,692
Grant match	29,396	28,892	504
Miscellaneous	3,566	2,523	1,043
Total expenditures	465,450	459,211	6,239
Revenues over (under) expenditures	(113,370)	(118,465)	(5,095)
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From General fund	89,371	84,175	(5,196)
From Township No. 9 Fire District Fund	3,000	3,000	-
Total other financing sources (uses)	92,371	87,175	(5,196)
Revenues, other uses, and appropriated fund balance over (under) expenditures	\$ -	(31,290)	\$ (31,290)
Fund balance, beginning		120,652	
Fund balance, ending		\$ 89,362	

CRAVEN COUNTY, NORTH CAROLINA
NO. 5 TOWNSHIP FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 294,485	\$ 305,720	\$ 11,235
Sales and use tax	147,806	148,323	517
Total revenues	<u>442,291</u>	<u>454,043</u>	<u>11,752</u>
EXPENDITURES			
Remittances to fire districts	450,516	450,516	-
Miscellaneous	1,099	1,031	68
Total expenditures	<u>451,615</u>	<u>451,547</u>	<u>68</u>
Revenues over (under) expenditures	<u>(9,324)</u>	<u>2,496</u>	<u>11,820</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From Township No. 6 Fire District Fund	<u>2,414</u>	<u>2,414</u>	<u>-</u>
Total other financing sources (uses)	<u>2,414</u>	<u>2,414</u>	<u>-</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	4,910	<u>\$ 4,910</u>
Fund balance, beginning		<u>163,914</u>	
Fund balance, ending		<u>\$ 168,824</u>	

CRAVEN COUNTY, NORTH CAROLINA
NO. 6 TOWNSHIP FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 206,847	\$ 219,432	\$ 12,585
Sales and use tax	105,510	105,879	369
Total revenues	<u>312,357</u>	<u>325,311</u>	<u>12,954</u>
EXPENDITURES			
Remittances to fire districts	292,681	292,681	-
Capital outlay	23,073	-	23,073
Miscellaneous	1,099	1,031	68
Total expenditures	<u>316,853</u>	<u>293,712</u>	<u>23,141</u>
Revenues over (under) expenditures	<u>(4,496)</u>	<u>31,599</u>	<u>36,095</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
To Township No. 5 Fire District Fund	<u>(2,414)</u>	<u>(2,414)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,414)</u>	<u>(2,414)</u>	<u>-</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	29,185	<u>\$ 29,185</u>
Fund balance, beginning		<u>263,883</u>	
Fund balance, ending		<u>\$ 293,068</u>	

CRAVEN COUNTY, NORTH CAROLINA
NO. 7 TOWNSHIP FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 378,066	\$ 407,305	\$ 29,239
Sales and use tax	193,456	194,132	676
Total revenues	<u>571,522</u>	<u>601,437</u>	<u>29,915</u>
EXPENDITURES			
Remittances to fire districts	577,333	577,333	-
Miscellaneous	1,431	1,431	-
Total expenditures	<u>578,764</u>	<u>578,764</u>	<u>-</u>
Revenues over (under) expenditures	<u>(7,242)</u>	<u>22,673</u>	<u>29,915</u>
Appropriated fund balance	<u>7,242</u>	<u>-</u>	<u>(7,242)</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>22,673</u>	<u>\$ 22,673</u>
Fund balance, beginning		<u>173,717</u>	
Fund balance, ending		<u>\$ 196,390</u>	

CRAVEN COUNTY, NORTH CAROLINA
WEST NEW BERN FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 293,402	\$ 312,639	\$ 19,237
Sales and use tax	148,888	149,409	521
Total revenues	<u>442,290</u>	<u>462,048</u>	<u>19,758</u>
EXPENDITURES			
Remittances to fire districts	482,126	482,126	-
Miscellaneous	1,162	1,031	131
Total expenditures	<u>483,288</u>	<u>483,157</u>	<u>131</u>
Revenues over (under) expenditures	<u>(40,998)</u>	<u>(21,109)</u>	<u>19,889</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From Rhems	34,025	34,025	-
Total other financing sources (uses)	<u>34,025</u>	<u>34,025</u>	<u>-</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	12,916	<u>\$ 12,916</u>
Fund balance, beginning		<u>206,324</u>	
Fund balance, ending		<u>\$ 219,240</u>	

CRAVEN COUNTY, NORTH CAROLINA
NO. 9 TOWNSHIP FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ 140,909	\$ 144,434	\$ 3,525
Sales and use tax	77,800	78,072	272
Total revenues	<u>218,709</u>	<u>222,506</u>	<u>3,797</u>
EXPENDITURES			
Remittances to fire districts	242,650	239,274	3,376
Capital outlay	8,725	-	8,725
Miscellaneous	1,099	830	269
Total expenditures	<u>252,474</u>	<u>240,104</u>	<u>12,370</u>
Revenues over (under) expenditures	<u>(33,765)</u>	<u>(17,598)</u>	<u>16,167</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
To Township No. 3 Township Fire District Fund	(3,000)	(3,000)	-
From General Fund	29,855	26,479	(3,376)
Total other financing sources (uses)	<u>26,855</u>	<u>23,479</u>	<u>(3,376)</u>
Revenues, other uses, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	5,881	<u>\$ 5,881</u>
Fund balance, beginning		<u>178,963</u>	
Fund balance, ending		<u>\$ 184,844</u>	

CRAVEN COUNTY, NORTH CAROLINA
SANDY POINT SERVICE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 4,639	\$ 4,985	\$ 346
Sales and use tax	2,471	2,480	9
Total revenues	7,110	7,465	355
EXPENDITURES			
Capital outlay	-	-	-
Total expenditures	-	-	-
Revenues over (under) expenditures	7,110	7,465	355
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
To Tri-Community Fire District Fund	(7,380)	(7,380)	-
Total other financing sources (uses)	(7,380)	(7,380)	-
Revenues over (under) expenditures and other financing sources (uses)	(270)	85	355
Appropriated fund balance	270	-	(270)
Revenues, other uses, and appropriated fund balance over (under) expenditures	\$ -	85	\$ 85
Fund balance, beginning		15,865	
Fund balance, ending		\$ 15,950	

CRAVEN COUNTY, NORTH CAROLINA
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 118,636	\$ 117,831	\$ (805)
Miscellaneous income	-	8,886	8,886
Interest	-	4,114	4,114
Total revenues	<u>118,636</u>	<u>130,831</u>	<u>12,195</u>
EXPENDITURES			
Public safety	180,293	87,810	(92,483)
Capital outlay	5,316	4,840	(476)
Total expenditures	<u>185,609</u>	<u>92,650</u>	<u>(92,959)</u>
Revenues over (under) expenditures	<u>(66,973)</u>	<u>38,181</u>	<u>105,154</u>
Appropriated fund balance	<u>66,973</u>	<u>-</u>	<u>(66,973)</u>
Revenues, other sources, and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>38,181</u>	<u>\$ 38,181</u>
Fund balance, beginning		<u>311,358</u>	
Fund balance, ending		<u>\$ 349,539</u>	

CRAVEN COUNTY, NORTH CAROLINA
OCCUPANCY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 1,863,310	\$ 2,396,376	\$ 533,066
Miscellaneous income	15,000	9,138	(5,862)
Interest	-	54,122	54,122
Total revenues	1,878,310	2,459,636	581,326
EXPENDITURES			
Economic and physical development:			
Remittance to City of Havelock	150,000	104,390	(45,610)
Remittance to Tourism Development Authority	840,000	822,960	(17,040)
Professional services	500	222	(278)
Total expenditures	990,500	927,572	(62,928)
Revenues over (under) expenditures	887,810	1,532,064	644,254
OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
To General fund	(887,810)	(887,810)	-
Total other financing sources (uses)	(887,810)	(887,810)	-
Revenues over (under) expenditures and other financing sources (uses)	\$ -	644,254	\$ 644,254
Fund balance, beginning		2,342,980	
Fund balance, ending		\$ 2,987,234	

CRAVEN COUNTY, NORTH CAROLINA
STREAM DEBRIS REMOVAL PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Intergovernmental	\$ 709,229	\$ 709,229	\$ -	\$ 709,229	\$ -
Golden Leaf Foundation Grant	618,670	520,745	-	520,745	(97,925)
Total revenues	<u>1,327,899</u>	<u>1,229,974</u>	<u>-</u>	<u>1,229,974</u>	<u>(97,925)</u>
EXPENDITURES					
Economic and physical development:					
Expenditures	1,378,129	1,247,874	-	1,247,874	130,255
Total expenditures	<u>1,378,129</u>	<u>1,247,874</u>	<u>-</u>	<u>1,247,874</u>	<u>130,255</u>
Revenues over (under) expenditures	<u>(50,230)</u>	<u>(17,900)</u>	<u>-</u>	<u>(17,900)</u>	<u>32,330</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
From Reserve fund	50,230	50,230	-	50,230	-
Total other financing sources (uses)	<u>50,230</u>	<u>50,230</u>	<u>-</u>	<u>50,230</u>	<u>-</u>
Revenues and other sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 32,330</u>	<u>-</u>	<u>\$ 32,330</u>	<u>\$ 32,330</u>
Fund balance, beginning			<u>32,330</u>		
Fund balance, ending			<u>\$ 32,330</u>		

CRAVEN COUNTY, NORTH CAROLINA
COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Intergovernment	\$ 1,000,000	\$ -	\$ -	\$ -	\$ (1,000,000)
Total revenues	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>
EXPENDITURES					
Economic and physical development:					
Expenditures	1,000,000	1,152	-	1,152	998,848
Total expenditures	<u>1,000,000</u>	<u>1,152</u>	<u>-</u>	<u>1,152</u>	<u>998,848</u>
Revenues over (under) expenditures	<u>-</u>	<u>(1,152)</u>	<u>-</u>	<u>(1,152)</u>	<u>(1,152)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
From General Fund	-	-	1,152	1,152	1,152
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,152</u>	<u>1,152</u>	<u>1,152</u>
Revenues and other sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (1,152)</u>	1,152	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>(1,152)</u>		
Fund balance, ending			<u>\$ -</u>		

CRAVEN COUNTY, NORTH CAROLINA
CORONAVIRUS STATE LOCAL FISCAL RECOVERY FUNDS CFR 21.027 (ARPA FUNDS)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Intergovernment	\$ 19,839,303	\$17,500,004	\$2,339,299	\$ 19,839,303	\$ -
Interest	-	69,877	39,625	109,502	109,502
Total revenues	<u>19,839,303</u>	<u>17,569,881</u>	<u>2,378,924</u>	<u>19,948,805</u>	<u>109,502</u>
EXPENDITURES					
Economic and physical development:					
Expenditures	19,839,303	-	153,138	153,138	19,686,165
Total expenditures	<u>19,839,303</u>	<u>-</u>	<u>153,138</u>	<u>153,138</u>	<u>19,686,165</u>
Other financing sources (uses)					
Transfer to General Fund	-	(12,178,303)	-	(12,178,303)	(12,178,303)
Transfer to Water Project Fund	-	(5,321,701)	(2,186,161)	(7,507,862)	(7,507,862)
Total other financing sources (uses)	<u>-</u>	<u>(17,500,004)</u>	<u>(2,186,161)</u>	<u>(19,686,165)</u>	<u>(19,686,165)</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 69,877</u>	39,625	<u>\$ 109,502</u>	<u>\$ 109,502</u>
Fund balance, beginning			<u>69,877</u>		
Fund balance, ending			<u>\$ 109,502</u>		

CRAVEN COUNTY, NORTH CAROLINA
COMMUNITY DEVELOPMENT BLOCK GRANT NEIGHBORHOOD REVITALIZATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Intergovernment	\$ 750,000	\$ 311,847	\$ 28,260	\$ 340,107	\$ (409,893)
Total revenues	<u>750,000</u>	<u>311,847</u>	<u>28,260</u>	<u>340,107</u>	<u>(409,893)</u>
EXPENDITURES					
Economic and physical development:					
Expenditures	750,000	375,429	111,821	487,250	262,750
Total expenditures	<u>750,000</u>	<u>375,429</u>	<u>111,821</u>	<u>487,250</u>	<u>262,750</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (63,582)</u>	(83,561)	<u>\$ (147,143)</u>	<u>\$ (147,143)</u>
Fund balance, beginning			<u>(63,582)</u>		
Fund balance, ending			<u>\$ (147,143)</u>		

CRAVEN COUNTY, NORTH CAROLINA
GRANT PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Intergovernment					
HMGP 4393-0008-R					
FEMA	\$ 629,670	\$ 446,613	\$ -	\$ 446,613	\$ (183,057)
NC Dept of Public Safety	209,889	-	-	-	(209,889)
EWP Event 5038 - Hurricane Florence					
US Department of Agriculture	2,956,088	2,851,320	-	2,851,320	(104,768)
NC Dept of Agriculture	1,805,714	1,516,452	-	1,516,452	(289,262)
CCBOE Emergency Generator Project					
CC Board of Education	1,862,671	1,568,957	(146,857)	1,422,100	(440,571)
Goldenleaf Foundation	1,393,800	588,281	526,759	1,115,040	(278,760)
Miscellaneous revenue	-	2,684	-	2,684	2,684
Total revenues	<u>8,857,832</u>	<u>6,974,307</u>	<u>379,902</u>	<u>7,354,209</u>	<u>(1,503,623)</u>
EXPENDITURES					
Economic and physical development:					
HMGP 4393-008-R					
Land Acquisition	688,002	397,265	-	397,265	290,737
Demolition	117,156	43,209	-	43,209	73,947
Admin	516,260	25,655	-	25,655	490,605
Public Safety					
EWP Event 5038 - Hurricane Florence					
Contract Services	758,193	668,851	89,342	758,193	-
Admin	-	292,530	8,175	300,705	(300,705)
Grant - Construction	3,521,750	3,371,082	-	3,371,082	150,668
Construction - Other	20,584	20,584	-	20,584	-
Education:					
CCBOE Emergency Generator Project					
Architect / Engineer	209,070	149,051	12,762	161,813	47,257
Construction	3,047,401	1,867,733	430,004	2,297,737	749,664
Sales tax refund	-	(37,929)	(5,717)	(43,646)	43,646
Total expenditures	<u>8,878,416</u>	<u>6,798,031</u>	<u>534,566</u>	<u>7,332,597</u>	<u>1,545,819</u>
Revenues over (under) expenditures	<u>(20,584)</u>	<u>176,276</u>	<u>(154,664)</u>	<u>21,612</u>	<u>42,196</u>
Other financing sources:					
EWP Event 5038 - Hurricane Florence					
Transfer from General Fund	20,584	20,584	-	20,584	-
Total other financing sources	<u>20,584</u>	<u>20,584</u>	<u>-</u>	<u>20,584</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 196,860</u>	<u>(154,664)</u>	<u>\$ 42,196</u>	<u>\$ 42,196</u>
Fund balance, beginning			196,860		
Fund balance, ending			<u>\$ 42,196</u>		

CRAVEN COUNTY, NORTH CAROLINA
REPRESENTATIVE PAYEE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Restricted Intergovernmental	\$ 765,000	\$ 681,516	\$ (83,484)
Total revenues	765,000	681,516	(83,484)
EXPENDITURES			
Human Services			
Payments made for the benefit of beneficiaries	765,000	684,144	80,856
Total expenditures	765,000	684,144	80,856
Net change in fund balance	\$ -	(2,628)	\$ (2,628)
Fund balance, beginning		205,243	
Fund balance, ending		\$ 202,615	

CRAVEN COUNTY, NORTH CAROLINA
NC HOUSING FINANCE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Intergovernment	162,000	\$ -	\$ -	\$ -	\$ (162,000)
Total revenues	<u>162,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(162,000)</u>
EXPENDITURES					
Economic and physical development:					
Administration	42,000	-	23,492	23,492	18,508
Construction	120,000	-	-	-	120,000
Total expenditures	<u>162,000</u>	<u>-</u>	<u>23,492</u>	<u>23,492</u>	<u>138,508</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	(23,492)	<u>\$ (23,492)</u>	<u>\$ (23,492)</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ (23,492)</u>		

Craven County



CAPITAL PROJECT FUNDS

Capital Project Funds account for all resources used for the acquisition and/or construction of major capital facilities other than those furnished by Enterprise Funds.

The following comprise the County's Capital Project Funds:

Non-major Funds:

- **County Reserve Fund** - The County Reserve Capital Project Fund is a capital reserve fund for future acquisitions or construction of buildings and equipment.
- **School Capital Fund** - Fund category 1 capital projects over \$100,000 for Craven County Board of Education.
- **Convention Center Restoration Project Fund** - Restoration and improvements of the existing convention center.
- **ERP Software Replace Phase One** - Conversion from current financial reporting packing software to Munis (Tyler) package.
- **Courthouse/ EOC Recovery Project Fund**. This capital projects fund is used to fund upgrades and repairs at the Courthouse and County Emergency Operations Center.
- **CARTS Building Project Fund** - Improvements at the CARTS Building.
- **Human Services Expansion Project Fund** - Improvements at the Human Services Building.
- **Sudan Property Redevelopment Project Fund** - Improvements at the Sudan building.

All Capital Project Funds are accounted for on the modified accrual basis of accounting.

CRAVEN COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2024

	Capital Reserve Fund	School Capital Fund	Convention Center Restoration Fund	ERP Software Replace Phase One	Courthouse/ EOC Recovery Project
ASSETS					
Cash and cash equivalents	\$ 8,325,250	\$ -	\$ -	\$ 48,496	\$ 4,066,077
Investments	4,812,821	-	-	-	-
Restricted cash	-	160,112	-	-	-
Accounts receivable	98,808	-	-	-	-
Sales tax receivable	-	-	-	19,436	39,453
Total assets	<u>13,236,879</u>	<u>160,112</u>	<u>-</u>	<u>67,932</u>	<u>4,105,530</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	-	-	-	3,334	833,399
Due to other funds	584,705	-	-	-	-
Total liabilities	<u>584,705</u>	<u>-</u>	<u>-</u>	<u>3,334</u>	<u>833,399</u>
Fund balances:					
Restricted					
Education, schools	-	160,112	-	-	-
General government	-	-	-	64,598	3,272,131
Committed					
Capital Projects	12,652,174	-	-	-	-
Unassigned					
	-	-	-	-	-
Total fund balances	<u>12,652,174</u>	<u>160,112</u>	<u>-</u>	<u>64,598</u>	<u>3,272,131</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 13,236,879</u>	<u>\$ 160,112</u>	<u>\$ -</u>	<u>\$ 67,932</u>	<u>\$ 4,105,530</u>

CRAVEN COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2024

	CARTS Building Project	Human Services Expansion	Sudan Property Redevelopment Project	Total
ASSETS				
Cash and cash equivalents	\$ 85,700	\$ 6,141,609	\$ 48,737	\$18,715,869
Investments	-	-	-	4,812,821
Restricted cash	-	-	-	160,112
Accounts receivable	-	-	-	98,808
Sales tax receivable	5,882	30,829	-	95,600
Total assets	<u>91,582</u>	<u>6,172,438</u>	<u>48,737</u>	<u>23,883,210</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	-	531,835	-	1,368,568
Due to other funds	-	-	-	584,705
Total liabilities	<u>-</u>	<u>531,835</u>	<u>-</u>	<u>1,953,273</u>
Fund balances:				
Restricted				
Education, schools	-	-	-	160,112
General government	-	-	-	3,336,729
Committed				
Capital Projects	91,582	5,640,603	48,737	18,433,096
Unassigned	-	-	-	-
Total fund balances	<u>91,582</u>	<u>5,640,603</u>	<u>48,737</u>	<u>21,929,937</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 91,582</u>	<u>\$ 6,172,438</u>	<u>\$ 48,737</u>	<u>\$23,883,210</u>

CRAVEN COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
For the Year Ended June 30, 2024

	Capital Reserve Fund	School Capital Fund	Convention Center Restoration Fund	ERP Software Replace Phase One	Courthouse/ EOC Recovery Project
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 3,733,998
Interest	276,422	2,555	-	2,943	87,113
Total revenues	<u>276,422</u>	<u>2,555</u>	<u>-</u>	<u>2,943</u>	<u>3,821,111</u>
EXPENDITURES					
General government	-	-	-	392,875	5,032,072
Economic and physical development	-	-	324,695	-	-
Social services	-	-	-	-	-
Education	-	790,000	-	-	-
Total expenditures	<u>-</u>	<u>790,000</u>	<u>324,695</u>	<u>392,875</u>	<u>5,032,072</u>
Revenues over (under) expenditures	<u>276,422</u>	<u>(787,445)</u>	<u>(324,695)</u>	<u>(389,932)</u>	<u>(1,210,961)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	42,124	790,000	-	-	824,312
Transfer out	(1,782,767)	-	(585,799)	-	-
Total other financing sources (uses)	<u>(1,740,643)</u>	<u>790,000</u>	<u>(585,799)</u>	<u>-</u>	<u>824,312</u>
Net change in fund balances	<u>(1,464,221)</u>	<u>2,555</u>	<u>(910,494)</u>	<u>(389,932)</u>	<u>(386,649)</u>
Fund balance, beginning	<u>14,116,395</u>	<u>157,557</u>	<u>910,494</u>	<u>454,530</u>	<u>3,658,780</u>
Fund balance, ending	<u>\$ 12,652,174</u>	<u>\$ 160,112</u>	<u>\$ -</u>	<u>\$ 64,598</u>	<u>\$ 3,272,131</u>

CRAVEN COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
For the Year Ended June 30, 2024

	CARTS Building Project	Human Services Expansion	Sudan Property Redevelopment Project	Total
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 3,733,998
Interest	-	-	-	369,033
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,103,031</u>
EXPENDITURES				
General government	-	-	325,013	5,749,960
Economic and physical development	-	-	-	324,695
Social services	52,472	3,528,764	-	3,581,236
Education	-	-	-	790,000
Total expenditures	<u>52,472</u>	<u>3,528,764</u>	<u>325,013</u>	<u>10,445,891</u>
Revenues over (under) expenditures	<u>(52,472)</u>	<u>(3,528,764)</u>	<u>(325,013)</u>	<u>(6,342,860)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	8,681,861	373,750	10,712,047
Transfer out	-	-	-	(2,368,566)
Total other financing sources (uses)	<u>-</u>	<u>8,681,861</u>	<u>373,750</u>	<u>8,343,481</u>
Net change in fund balances	<u>(52,472)</u>	<u>5,153,097</u>	<u>48,737</u>	<u>2,000,621</u>
Fund balance, beginning	<u>144,054</u>	<u>487,506</u>	<u>-</u>	<u>19,929,316</u>
Fund balance, ending	<u>\$ 91,582</u>	<u>\$5,640,603</u>	<u>\$ 48,737</u>	<u>\$ 21,929,937</u>

CRAVEN COUNTY, NORTH CAROLINA
CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	\$ -	\$ 276,422	\$ 276,422
Total revenues	-	276,422	276,422
 OTHER FINANCING SOURCES			
Transfers in (out):			
From General fund	-	42,124	42,124
To General fund	(3,119,633)	(584,705)	2,534,928
To Capital Project Funds	(1,198,062)	(1,198,062)	-
Total other financing sources (uses)	(4,317,695)	(1,740,643)	2,577,052
Revenues and other sources over (under) expenditures and other financing uses	(4,317,695)	(1,464,221)	2,853,474
Appropriated fund balance	4,317,695	-	(4,317,695)
Revenues, other sources, and appropriated fund balance over (under) expenditures	\$ -	(1,464,221)	\$ (1,464,221)
Fund balance, beginning		14,116,395	
Fund balance, ending		\$ 12,652,174	

CRAVEN COUNTY, NORTH CAROLINA
SCHOOL CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	\$ -	\$ 2,555	\$ 2,555
Total revenues	-	2,555	2,555
 EXPENDITURES			
Capital outlay:			
Public schools	790,000	790,000	-
Total expenditures	790,000	790,000	-
Revenues over (under) expenditures	(790,000)	(787,445)	2,555
 OTHER FINANCING SOURCES (USES)			
Transfers in (out):			
From General fund	790,000	790,000	-
Total other financing sources	790,000	790,000	-
Revenues over (under) expenditures and other financing sources	\$ -	2,555	\$ 2,555
Fund balance, beginning		157,557	
Fund balance, ending		\$ 160,112	

CRAVEN COUNTY, NORTH CAROLINA
CONVENTION CENTER RESTORATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Interest on investments	\$ 55,909	\$ 55,908	\$ -	\$ 55,908	\$ (1)
Total revenues	<u>55,909</u>	<u>55,908</u>	<u>-</u>	<u>55,908</u>	<u>(1)</u>
EXPENDITURES					
Capital outlay:					
Project construction	12,487,897	12,163,201	324,695	12,487,896	1
Capital outlay	238,308	238,309	-	238,309	(1)
Contingency	-	-	-	-	-
Contractor sales tax refund	(107,034)	(107,034)	-	(107,034)	-
Bond issuance cost	38,983	38,982	-	38,982	1
Total expenditures	<u>12,658,154</u>	<u>12,333,458</u>	<u>324,695</u>	<u>12,658,153</u>	<u>1</u>
Revenues over (under) expenditures	<u>(12,602,245)</u>	<u>(12,277,550)</u>	<u>(324,695)</u>	<u>(12,602,245)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfer from other funds	3,188,044	3,188,044	-	3,188,044	-
Transfer to other funds	(585,799)	-	(585,799)	(585,799)	-
Issuance of debt	10,000,000	10,000,000	-	10,000,000	-
Total other financing sources (uses)	<u>12,602,245</u>	<u>13,188,044</u>	<u>(585,799)</u>	<u>12,602,245</u>	<u>-</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ 910,494</u>	<u>\$ (910,494)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>910,494</u>		
Fund balance, ending			<u>\$ -</u>		

CRAVEN COUNTY, NORTH CAROLINA
ERP SOFTWARE REPLACE PHASE ONE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Interest on investments	\$ -	\$ 3,211	\$ 2,943	\$ 6,154	\$ 6,154
Total revenues	<u>-</u>	<u>3,211</u>	<u>2,943</u>	<u>6,154</u>	<u>6,154</u>
EXPENDITURES					
Capital outlay:					
Project construction	1,699,959	1,494,468	377,795	1,872,263	(172,304)
Capital outlay	233,123	26,302	15,080	41,382	191,741
Contingency	39,007	-	-	-	39,007
Total expenditures	<u>1,972,089</u>	<u>1,520,770</u>	<u>392,875</u>	<u>1,913,645</u>	<u>58,444</u>
Revenues over (under) expenditures	<u>(1,972,089)</u>	<u>(1,517,559)</u>	<u>(389,932)</u>	<u>(1,907,491)</u>	<u>64,598</u>
OTHER FINANCING SOURCES					
Transfers in (out):					
From General fund	270,000	270,000	-	270,000	-
From Capital Reserve Fund	1,518,867	1,518,867	-	1,518,867	-
From Water Operating Fund	183,222	183,222	-	183,222	-
Total other financing sources	<u>1,972,089</u>	<u>1,972,089</u>	<u>-</u>	<u>1,972,089</u>	<u>-</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ 454,530</u>	<u>(389,932)</u>	<u>\$ 64,598</u>	<u>\$ 64,598</u>
Fund balance, beginning			<u>454,530</u>		
Fund balance, ending			<u>\$ 64,598</u>		

CRAVEN COUNTY, NORTH CAROLINA
COURTHOUSE / EOC RECOVERY PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Restricted intergovernmental	\$ 5,000,000	\$ 1,266,002	\$ 3,733,998	\$ 5,000,000	\$ -
Interest on investments	-	21,192	87,113	108,305	108,305
Total revenues	<u>5,000,000</u>	<u>1,287,194</u>	<u>3,821,111</u>	<u>5,108,305</u>	<u>108,305</u>
EXPENDITURES					
Capital outlay:					
Project construction	11,527,670	3,572,039	5,066,986	8,639,025	2,888,645
Contingency	228,021	1,865	-	1,865	226,156
Sales tax refund	-	(14,111)	(34,914)	(49,025)	49,025
Total expenditures	<u>11,755,691</u>	<u>3,559,793</u>	<u>5,032,072</u>	<u>8,591,865</u>	<u>3,163,826</u>
Revenues over (under) expenditures	<u>(6,755,691)</u>	<u>(2,272,599)</u>	<u>(1,210,961)</u>	<u>(3,483,560)</u>	<u>3,272,131</u>
OTHER FINANCING SOURCES (USES)					
Transfer from other funds	6,755,691	5,931,379	824,312	6,755,691	-
Total other financing sources (uses)	<u>6,755,691</u>	<u>5,931,379</u>	<u>824,312</u>	<u>6,755,691</u>	<u>-</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ 3,658,780</u>	<u>\$ (386,649)</u>	<u>\$ 3,272,131</u>	<u>\$ 3,272,131</u>
Fund balance, beginning			<u>3,658,780</u>		
Fund balance, ending			<u>\$ 3,272,131</u>		

CRAVEN COUNTY, NORTH CAROLINA
CARTS BUILDING PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Interest on investments	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Capital outlay:					
Architect / Engineer	165,551	149,917	-	149,917	15,634
Construction - General	1,459,633	1,413,728	42,905	1,456,633	3,000
Construction - Other	106,130	44,883	11,436	56,319	49,811
Construction - Contingency	-	-	-	-	-
Capital outlay	138,686	134,673	4,013	138,686	-
Sales tax refund	-	(17,255)	(5,882)	(23,137)	23,137
Total expenditures	<u>1,870,000</u>	<u>1,725,946</u>	<u>52,472</u>	<u>1,778,418</u>	<u>91,582</u>
Revenues over (under) expenditures	<u>(1,870,000)</u>	<u>(1,725,946)</u>	<u>(52,472)</u>	<u>(1,778,418)</u>	<u>91,582</u>
OTHER FINANCING SOURCES (USES)					
Transfer from other funds	1,870,000	1,870,000	-	1,870,000	-
Total other financing sources (uses)	<u>1,870,000</u>	<u>1,870,000</u>	<u>-</u>	<u>1,870,000</u>	<u>-</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ 144,054</u>	<u>\$ (52,472)</u>	<u>\$ 91,582</u>	<u>\$ 91,582</u>
Fund balance, beginning			<u>144,054</u>		
Fund balance, ending			<u>\$ 91,582</u>		

CRAVEN COUNTY, NORTH CAROLINA
HUMAN SERVICE EXPANSION PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Interest on investments	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Capital outlay:					
Architect / Engineer	1,583,685	580,633	146,771	727,404	856,281
Construction - General	8,166,315	-	3,412,791	3,412,791	4,753,524
Sales tax refund	-	-	(30,798)	(30,798)	30,798
Total expenditures	<u>9,750,000</u>	<u>580,633</u>	<u>3,528,764</u>	<u>4,109,397</u>	<u>5,640,603</u>
Revenues over (under) expenditures	<u>(9,750,000)</u>	<u>(580,633)</u>	<u>(3,528,764)</u>	<u>(4,109,397)</u>	<u>5,640,603</u>
OTHER FINANCING SOURCES (USES)					
Transfer from other funds	9,750,000	1,068,139	8,681,861	9,750,000	-
Total other financing sources (uses)	<u>9,750,000</u>	<u>1,068,139</u>	<u>8,681,861</u>	<u>9,750,000</u>	<u>-</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ 487,506</u>	<u>\$ 5,153,097</u>	<u>\$ 5,640,603</u>	<u>\$ 5,640,603</u>
Fund balance, beginning			<u>487,506</u>		
Fund balance, ending			<u>\$ 5,640,603</u>		

CRAVEN COUNTY, NORTH CAROLINA
SUDAN PROPERTY REDEVELOPMENT PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
From the Inception and for the Fiscal Year Ended June 30, 2024

	<u>Actual</u>			Variance Positive (Negative)	
	Project Authorization	Prior Years	Current Year		Total to Date
REVENUES					
Interest on investments	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Capital outlay:					
Architect / Engineer	248,750	-	201,875	201,875	46,875
Construction - General	125,000	-	123,138	123,138	1,862
Total expenditures	<u>373,750</u>	<u>-</u>	<u>325,013</u>	<u>325,013</u>	<u>48,737</u>
Revenues over (under) expenditures	<u>(373,750)</u>	<u>-</u>	<u>(325,013)</u>	<u>(325,013)</u>	<u>48,737</u>
OTHER FINANCING SOURCES (USES)					
Transfer from other funds	373,750	-	373,750	373,750	-
Total other financing sources (uses)	<u>373,750</u>	<u>-</u>	<u>373,750</u>	<u>373,750</u>	<u>-</u>
Revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,737</u>	<u>\$ 48,737</u>	<u>\$ 48,737</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ 48,737</u>		

Craven County



ENTERPRISE FUNDS

Enterprise Funds account for operations that are either financed and operated in a manner similar to a private business or where the County has decided that periodic determination of net income is appropriate for capital maintenance, management control accountability, public policy or other policies.

The following comprise the County's Enterprise Fund:

Water and Sewer Funds - The Water and Sewer Funds are used to account for the operation of water services provided throughout Craven County.

- Craven County Water Fund (Major Fund)
- Craven County Water Capital Project Fund (Consolidated with the Operating Fund)
- SCADA / Telemetry Project Fund (Consolidated with the Operating Fund)

The following Water and Sewer Districts comprise the County's Blended Component Units:

- Northwest Craven Water and Sewer District

CRAVEN COUNTY, NORTH CAROLINA
SCHEDULE OF NET POSITION
CRAVEN COUNTY WATER FUND
June 30, 2024

	<u>Water Operating Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 8,413,005
Short-term investments	3,914,333
Accounts receivable, net of allowance for doubtful accounts	974,234
Prepays	116,411
Total current assets	<u>13,417,983</u>
Noncurrent assets	
Restricted cash and cash equivalents	266,978
Capital assets:	
Land	947,354
Construction in process	10,584,335
Improvement other than buildings	30,398,981
Buildings	30,695,648
Machinery and equipment	803,973
Accumulated depreciation	<u>(28,611,916)</u>
Total capital assets, net of accumulated depreciation	<u>33,286,686</u>
Total noncurrent assets	<u>45,085,353</u>
Total assets	<u>58,503,336</u>
DEFERRED OUTFLOWS OF RESOURCES	
	<u>471,704</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	
Current liabilities:	
Accounts payable	430,790
Accrued salaries and benefits	52,665
Accrued interest payable	355
Customer deposits payable	266,978
Compensated absences liability - current	50,002
Loans and installment notes - current	808,949
Obligations under lease - current	80,115
Total current liabilities	<u>1,689,854</u>
Noncurrent liabilities	
Compensated absence liability	29,092
Net pension liability	653,019
Total OPEB liability	88,722
Loans and installment notes	9,707,398
Total noncurrent liabilities	<u>10,478,231</u>
Total liabilities	<u>12,168,085</u>
DEFERRED INFLOWS OF RESOURCES	
	<u>111,172</u>
NET POSITION	
Net investment in capital assets	34,221,913
Unrestricted	12,473,870
Total net position	<u>\$ 46,695,783</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY WATER FUND
DETAILED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET
POSITION
For the Year Ended June 30, 2024

	Craven County Water Operating Fund
OPERATING REVENUES	
Charges for services	\$ 4,425,411
Miscellaneous	453,200
Total operating revenues	4,878,611
OPERATING EXPENSES	
Cost of services	3,452,630
Depreciation	1,732,147
Total operating expenses	5,184,777
Operating Income	(306,166)
NONOPERATING REVENUES AND EXPENSES	
Interest income	217,714
FEMA Grant	750,884
Interest expense	(3,907)
Total nonoperating	964,691
Income before transfers	658,525
TRANSFER IN (OUT):	
From General Fund	18,000
To General Fund	(199,000)
From ARPA Fund	2,186,161
Total transfer in (out)	2,005,161
Change in net position	2,663,686
Net position, beginning	44,032,097
Net position, ending	\$ 46,695,783

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY WATER OPERATING FUND

SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES),
 BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES			
Water and sewer sales	\$ 3,850,000	\$ 4,064,401	\$ 214,401
Tap and permit fees	327,000	361,010	34,010
Miscellaneous	201,408	453,200	251,792
Total operating revenues	<u>4,378,408</u>	<u>4,878,611</u>	<u>500,203</u>
OPERATING EXPENSES			
Personnel services:			
Salaries	917,097	905,477	11,620
Employee benefits	273,339	273,336	3
Retirement	157,394	157,393	1
Professional services:			
Audit and accounting fees	1,177	1,177	-
Legal fees	30,067	30,067	-
Engineering fees	1,400	-	1,400
Contractual services	144,123	144,122	1
Operating supplies	16,767	16,767	-
Utilities	496,391	496,391	-
Maintenance and repairs:			
Systems	355,381	355,381	-
Building and grounds	100,544	100,542	2
Vehicle expense	117,683	117,682	1
Equipment	3,993	3,993	-
Insurance	131,058	131,057	1
Tap outlays	189,457	189,457	-
Telephone and postage	18,462	18,461	1
Lockbox	120,453	120,452	1
Chemical and lab work	210,621	210,620	1
Supplies	7,591	7,590	1
Capital outlay	1,898,447	987,614	910,833
Bad debt Expenses	20,000	20,000	-
Miscellaneous	27,823	23,861	3,962
Total operating expenses	<u>5,239,268</u>	<u>4,311,440</u>	<u>927,828</u>
Excess of operating revenues over operating expenditures	<u>(860,860)</u>	<u>567,171</u>	<u>1,428,031</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY WATER OPERATING FUND

SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES),
BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
NONOPERATING REVENUES (EXPENDITURES)			
Interest income	125,000	217,714	92,714
Interest paid	(5,766)	(3,907)	1,859
FEMA Grant	-	750,884	750,884
Principal payments	(889,065)	(889,064)	1
Total nonoperating revenues (expenditures)	(769,831)	75,627	845,458
Excess of revenues over expenditures	(1,630,691)	642,798	2,273,489
OTHER FINANCING SOURCES (USES)			
Transfer in (out):			
From General Fund	18,000	18,000	-
To General Fund	(199,000)	(199,000)	-
Appropriated Fund Balance	1,811,691	-	(1,811,691)
Total other financing sources (uses)	1,630,691	(181,000)	(1,811,691)
Excess of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ 461,798	\$ 461,798

**Reconciliation of modified accrual basis with full
accrual basis:**

Excess of revenues over (under) expenditures and other financing sources (uses), modified accrual basis, above		\$ 461,798	
Capital outlay		964,682	
Debt principal payments		889,064	
Depreciation		(1,732,147)	
Increase (decrease) in deferred outflows of resources - pensions		55,789	
Increase (decrease) in deferred outflows of resources - OPEB		30,935	
(Increase) decrease in compensated absences		(11,619)	
(Increase) decrease in total OPEB liability		54,493	
(Increase) decrease in net pension liability		(148,166)	
(Increase) decrease in deferred inflows of resources - pensions		1,018	
(Increase) decrease in deferred inflows of resources - OPEB		(88,322)	
Transfers to project funds		2,186,161	
Change in net position, full accrual basis		\$ 2,663,686	

CRAVEN COUNTY, NORTH CAROLINA
BLENDED COMPONENT UNIT, NORTHWEST CRAVEN WATER AND SEWER DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES),
 BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS**

For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
NONOPERATING REVENUES (EXPENDITURES)			
Interest income	\$ -	\$ -	\$ -
Interest paid	(5,766)	(3,907)	1,859
Principal payments	(80,115)	(80,114)	1
Total nonoperating revenues (expenditures)	(85,881)	(84,021)	1,860
OTHER FINANCING SOURCES (USES)			
Direct financing lease proceeds	85,881	84,376	1,505
Excess of revenues and other financing sources over (under) expenditures	\$ -	\$ 355	\$ 355
Reconciliation of modified accrual basis with full accrual basis:			
Excess of revenues and other financing sources over (under) expenditures, modified accrual basis, above		\$ 355	
Reduction of investment in direct financing lease receivable		80,114	
Net position, full accrual basis		\$ 80,469	

CRAVEN COUNTY, NORTH CAROLINA
WATER CAPITAL PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Year	Current Year		
REVENUES					
State Grants	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Capital outlay:					
Engineer	548,000	419,147	98,066	517,213	30,787
Construction	1,319,456	419,881	776,115	1,195,996	123,460
Sales tax refund	-	(15,252)	(22,223)	(37,475)	37,475
Total expenditures	<u>1,867,456</u>	<u>823,776</u>	<u>851,958</u>	<u>1,675,734</u>	<u>191,722</u>
Excess of revenues over (under) expenditures	<u>(1,867,456)</u>	<u>(823,776)</u>	<u>(851,958)</u>	<u>(1,675,734)</u>	<u>191,722</u>
OTHER FINANCING SOURCES (USES)					
Transfers in (out):					
From Water Fund	1,867,456	1,867,456	-	1,867,456	-
Total other financing sources (uses)	<u>1,867,456</u>	<u>1,867,456</u>	<u>-</u>	<u>1,867,456</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 1,043,680</u>	<u>\$ (851,958)</u>	<u>\$ 191,722</u>	<u>\$ 191,722</u>
Reconciliation of modified accrual basis with full accrual basis:					
Excess of revenues over (under) expenditures and other financing sources, modified accrual basis, above			\$ (851,958)		
Capital outlay			<u>851,958</u>		
Change in net position, full accrual basis			<u>\$ -</u>		

CRAVEN COUNTY, NORTH CAROLINA
SCADA / TELEMETRY PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Year	Current Year		
REVENUES					
State Grants	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Capital outlay:					
Engineer	1,567,300	1,140,946	277,163	1,418,109	149,191
Construction	6,111,556	3,779,193	1,834,754	5,613,947	497,609
Contingency	450,405	-	-	-	450,405
Capital outlay	640,000	637,320	2,302	639,622	378
Sales tax refund	-	(62,061)	(10,106)	(72,167)	72,167
Total expenditures	<u>8,769,261</u>	<u>5,495,398</u>	<u>2,104,113</u>	<u>7,599,511</u>	<u>1,169,750</u>
Excess of revenues over (under) expenditures	<u>(8,769,261)</u>	<u>(5,495,398)</u>	<u>(2,104,113)</u>	<u>(7,599,511)</u>	<u>1,169,750</u>
OTHER FINANCING SOURCES (USES)					
Transfers in (out):					
From American Rescue Plan Act	7,500,000	5,321,701	2,186,161	7,507,862	7,862
From Other Funds	1,269,261	1,269,261	-	1,269,261	-
Total other financing sources (uses)	<u>8,769,261</u>	<u>6,590,962</u>	<u>2,186,161</u>	<u>8,777,123</u>	<u>7,862</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 1,095,564</u>	<u>\$ 82,048</u>	<u>\$ 1,177,612</u>	<u>\$ 1,177,612</u>
Reconciliation of modified accrual basis with full accrual basis:					
Excess of revenues over (under) expenditures and other financing sources, modified accrual basis, above			\$ 82,048		
Capital outlay			<u>2,104,113</u>		
Change in net position, full accrual basis			<u>\$ 2,186,161</u>		

INTERNAL SERVICE FUND

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

Internal Service Fund - This fund is used to finance and account for the County's health and dental insurance and workers' compensation information.

Craven County



CRAVEN COUNTY, NORTH CAROLINA
INTERNAL SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES),
BUDEGT AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES			
Charges for services	\$ 8,203,000	\$ 8,433,920	\$ 230,920
Miscellaneous	300,000	505,048	205,048
Total operating revenues	<u>8,503,000</u>	<u>8,938,968</u>	<u>435,968</u>
OPERATING EXPENDITURES			
Claims reimbursement	9,605,500	7,980,253	1,625,247
Vehicle expense	-	(300)	300
Capital outlay	50,000	26,994	23,006
Total operating expenditures	<u>9,655,500</u>	<u>8,006,947</u>	<u>1,648,553</u>
Excess of operating revenues over (under) operating expenditures	<u>(1,152,500)</u>	<u>932,021</u>	<u>2,084,521</u>
NONOPERATING REVENUES			
Interest Income	<u>-</u>	<u>77,953</u>	<u>77,953</u>
Excess of operaitng revenues and nonoperating revenue over operating expenditures	<u>(1,152,500)</u>	<u>1,009,974</u>	<u>2,162,474</u>
OTHER FINANCING SOURCES (USES)			
Transfer out:			
From General Fund	50,000	50,000	-
Total other financing uses	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Appropriated Fund Balance	<u>1,102,500</u>	<u>-</u>	<u>(1,102,500)</u>
Change in Net Position	<u>\$ -</u>	<u>\$ 1,059,974</u>	<u>\$ 1,059,974</u>

Craven County



CUSTODIAL FUNDS

Custodial Funds serve primarily as clearing mechanisms for cash resources which are collected by a governmental unit, held as such for a brief period, and then distributed to authorized recipients.

The following comprise the County's Custodial Funds:

Municipal Property Tax Fund - This fund accounts for registered motor vehicle and real property taxes that are billed and collected by the County for various municipalities within the County.

Jail Inmate Pay Fund - This fund holds cash deposits made to inmates as payment for work performed while incarcerated as well as cash collections for the benefit of inmates from their friends and families.

Craven County



CRAVEN COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2024

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 108,659	\$ 108,659
Taxes receivable for other governments, net	194,849	-	194,849
Total assets	194,849	108,659	303,508
LIABILITIES			
Accounts payable and accrued liabilities	-	-	-
Due to other governments	-	-	-
Total liabilities	-	-	-
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	194,849	108,659	303,508
Total net position	\$ 194,849	\$ 108,659	\$ 303,508

CRAVEN COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended June 30, 2024

	<u>Municipal Tax Fund</u>	<u>Jail Inmate Pay Fund</u>	<u>Total Custodial Funds</u>
ADDITIONS			
Ad valorem taxes for other governments	\$ 27,571,817	\$ -	\$ 27,571,817
Collections on behalf of inmates	-	823,490	823,490
Total additions	<u>27,571,817</u>	<u>823,490</u>	<u>28,395,307</u>
DEDUCTIONS			
Tax distributions to other governments	27,627,886	-	27,627,886
Payments on behalf of inmates	-	767,318	767,318
Total deductions	<u>27,627,886</u>	<u>767,318</u>	<u>28,395,204</u>
Net increase (decrease) in fiduciary net position	(56,069)	56,172	103
Net position, beginning	<u>250,918</u>	<u>52,487</u>	<u>303,405</u>
Net position, ending	<u>\$ 194,849</u>	<u>\$ 108,659</u>	<u>\$ 303,508</u>

OTHER SUPPLEMENTARY INFORMATION

Other financial information includes additional detailed analysis of particular aspects of the County's financial position and results of operations.

- Schedule of Ad Valorem Taxes Recievable
- Analysis of Current Tax Levy

CRAVEN COUNTY, NORTH CAROLINA
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
For the Year Ended June 30, 2024

Fiscal Year Ended June 30,	Uncollected Balance June 30, 2023	Additions	Collections Credits and Adjustments	Uncollected Balance June 30, 2024
2024	\$ -	\$ 63,674,051	\$ 63,261,448	\$ 412,603
2023	507,267	-	271,673	235,594
2022	328,335	-	75,721	252,614
2021	141,904	-	22,675	119,229
2020	110,173	-	18,040	92,133
2019	81,625	-	8,970	72,655
2018	56,504	-	6,997	49,507
2017	57,386	-	6,611	50,775
2016	43,418	-	4,522	38,896
2015	40,615	-	4,610	36,005
2014	46,695	-	46,695	-
	<u>\$ 1,413,922</u>	<u>\$ 63,674,051</u>	<u>\$ 63,727,962</u>	<u>\$ 1,360,011</u>

Less allowance for uncollectible
ad valorem taxes receivable

438,000

\$ 922,011

Reconciliation with revenues:

Ad valorem taxes - General Fund

\$ 64,061,929

Less: Interest collected

(323,509)

Less: Collection of taxes older than ten years

(30,139)

Plus: Abatements and adjustments of prior year taxes

19,681

Total collections and credits

\$ 63,727,962

CRAVEN COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
For the Year Ended June 30, 2024

	County-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Motor Vehicles	Registered Motor Vehicles
ORIGINAL LEVY:					
Property taxed at current year's rate	\$ 13,732,670,781	\$ 0.4448	\$ 61,085,744	\$ 55,824,435	\$ 5,261,309
Motor vehicles taxed at prior year's rate	361,054,577	0.5600	2,021,906	-	2,021,906
Penalties			180,803	180,803	-
	<u>14,093,725,358</u>		<u>63,288,453</u>	<u>56,005,238</u>	<u>7,283,215</u>
DISCOVERIES	116,728,912		609,823	609,823	-
	<u>14,210,454,270</u>		<u>63,898,276</u>	<u>56,615,061</u>	<u>7,283,215</u>
ABATEMENTS	(46,502,338)		(224,225)	(224,225)	-
	<u>\$ 14,163,951,932</u>				
Net Levy			\$ 63,674,051	\$ 56,390,836	\$ 7,283,215
Uncollected taxes at June 30, 2024			412,603	412,603	-
Current year's taxes collected			<u>\$ 63,261,448</u>	<u>\$ 55,978,233</u>	<u>\$ 7,283,215</u>
Current levy collection percentage			<u>99.35%</u>	<u>99.27%</u>	<u>100.00%</u>

Craven County



**SUPPLEMENTARY INFORMATION -
DISCRETELY PRESENTED COMPONENT UNITS
WITHOUT SEPERATLY ISSUED FINANCIAL STATEMENTS**

The following is a discretely presented component unit, which is presented as if it were a special revenue fund:

- **Tourism Development Authoirty** - The Tourism Development Authority is used to account for occupancy tax revenues and related tourism expenditures.

The following is a discretely presented component unit, which is presented as if it were a proprietary fund:

- **Craven County Regional Airport Authority** - The Regional Airport Authority is used to account for the operations and capital project activity of the Regional Airport Authority.

Craven County



CRAVEN COUNTY, NORTH CAROLINA
TOURISM DEVELOPMENT AUTHORITY FUND (A Component Unit)

DETAILED STATEMENT OF NET POSITION
June 30, 2024

ASSETS

Cash and cash equivalents	\$ 535,089
Accounts receivable	75,061
Total Assets	<u>610,150</u>

LIABILITIES

Accounts payable	8,373
Deferred revenue	1,880
Total Liabilities	<u>10,253</u>

NET POSITION

Unrestricted	599,897
Total Net Position	<u>\$ 599,897</u>

CRAVEN COUNTY, NORTH CAROLINA
TOURISM DEVELOPMENT AUTHORITY FUND (A Component Unit)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Occupancy tax	\$ 821,000	\$ 813,822	\$ (7,178)
Interest	-	7,485	7,485
Miscellaneous	-	9,137	9,137
Total revenues	821,000	830,444	9,444
EXPENDITURES			
Economic development	859,693	858,929	(764)
Revenues over (under) expenditures	(38,693)	(28,485)	10,208
Other financing sources (uses)			
Appropriated fund balance	38,693	-	(38,693)
Total other financing sources (uses)	38,693	-	(38,693)
Revenues and other financing sources over expenditures	\$ -	(28,485)	\$ (28,485)
NET POSITION			
Beginning		628,382	
Ending		\$ 599,897	

Craven County



CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING STATEMENT OF NET POSITION
 June 30, 2024

	Airport Authority Operating Fund	Airport Improvement Program No. 41 Project Fund	Runway Pavement Rehabilitation Project Fund	Airfield Improvements FY19 Project Fund	Airfield Improvements STIP Project Fund
ASSETS					
Cash and cash equivalents	\$ 7,840,296	\$ -	\$ -	\$ -	\$ -
Short-term investments	-	-	-	-	-
Restricted Cash	-	-	-	-	-
Accounts receivable	73,679	-	-	-	-
Due from other governments	134,115	-	-	-	-
Due from other funds	1,378,613	-	-	-	-
Total current assets	<u>9,426,703</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets:					
Land	10,067,111	-	-	-	-
Buildings	16,573,543	-	-	-	-
Improvements other than buildings	44,104,788	-	-	-	-
Machinery and Equipment	3,671,753	-	-	-	-
Construction in progress	685,044	-	-	-	-
Accumulated depreciation	<u>(28,555,537)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets, net of accumulated depreciation	<u>46,546,702</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>55,973,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES					
	<u>451,484</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Accounts payable	264,681	-	-	-	-
Accrued salaries and benefits	102,978	-	-	-	-
Unearned grant revenues	-	-	-	-	-
Due to other funds	-	-	-	-	-
Net pension liability	506,997	-	-	-	-
Total OPEB liability	315,915	-	-	-	-
Total liabilities	<u>1,190,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>125,482</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investments in capital assets	46,546,702	-	-	-	-
Unrestricted	8,562,134	-	-	-	-
Total net position	<u>55,108,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and net position	<u>\$ 56,299,407</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING STATEMENT OF NET POSITION
 June 30, 2024

	Terminal Area Development Site No. 42 Project Fund	Terminal Area Development Site No. 43 Project Fund	Airport Improvement Project Fund	Road & Parking Lot Improvement Fund	Terminal Improvements & Expansion Fund
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 356,624
Short-term investments	-	-	-	-	-
Restricted Cash	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Due from other governments	-	-	-	-	1,901,905
Due from other funds	-	-	-	-	-
Total current assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,258,529</u>
Capital assets:					
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Improvements other than buildings	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-
Construction in progress	-	1,711,640	2,931,674	2,516,309	23,940,679
Accumulated depreciation	-	-	-	-	-
Capital assets, net of accumulated depreciation	<u>-</u>	<u>1,711,640</u>	<u>2,931,674</u>	<u>2,516,309</u>	<u>23,940,679</u>
Total assets	<u>-</u>	<u>1,711,640</u>	<u>2,931,674</u>	<u>2,516,309</u>	<u>26,199,208</u>
DEFERRED OUTFLOWS OF RESOURCES					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Accounts payable	-	-	-	-	2,965,775
Accrued salaries and benefits	-	-	-	-	-
Unearned grant revenues	-	-	-	-	-
Due to other funds	-	-	7,007	-	-
Net pension liability	-	-	-	-	-
Total OPEB liability	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>7,007</u>	<u>-</u>	<u>2,965,775</u>
DEFERRED INFLOWS OF RESOURCES					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investments in capital assets	-	1,711,640	2,931,674	2,516,309	23,940,679
Unrestricted	-	-	(7,007)	-	(707,246)
Total net position	<u>-</u>	<u>1,711,640</u>	<u>2,924,667</u>	<u>2,516,309</u>	<u>23,233,433</u>
Total liabilities and net position	<u>\$ -</u>	<u>\$ 1,711,640</u>	<u>\$ 2,931,674</u>	<u>\$ 2,516,309</u>	<u>\$ 26,199,208</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING STATEMENT OF NET POSITION
June 30, 2024

	Williams Rd Realignment Fund	State Funds Capital Reserve Fund	Airport Reserve Fund	Air Traffic Control Tower Fund	Aerospace Development Fund	Totals
ASSETS						
Cash and cash equivalents	\$ 456,116	\$ 7,869	\$ 641,610	\$ 71,177	\$ -	\$ 9,373,692
Short-term investments	7,302,075	-	-	-	-	7,302,075
Restricted Cash	697,925	1,175,491	-	-	5,000,000	6,873,416
Accounts receivable	-	-	-	-	-	73,679
Due from other governments	14,138	-	-	23,988	93,735	2,167,881
Due from other funds	-	-	-	-	-	1,378,613
Total current assets	<u>8,470,254</u>	<u>1,183,360</u>	<u>641,610</u>	<u>95,165</u>	<u>5,093,735</u>	<u>27,169,356</u>
Capital assets:						
Land	-	-	-	-	-	10,067,111
Buildings	-	-	-	-	-	16,573,543
Improvements other than buildings	-	-	-	-	-	44,104,788
Machinery and Equipment	-	-	-	-	-	3,671,753
Construction in progress	-	-	-	184,825	1,771,105	33,741,276
Accumulated depreciation	-	-	-	-	-	(28,555,537)
Capital assets, net of accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,825</u>	<u>1,771,105</u>	<u>79,602,934</u>
Total assets	<u>8,470,254</u>	<u>1,183,360</u>	<u>641,610</u>	<u>279,990</u>	<u>6,864,840</u>	<u>106,772,290</u>
DEFERRED OUTFLOWS OF RESOURCES						
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>451,484</u>
LIABILITIES						
Accounts payable	-	-	-	-	492,605	3,723,061
Accrued salaries and benefits	-	-	-	-	-	102,978
Unearned grant revenues	8,000,000	1,175,491	-	-	5,000,000	14,175,491
Due to other funds	-	-	-	113,648	1,257,958	1,378,613
Net pension liability	-	-	-	-	-	506,997
Total OPEB liability	-	-	-	-	-	315,915
Total liabilities	<u>8,000,000</u>	<u>1,175,491</u>	<u>-</u>	<u>113,648</u>	<u>6,750,563</u>	<u>20,203,055</u>
DEFERRED INFLOWS OF RESOURCES						
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,482</u>
NET POSITION						
Net investments in capital assets	-	-	-	184,825	1,771,105	79,602,934
Unrestricted	470,254	7,869	641,610	(18,483)	(1,656,828)	7,292,303
Total net position	<u>470,254</u>	<u>7,869</u>	<u>641,610</u>	<u>166,342</u>	<u>114,277</u>	<u>86,895,237</u>
Total liabilities and net position	<u>\$ 8,470,254</u>	<u>\$ 1,183,360</u>	<u>\$ 641,610</u>	<u>\$ 279,990</u>	<u>\$ 6,864,840</u>	<u>\$107,098,292</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2024

	Airport Authority Operating Fund	Airport Improvement Program No. 41 Project Fund	Runway Pavement Rehabilitation Project Fund	Airfield Improvements FY19 Project Fund	Airfield Improvements STIP Project Fund
OPERATING REVENUES					
Charges for services	\$ 2,551,089	\$ -	\$ -	\$ -	\$ -
Passenger facility fee	283,208	-	-	-	-
Total operating revenues	<u>2,834,297</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPERATING					
Cost of sales and services	5,134,173	-	-	-	-
Depreciation and amortization	2,325,635	-	-	-	-
Total operating expenditures	<u>7,459,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Income (Loss)	<u>(4,625,511)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)					
Interest Income	111,085	-	-	-	-
Total nonoperating revenues (expenses)	<u>111,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) before transfers	<u>(4,514,426)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers in (out) Airport Funds	3,452,847	-	539	-	-
Transfer project expense to operating fund	9,673,756	(249,087)	(2,977,971)	(492,483)	(300,000)
Capital contributions - federal and state grants	<u>2,729,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>11,341,881</u>	<u>(249,087)</u>	<u>(2,977,432)</u>	<u>(492,483)</u>	<u>(300,000)</u>
Net position, beginning	<u>43,766,955</u>	<u>249,087</u>	<u>2,977,432</u>	<u>492,483</u>	<u>300,000</u>
Net position, ending	<u>\$ 55,108,836</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2024

	Terminal Area Development Site No. 42 Project Fund	Airport Improvement Program No. 43 Project Fund	Airport Improvement Project Fund	Road & Parking Lot Improvement Fund	Terminal Improvements & Expansion Fund
OPERATING REVENUES					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Passenger facility fee	-	-	-	-	-
Total operating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPERATING					
Cost of sales and services	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-
Total operating expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Income (Loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)					
Interest Income	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) before transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers in (out) Airport Funds	(10,690)	(36)	-	-	(1,995,743)
Transfer project expense to operating fund	(5,654,215)	-	-	-	-
Capital contributions - federal and state grants	<u>-</u>	<u>-</u>	<u>80,670</u>	<u>-</u>	<u>13,752,751</u>
Change in net position	<u>(5,664,905)</u>	<u>(36)</u>	<u>80,670</u>	<u>-</u>	<u>11,757,008</u>
Net position, beginning	<u>5,664,905</u>	<u>1,711,676</u>	<u>2,843,997</u>	<u>2,516,309</u>	<u>11,476,425</u>
Net position, ending	<u>\$ -</u>	<u>\$ 1,711,640</u>	<u>\$ 2,924,667</u>	<u>\$ 2,516,309</u>	<u>\$ 23,233,433</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2024

	Williams Rd Realignment Fund	State Funds Capital Reserve Fund	Airport Reserve Fund	Air Traffic Control Tower Fund	Aerospace Development Fund	Totals
OPERATING REVENUES						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,551,089
Passenger facility fee	-	-	-	-	-	283,208
Total operating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,834,297</u>
OPERATING						
Cost of sales and services	-	-	-	-	-	5,134,173
Depreciation and amortization	-	-	-	-	-	2,325,635
Total operating expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,459,808</u>
Operating Income (Loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,625,511)</u>
NONOPERATING REVENUES						
(EXPENSES)						
Interest Income	382,166	13,850	9,184	-	18,964	535,249
Total nonoperating revenues (expenses)	<u>382,166</u>	<u>13,850</u>	<u>9,184</u>	<u>-</u>	<u>18,964</u>	<u>535,249</u>
Income (Loss) before transfers	<u>382,166</u>	<u>13,850</u>	<u>9,184</u>	<u>-</u>	<u>18,964</u>	<u>(4,090,262)</u>
Transfers in (out) Airport Funds	-	(1,446,917)	-	-	-	-
Transfer project expense to operating fund	-	-	-	-	-	-
Capital contributions - federal and state grants	<u>-</u>	<u>1,437,352</u>	<u>-</u>	<u>166,342</u>	<u>95,313</u>	<u>18,262,132</u>
Change in net position	<u>382,166</u>	<u>4,285</u>	<u>9,184</u>	<u>166,342</u>	<u>114,277</u>	<u>14,171,870</u>
Net position, beginning	<u>88,088</u>	<u>3,584</u>	<u>632,426</u>	<u>-</u>	<u>-</u>	<u>72,723,367</u>
Net position, ending	<u>\$ 470,254</u>	<u>\$ 7,869</u>	<u>\$ 641,610</u>	<u>\$ 166,342</u>	<u>\$ 114,277</u>	<u>\$ 86,895,237</u>

CRAVEN COUNTY, NORTH CAROLINA
 CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING SCHEDULE OF CASH FLOWS
 For the Year Ended June 30, 2024

	Airport Authority Operating Fund	Airport Improvement Program No. 41 Project Fund	Runway Pavement Rehabilitation Project Fund	Airfield Improvements FY19 Project Fund	Airfield Improvements STIP Project Fund
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES					
Receipts for customers and users	\$ 2,494,035	\$ -	\$ -	\$ -	\$ -
Receipts from passenger facility fees	283,208	-	-	-	-
Payments to suppliers	(3,422,448)	-	-	-	-
Payments to employees	(1,486,648)	-	-	-	-
Net cash provided by (used in) operating activities	<u>(2,131,853)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition & construction of capital assets	(530,466)	-	-	(381,929)	-
Receipts from capital grants	3,380,655	-	12,025	81	-
Net cash provided by (used in) capital and related financing activities	<u>2,850,189</u>	<u>-</u>	<u>12,025</u>	<u>(381,848)</u>	<u>-</u>
CASH FLOW FROM (USED IN) NONCAPITAL FINANCING ACTIVITIES					
Transfers in	3,453,385	-	539	-	-
Transfers out	(538)	-	-	-	-
Transfer CIP between funds	461,598	-	-	-	-
Due to (from) other funds	(1,208,447)	-	(12,564)	-	-
Net cash provided by (used in) noncapital financing activities	<u>2,705,998</u>	<u>-</u>	<u>(12,025)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on cash and investments	111,085	-	-	-	-
Net cash provided by investing activities	<u>111,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	3,535,419	-	-	(381,848)	-
CASH AND CASH EQUIVALENTS					
Beginning	4,304,877	-	-	381,848	-
Ending	<u>\$ 7,840,296</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:					
Operating loss	\$ (4,625,511)	\$ -	\$ -	\$ -	\$ -
Adjustments to reconcile operating loss to net cash provided by operating activities:					
Depreciation and amortization	2,325,635	-	-	-	-
(Increase) decrease in accounts receivable	(57,054)	-	-	-	-
(Increase) decrease in deferred outflows of resources - pension	(75,550)	-	-	-	-
(Increase) decrease in deferred outflows of resources - OPEB	10,401	-	-	-	-
Increase (decrease) in accounts payable	124,369	-	-	-	-
Increase (decrease) in accrued payroll	5,979	-	-	-	-
Increase (decrease) in net pension liability	151,587	-	-	-	-
Increase (decrease) in total OPEB liability	(60,904)	-	-	-	-
Increase (decrease) in deferred inflows of resources - pension	1,654	-	-	-	-
Increase (decrease) in deferred inflows of resources - OPEB	67,541	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ (2,131,853)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING SCHEDULE OF CASH FLOWS
For the Year Ended June 30, 2024

	Terminal Area Development Site No. 42 Project Fund	Terminal Area Development Site No. 43 Project Fund	Airport Improvement Project Fund	Road & Parking Lot Improvement Fund	Terminal Improvements & Expansion Fund
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES					
Receipts for customers and users	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts from passenger facility fees	-	-	-	-	-
Payments to suppliers	-	-	-	-	-
Payments to employees	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition & construction of capital assets	-	4,000	(112,694)	(35,448)	(14,946,773)
Receipts from capital grants	10,110	-	144,131	360,882	13,513,214
Net cash provided by (used in) capital and related financing activities	<u>10,110</u>	<u>4,000</u>	<u>31,437</u>	<u>325,434</u>	<u>(1,433,559)</u>
CASH FLOW FROM (USED IN) NONCAPITAL FINANCING ACTIVITIES					
Transfers in	(10,690)	(36)	-	-	1,446,917
Transfers out	-	-	-	-	(3,442,660)
Transfer CIP between funds	-	-	-	(210,240)	-
Due to (from) other funds	-	(3,964)	(31,437)	(115,194)	-
Net cash provided by (used in) noncapital financing activities	<u>(10,690)</u>	<u>(4,000)</u>	<u>(31,437)</u>	<u>(325,434)</u>	<u>(1,995,743)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on cash and investments	-	-	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(580)	-	-	-	(3,429,302)
CASH AND CASH EQUIVALENTS					
Beginning	580	-	-	-	3,785,926
Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 356,624</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:					
Operating loss	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments to reconcile operating loss to net cash provided by operating activities:					
Depreciation and amortization	-	-	-	-	-
(Increase) decrease in accounts receivable	-	-	-	-	-
(Increase) decrease in deferred outflows of resources - pension	-	-	-	-	-
(Increase) decrease in deferred outflows of resources - OPEB	-	-	-	-	-
Increase (decrease) in accounts payable	-	-	-	-	-
Increase (decrease) in accrued payroll	-	-	-	-	-
Increase (decrease) in net pension liability	-	-	-	-	-
Increase (decrease) in total OPEB liability	-	-	-	-	-
Increase (decrease) in deferred inflows of resources - pension	-	-	-	-	-
Increase (decrease) in deferred inflows of resources - OPEB	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

COMBINING SCHEDULE OF CASH FLOWS
For the Year Ended June 30, 2024

	Williams Rd Realignment Fund	State Funds Capital Reserve Fund	Airport Reserve Fund	Air Traffic Control Tower Fund	Aerospace Development Fund	Totals
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES						
Receipts for customers and users	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,494,035
Receipts from passenger facility fees	-	-	-	-	-	283,208
Payments to suppliers	-	-	-	-	-	(3,422,448)
Payments to employees	-	-	-	-	-	(1,486,648)
Net cash provided by (used in) operating activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,131,853)</u>
CASH FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition & construction of capital assets	-	-	-	(124,885)	(1,184,747)	(17,312,942)
Receipts from capital grants	(14,138)	1,548,065	-	142,354	5,001,578	24,098,957
Net cash provided by (used in) capital and related financing activities	<u>(14,138)</u>	<u>1,548,065</u>	<u>-</u>	<u>17,469</u>	<u>3,816,831</u>	<u>6,786,015</u>
CASH FLOW FROM (USED IN) NONCAPITAL FINANCING ACTIVITIES						
Transfers in	-	-	-	-	-	4,890,115
Transfers out	-	(1,446,917)	-	-	-	(4,890,115)
Transfer CIP between funds	-	-	-	(59,940)	(93,753)	97,665
Due to (from) other funds	-	-	-	113,648	1,257,958	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>(1,446,917)</u>	<u>-</u>	<u>53,708</u>	<u>1,164,205</u>	<u>97,665</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on cash and investments	382,166	13,850	9,184	-	18,964	535,249
Net cash provided by investing activities	<u>382,166</u>	<u>13,850</u>	<u>9,184</u>	<u>-</u>	<u>18,964</u>	<u>535,249</u>
Net increase (decrease) in cash and cash equivalents	368,028	114,998	9,184	71,177	5,000,000	5,287,076
CASH AND CASH EQUIVALENTS						
Beginning	8,088,088	1,068,362	632,426	-	-	18,262,107
Ending	<u>\$ 8,456,116</u>	<u>\$ 1,183,360</u>	<u>\$ 641,610</u>	<u>\$ 71,177</u>	<u>\$ 5,000,000</u>	<u>\$ 23,549,183</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:						
Operating loss	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,625,511)
Adjustments to reconcile operating loss to net cash provided by operating activities:						
Depreciation and amortization	-	-	-	-	-	2,325,635
(Increase) decrease in accounts receivable	-	-	-	-	-	(57,054)
(Increase) decrease in deferred outflows of resources - pension	-	-	-	-	-	(75,550)
(Increase) decrease in deferred outflows of resources - OPEB	-	-	-	-	-	10,401
Increase (decrease) in accounts payable	-	-	-	-	-	124,369
Increase (decrease) in accrued payroll	-	-	-	-	-	5,979
Increase (decrease) in net pension liability	-	-	-	-	-	151,587
Increase (decrease) in total OPEB liability	-	-	-	-	-	(60,904)
Increase (decrease) in deferred inflows of resources - pension	-	-	-	-	-	1,654
Increase (decrease) in deferred inflows of resources - OPEB	-	-	-	-	-	67,541
Net cash provided by (used in) operating activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,131,853)</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
OPERATING FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES			
Charges for services	\$ 1,908,731	\$ 2,551,089	\$ 642,358
Passenger facility fee	-	283,208	283,208
Total operating revenues	<u>1,908,731</u>	<u>2,834,297</u>	<u>925,566</u>
OPERATING EXPENDITURES			
Personnel Services:			
Salaries	1,225,002	1,155,785	69,217
Employee benefits	222,545	199,640	22,905
Retirement	151,516	133,682	17,834
Professional Services:			
Audit and accounting fees	15,607	15,607	-
Legal fees	110,560	110,312	248
Contractual services	827,022	937,850	(110,828)
Operating supplies	106,187	105,241	946
Utilities	199,240	198,021	1,219
Maintenance and repairs:			
Buildings and grounds	211,810	211,546	264
Vehicle expense	19,174	19,173	1
Insurance	526,927	514,521	12,406
Telephone and postage	35,450	34,882	568
Capital outlay	1,100,706	1,088,349	12,357
Miscellaneous	58,030	57,231	799
Travel/Training	34,506	34,207	299
Advertising	711,983	711,567	416
Dues and subscriptions	39,184	38,776	408
Total operating expenditures	<u>5,595,449</u>	<u>5,566,390</u>	<u>29,059</u>
Excess of operating revenues over (under) operating expenditures	<u>(3,686,718)</u>	<u>(2,732,093)</u>	<u>954,625</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	4,000	111,085	107,085
Capital contributions - intergovernmental grants	3,245,741	2,729,704	(516,037)
Total nonoperating revenues (expenses)	<u>3,249,741</u>	<u>2,840,789</u>	<u>(408,952)</u>
Excess of revenues over expenditures	<u>(436,977)</u>	<u>108,696</u>	<u>545,673</u>

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
OPERATING FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
OTHE FINANCING SOURCES (USES)			
Transfers in (out):			
To airport project funds	(4,504)	(538)	3,966
Appropriated Fund Balance	441,481	-	(441,481)
Total other financing sources (uses)	436,977	3,452,847	3,015,870
Excess revenues over expenditures and other financing sources (uses)	\$ -	\$ 3,561,543	\$ 3,561,543
Reconciliation of modified accrual basis with full accrual basis:			
Excess revenues over expenditures and other financing sources, modified accrual basis, above		\$ 3,561,543	
Capital outlay		530,466	
Depreciation		(2,325,635)	
Increase (decrease) in deferred outflows of resources - pensions		75,550	
Increase (decrease) in deferred outflows of resources - OPEB		(10,401)	
(Increase) decrease in compensated absences		(3,520)	
(Increase) decrease in total OPEB liability		60,904	
(Increase) decrease in net pension liability		(151,587)	
(Increase) decrease in deferred inflows of resources - pensions		(1,654)	
(Increase) decrease in deferred inflows of resources - OPEB		(67,541)	
Project Costs not capitalized		-	
Transfer of asset from project fund to operating fund		9,673,756	
Change in net position, full accrual basis		\$ 11,341,881	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
TERMINAL AREA DEVELOPMENT SITE NO. 41 CAPITAL PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Prior Year	Actual	
			Current Year	Total to Date
REVENUES				
Federal grants	\$ 2,241,781	\$ 21,611	\$ -	\$ 21,611
Total revenues	<u>2,241,781</u>	<u>21,611</u>	<u>-</u>	<u>21,611</u>
EXPENDITURES				
Capital outlay:				
Administrative	268,051	447	-	447
Construction	<u>2,222,817</u>	<u>241,194</u>	<u>-</u>	<u>241,194</u>
Total expenditures	<u>2,490,868</u>	<u>241,641</u>	<u>-</u>	<u>241,641</u>
Excess of revenues over (under) expenditures	<u>(249,087)</u>	<u>(220,030)</u>	<u>-</u>	<u>(220,030)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Operating Fund	256,533	220,030	-	220,030
To Airport Operating Fund	<u>(7,446)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>249,087</u>	<u>220,030</u>	<u>-</u>	<u>220,030</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues over (under) expenditures and other financing sources, modified accrual basis, above			\$ -	
Capital outlay			<u>-</u>	
Change in net position, full accrual basis			<u>\$ -</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
RUNWAY PAVEMENT REHABILITATION CAPITAL PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project	Actual		
	Authorization	Prior	Current	Total
		Year	Year	to Date
REVENUES				
State grants	\$ 3,000,000	\$ 2,977,432	\$ -	\$ 2,977,432
Total revenues	<u>3,000,000</u>	<u>2,977,432</u>	<u>-</u>	<u>2,977,432</u>
EXPENDITURES				
Capital outlay:				
Administrative	4,600	3,600	-	3,600
Construction	2,995,400	2,974,371	-	2,974,371
Total expenditures	<u>3,000,000</u>	<u>2,977,971</u>	<u>-</u>	<u>2,977,971</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(539)</u>	<u>-</u>	<u>(539)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Operating Fund	-	-	539	539
To Airport Operating Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>539</u>	<u>539</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ (539)</u>	<u>\$ 539</u>	<u>\$ -</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues over (under) expenditures and other financing sources, modified accrual basis, above			\$ 539	
Capital outlay			<u>-</u>	
Change in net position, full accrual basis			<u>\$ 539</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
AIRFIELD IMPROVEMENTS FY 19 CAPITAL PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual		Total to Date
		Prior Year	Current Year	
REVENUES				
State Grants	\$ 653,162	\$ 653,162	\$ -	\$ 653,162
Total revenues	<u>653,162</u>	<u>653,162</u>	<u>-</u>	<u>653,162</u>
EXPENDITURES				
Capital outlay:				
Construction	653,162	110,555	381,929	492,484
Total expenditures	<u>653,162</u>	<u>110,555</u>	<u>381,929</u>	<u>492,484</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>542,607</u>	<u>(381,929)</u>	<u>160,678</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
To Airport Operating Fund	-	(160,679)	-	(160,679)
Total other financing sources (uses)	<u>-</u>	<u>(160,679)</u>	<u>-</u>	<u>(160,679)</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 381,928</u>	<u>\$ (381,929)</u>	<u>\$ (1)</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues over (under) expenditures and other financing sources, modified accrual basis, above			\$ (381,929)	
Capital outlay			<u>381,929</u>	
Change in net position, full accrual basis			<u>\$ -</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
AIRFIELD IMPROVEMENTS STIP CAPITAL PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual		Total to Date
		Prior Year	Current Year	
REVENUES				
State Grants	\$ 300,000	\$ 300,000	\$ -	\$ 300,000
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
EXPENDITURES				
Capital outlay:				
Construction	300,000	300,000	-	300,000
Total expenditures	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Operating Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues over (under) expenditures and other financing sources, modified accrual basis, above			\$ -	
Capital outlay			<u>-</u>	
Change in net position, full accrual basis			<u>\$ -</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
TERMINAL AREA DEVELOPMENT SITE NO. 42 CAPITAL PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual		Total to Date
		Prior Year	Current Year	
REVENUES				
Federal Grants	\$ 5,185,000	\$ 5,088,794	\$ -	\$ 5,088,794
Total revenues	<u>5,185,000</u>	<u>5,088,794</u>	<u>-</u>	<u>5,088,794</u>
EXPENDITURES				
Capital outlay:				
Administrative	5,280	31,357	-	31,357
Construction	5,720,010	5,589,656	-	5,589,656
Land	35,821	33,202	-	33,202
Total expenditures	<u>5,761,111</u>	<u>5,654,215</u>	<u>-</u>	<u>5,654,215</u>
Excess of revenues over (under) expenditures	<u>(576,111)</u>	<u>(565,421)</u>	<u>-</u>	<u>(565,421)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Operating Fund	576,111	576,111	(10,690)	565,421
Total other financing sources (uses)	<u>576,111</u>	<u>576,111</u>	<u>(10,690)</u>	<u>565,421</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 10,690</u>	<u>\$ (10,690)</u>	<u>\$ -</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ (10,690)	
Capital Outlay			<u>-</u>	
Change in net position, full accrual basis			<u>\$ (10,690)</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
TERMINAL AREA DEVELOPMENT SITE NO. 43 CAPITAL PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
REVENUES				
Federal Grants	\$ 1,648,577	\$ 1,560,791	\$ -	\$ 1,560,791
Total revenues	<u>1,648,577</u>	<u>1,560,791</u>	<u>-</u>	<u>1,560,791</u>
EXPENDITURES				
Capital outlay:				
Construction / Architect / Engineer	1,799,462	1,715,641	(4,000)	1,711,641
Total expenditures	<u>1,799,462</u>	<u>1,715,641</u>	<u>(4,000)</u>	<u>1,711,641</u>
Excess of revenues over (under) expenditures	<u>(150,885)</u>	<u>(154,850)</u>	<u>4,000</u>	<u>(150,850)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Operating Fund	150,885	150,885	(36)	150,849
Total other financing sources (uses)	<u>150,885</u>	<u>150,885</u>	<u>(36)</u>	<u>150,849</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ (3,965)</u>	<u>\$ 3,964</u>	<u>\$ (1)</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ 3,964	
Capital Outlay			<u>(4,000)</u>	
Change in net position, full accrual basis			<u>\$ (36)</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
AIRPORT IMPROVEMENT PROJECT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Actual		Total to Date
		Prior Year	Current Year	
REVENUES				
Federal Grants	\$ 7,537,354	\$ 7,311,120	\$ 80,670	\$ 7,391,790
Total revenues	<u>7,537,354</u>	<u>7,311,120</u>	<u>80,670</u>	<u>7,391,790</u>
EXPENDITURES				
Capital outlay:				
Administrative	1,036,113	870,366	112,694	983,060
Construction	7,938,818	2,005,550	-	2,005,550
Equipment	747,048	-	-	-
Sales Tax Refund	-	(56,936)	-	(56,936)
Total expenditures	<u>9,721,979</u>	<u>2,818,980</u>	<u>112,694</u>	<u>2,931,674</u>
Excess of revenues over (under) expenditures	<u>(2,184,625)</u>	<u>4,492,140</u>	<u>(32,024)</u>	<u>4,460,116</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
To Airport Operating Fund	(633,830)	(633,830)	-	(633,830)
From Airport Operating Fund	2,818,455	2,818,455	-	2,818,455
Total other financing sources (uses)	<u>2,184,625</u>	<u>2,184,625</u>	<u>-</u>	<u>2,184,625</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 6,676,765</u>	<u>\$ (32,024)</u>	<u>\$ 6,644,741</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ (32,024)	
Capital Outlay			<u>112,694</u>	
Change in net position, full accrual basis			<u>\$ 80,670</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
ROAD & PARKING LOT IMPROVEMENTS AND EXPANSION FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Prior Year	Actual Current Year	Total to Date
REVENUES				
Federal Grants	\$ 2,562,397	\$ 2,516,309	\$ -	\$ 2,516,309
Total revenues	<u>2,562,397</u>	<u>2,516,309</u>	<u>-</u>	<u>2,516,309</u>
EXPENDITURES				
Capital outlay:				
Administrative	391,553	113,828	245,688	359,516
Construction	2,170,844	2,170,323	-	2,170,323
Sales Tax Refund	-	(13,530)	-	(13,530)
Total expenditures	<u>2,562,397</u>	<u>2,270,621</u>	<u>245,688</u>	<u>2,516,309</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>245,688</u>	<u>(245,688)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
To Airport Operating Fund	-	-	-	-
From Airport Operating Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 245,688</u>	<u>\$ (245,688)</u>	<u>\$ -</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ (245,688)	
Capital Outlay			<u>245,688</u>	
Change in net position, full accrual basis			<u>\$ -</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
TERMINAL IMPROVEMENTS & EXPANSION FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Prior Year	Actual Current Year	Total to Date
REVENUES				
Federal Grants	\$ 22,691,460	\$ 5,508,424	\$ 13,752,751	\$ 19,261,175
State Grant	2,912,915	2,025,341	-	2,025,341
Total revenues	<u>25,604,375</u>	<u>7,533,765</u>	<u>13,752,751</u>	<u>21,286,516</u>
EXPENDITURES				
Capital outlay:				
Administrative	1,230,208	524,081	622,918	1,146,999
Construction	26,203,773	7,751,490	15,288,874	23,040,364
Sales Tax Refund	-	(24,441)	(222,243)	(246,684)
Total expenditures	<u>27,433,981</u>	<u>8,251,130</u>	<u>15,689,549</u>	<u>23,940,679</u>
Excess of revenues over (under) expenditures	<u>(1,829,606)</u>	<u>(717,365)</u>	<u>(1,936,798)</u>	<u>(2,654,163)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Reserve Fund	-	-	1,446,917	1,446,917
From (To) Airport Operating Fund	1,829,606	3,942,660	(3,442,660)	500,000
Total other financing sources (uses)	<u>1,829,606</u>	<u>3,942,660</u>	<u>(1,995,743)</u>	<u>1,946,917</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 3,225,295</u>	<u>\$ (3,932,541)</u>	<u>\$ (707,246)</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ (3,932,541)	
Capital Outlay			<u>15,689,549</u>	
Change in net position, full accrual basis			<u>\$ 11,757,008</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
WILLIAMS ROAD REALIGNMENT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Prior Year	Actual Current Year	Total to Date
REVENUES				
Federal Grants	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	88,088	382,166	470,254
Total revenues	<u>-</u>	<u>88,088</u>	<u>382,166</u>	<u>470,254</u>
EXPENDITURES				
Capital outlay:				
Administrative	-	-	-	-
Construction	-	-	-	-
Sales Tax Refund	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>88,088</u>	<u>382,166</u>	<u>470,254</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Operating Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 88,088</u>	<u>\$ 382,166</u>	<u>\$ 470,254</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ 382,166	
Capital Outlay			<u>-</u>	
Change in net position, full accrual basis			<u>\$ 382,166</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
AIRPORT STATE FUNDS CAPITAL RESERVE

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Prior Year	Actual	
			Current Year	Total to Date
REVENUES				
State Grants	\$ -	\$ -	\$ 1,437,352	\$ 1,437,352
Investment Earnings	-	3,584	13,850	17,434
Total revenues	-	3,584	1,451,202	1,454,786
Excess of revenues over (under) expenditures	-	3,584	1,451,202	1,454,786
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
To Airport Project Funds	(2,912,915)	-	(1,446,917)	(1,446,917)
Fund Balane Appropriated	2,912,915	-	-	-
Total other financing sources (uses)	-	-	(1,446,917)	(1,446,917)
Excess of revenues and other financing sources over (under) expenditures and other uses	\$ -	\$ 3,584	\$ 4,285	\$ 7,869
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ 4,285	
Capital Outlay			-	
Change in net position, full accrual basis			\$ 4,285	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
AIRPORT RESERVE FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

		Actual		
	Project Authorization	Prior Year	Current Year	Total to Date
REVENUES				
Interest	\$ -	\$ 47,512	\$ 9,184	\$ 56,696
Total revenues	-	47,512	9,184	56,696
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
To Airport Operating Fund	-	(633,287)	-	(633,287)
From Airport Operating Fund	-	1,218,201	-	1,218,201
Total other financing sources (uses)	-	584,914	-	584,914
Excess of revenues and other financing sources over (under) expenditures and other uses	\$ -	\$ 632,426	\$ 9,184	\$ 641,610
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ 9,184	
Change in net position, full accrual basis			\$ 9,184	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
AIR TRAFFIC CONTROL TOWER FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Prior Year	Actual Current Year	Total to Date
REVENUES				
Federal grants	\$ 184,686	\$ -	\$ 166,342	\$ 166,342
Total revenues	<u>184,686</u>	<u>-</u>	<u>166,342</u>	<u>166,342</u>
EXPENDITURES				
Capital outlay:				
Administrative	205,207	-	184,825	184,825
Total expenditures	<u>205,207</u>	<u>-</u>	<u>184,825</u>	<u>184,825</u>
Excess of revenues over (under) expenditures	<u>(20,521)</u>	<u>-</u>	<u>(18,483)</u>	<u>(18,483)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out):				
From Airport Operating Fund	20,521	-	-	-
Total other financing sources (uses)	<u>20,521</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,483)</u>	<u>\$ (18,483)</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues over (under) expenditures and other financing sources, modified accrual basis, above			\$ (18,483)	
Capital outlay			<u>184,825</u>	
Change in net position, full accrual basis			<u>\$ 166,342</u>	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)
AEROSPACE DEVELOPMENT FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES), BUDGET AND ACTUAL, NON-GAAP, MODIFIED ACCRUAL BASIS
From Inception and for the Fiscal Year Ended June 30, 2024

	Project Authorization	Prior Year	Actual Current Year	Total to Date
REVENUES				
State Grants	\$ 174,000	\$ -	\$ 95,313	\$ 95,313
Federal Grants	2,031,015	-	-	-
Investment Earnings	-	3,584	18,964	22,548
Total revenues	<u>2,205,015</u>	<u>3,584</u>	<u>114,277</u>	<u>117,861</u>
EXPENDITURES				
Capital outlay:				
Administrative	850,290	-	533,855	533,855
Construction	1,354,725	-	1,237,250	1,237,250
Total expenditures	<u>2,205,015</u>	<u>-</u>	<u>1,771,105</u>	<u>1,771,105</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 3,584</u>	<u>\$ (1,656,828)</u>	<u>\$ (1,653,244)</u>
Reconciliation of modified accrual basis with full accrual basis:				
Excess of revenues and other financing sources over expenditures, modified accrual basis, above			\$ (1,656,828)	
Capital Outlay			<u>1,771,105</u>	
Change in net position, full accrual basis			<u>\$ 114,277</u>	

STATISTICAL SECTION (Unaudited)

This part of the County of Craven's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Financial Trends

Schedules one through four contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

Schedules five through eight contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.

Debt Capacity

Schedules nine through eleven present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

Schedules twelve and thirteen offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

Schedules fourteen through sixteen contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

Craven County



Schedule 1
 Craven County
 Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 40,687,026	\$ 41,106,523	\$ 42,035,851	\$ 44,781,813	\$ 47,005,992	\$ 48,698,804	\$ 53,731,048	\$ 53,172,950	\$ 66,633,600	\$ 77,062,330
Restricted	9,704,162	12,286,432	11,116,909	10,796,574	15,448,708	25,134,861	29,446,747	31,832,175	34,553,842	46,050,288
Unrestricted (deficit)	(4,408,502)	(1,596,184)	5,346,096	1,530,331	3,642,078	1,280,991	9,433,620	28,047,649	34,366,940	45,370,663
Total governmental activities net position	\$ 45,982,686	\$ 51,796,771	\$ 58,498,856	\$ 57,108,718	\$ 66,096,778	\$ 75,094,656	\$ 92,611,415	\$ 113,052,774	\$ 135,554,382	\$ 168,483,281
Business-type activities										
Net investment in capital assets	\$ 21,306,317	\$ 26,133,140	\$ 27,475,458	\$ 27,637,466	\$ 26,919,877	\$ 26,448,945	\$ 26,347,589	\$ 26,257,735	\$ 31,144,244	\$ 34,221,913
Unrestricted	15,100,037	11,950,188	11,911,171	12,101,314	12,692,737	12,894,970	13,029,798	13,783,379	12,887,853	12,473,870
Total business-type activities net position	\$ 36,406,354	\$ 38,083,328	\$ 39,386,629	\$ 39,738,780	\$ 39,612,614	\$ 39,343,915	\$ 39,377,387	\$ 40,041,114	\$ 44,032,097	\$ 46,695,783
Primary government										
Net investment in capital assets	\$ 61,993,343	\$ 67,239,663	\$ 69,511,309	\$ 72,419,279	\$ 73,925,869	\$ 75,147,749	\$ 80,078,637	\$ 79,430,685	\$ 97,777,844	\$ 111,284,243
Restricted	9,704,162	12,286,432	11,116,909	10,796,574	15,448,708	25,134,861	29,446,747	31,832,175	34,553,842	46,050,288
Unrestricted (deficit)	10,691,535	10,354,004	17,257,267	13,631,645	16,334,815	14,155,961	22,463,418	41,831,028	47,254,793	57,844,533
Total primary government net position	\$ 82,389,040	\$ 89,880,099	\$ 97,885,485	\$ 96,847,498	\$ 105,709,392	\$ 114,438,571	\$ 131,988,802	\$ 153,093,888	\$ 179,586,479	\$ 215,179,064

Schedule 2
Craven County
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 9,219,322	\$ 10,291,366	\$ 9,925,453	\$ 11,077,893	\$ 17,072,762	\$ 13,026,648	\$ 14,737,395	\$ 15,288,066	\$ 18,237,517	\$ 16,956,802
Public safety	18,505,550	19,458,091	20,980,588	21,947,336	23,323,223	23,546,188	29,041,862	29,899,762	31,157,647	33,773,575
Social services	21,913,659	22,231,898	22,760,861	19,157,572	21,170,095	19,946,669	21,217,884	21,770,369	25,188,055	25,982,081
Economic and physical development	4,035,005	4,349,446	4,389,590	2,958,118	3,786,002	4,150,209	4,701,754	4,596,491	4,954,213	5,534,912
Environmental protection	5,121,002	4,988,475	4,608,929	4,950,380	6,370,235	8,048,976	7,259,522	7,389,226	8,138,308	9,055,929
Health	7,784,851	8,338,343	8,626,160	9,404,146	10,508,893	10,605,442	11,306,997	11,099,143	12,778,206	14,266,579
Cultural and recreation	2,289,270	2,403,064	2,535,497	2,675,892	3,346,603	2,871,967	2,700,856	3,242,162	3,813,906	2,280,749
Education	24,559,787	26,108,710	27,005,640	27,018,838	27,166,990	28,571,621	29,087,523	29,422,557	31,821,071	30,560,310
Interest on long term debt	2,360,526	2,105,628	1,803,760	1,550,637	1,152,829	1,347,956	1,256,730	1,119,654	902,565	713,378
Total governmental activities	95,788,972	100,285,021	102,636,478	100,740,812	113,897,632	112,115,676	121,310,523	123,827,430	136,991,488	139,124,315
Business-type activities:										
Water	2,510,634	2,489,876	2,667,016	3,338,714	4,090,859	4,089,249	4,201,885	4,313,497	5,021,897	5,188,684
Total primary government expenses	\$ 98,299,606	\$ 102,774,897	\$ 105,303,494	\$ 104,079,526	\$ 117,988,491	\$ 116,204,925	\$ 125,512,408	\$ 128,140,927	\$ 142,013,385	\$ 144,312,999
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 3,493,235	\$ 3,170,663	\$ 4,141,074	\$ 3,836,181	\$ 3,138,033	\$ 3,380,174	\$ 1,978,362	\$ 2,274,794	\$ 2,272,274	\$ 3,158,447
Public safety	2,947,087	3,190,889	3,316,974	3,057,836	4,996,889	3,438,127	3,544,044	3,463,365	3,690,874	3,858,894
Social services	572,655	630,752	559,026	595,252	2,520,085	760,964	409,522	546,446	643,149	773,616
Economic and physical development	925,772	1,052,562	1,101,404	1,159,464	2,163,037	51,230	50,225	57,193	61,765	60,677
Environmental protection	2,428,100	2,432,969	2,405,043	2,670,966	2,956,075	3,749,983	3,934,623	3,871,355	3,962,168	3,945,572
Health	3,866,147	5,652,030	5,463,003	5,663,594	5,360,985	4,813,630	5,223,450	4,863,155	5,104,214	6,363,794
Cultural and recreation	69,062	66,145	61,401	59,372	324,505	371,788	235,893	676,270	1,004,815	1,021,470
Operating grants and contributions:										
General government	2,306,404	2,122,023	2,166,871	1,929,566	3,894,897	6,671,023	10,241,514	6,622,662	19,907,811	5,802,819
Public safety	430,833	651,546	678,254	489,762	1,762,796	1,155,417	3,719,530	3,999,066	2,005,871	2,665,172
Social services	16,040,514	15,798,488	15,324,889	11,768,753	11,973,191	12,240,723	12,910,778	13,533,733	15,430,915	13,474,551
Economic and physical development	1,453,613	1,252,208	1,346,255	630,177	66,283	657,792	1,598,984	172,298	44,718	2,520,697
Environmental protection	196,894	158,994	158,668	202,131	739,981	227,652	159,586	153,260	138,542	279,540
Health	1,556,948	2,185,702	2,378,208	2,858,004	3,896,287	4,336,161	7,656,387	6,474,842	6,640,060	5,726,661
Cultural and recreation	61,000	563,280	313,000	-	42,000	22,000	63,819	165,500	86,500	93,806
Education	-	-	-	-	-	-	-	1,965,721	-	-
Capital grants and contributions:										
General government	-	-	-	-	-	-	-	675,576	590,426	3,733,998
Social services	181,004	120,012	-	138,417	154,529	154,899	209,441	756	27,985	134,684
Economic and physical development	-	-	-	515,000	-	-	-	646,406	4,675,295	-
Education	926,810	1,083,080	842,910	944,400	981,500	1,029,300	1,529,700	860,500	1,648,160	1,563,395
Total governmental activities program revenue	37,456,078	40,131,343	40,256,980	36,518,875	43,025,073	41,060,863	53,465,858	51,042,898	67,935,542	55,177,793

Schedule 2
Craven County
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charge for services - Water	3,809,820	3,803,643	3,936,307	3,945,311	3,849,791	3,849,499	4,290,039	4,464,707	4,363,172	4,878,611
Capital grants and contributions - Water	-	-	-	-	-	-	62,864	-	-	750,884
Total business-type activities program revenue	3,809,820	3,803,643	3,936,307	3,945,311	3,849,791	3,849,499	4,352,903	4,464,707	4,363,172	5,629,495
Total primary government program revenue	4,1265,898	43,934,986	44,193,287	40,464,186	46,874,864	44,910,362	57,818,761	55,507,605	72,298,714	60,807,288
Net (Expense)/Revenue										
Governmental activities	\$ (58,332,894)	\$ (60,153,678)	\$ (62,379,498)	\$ (64,221,937)	\$ (70,872,559)	\$ (71,054,813)	\$ (67,844,665)	\$ (72,784,532)	\$ (69,055,946)	\$ (83,946,522)
Business-type activities	1,299,166	1,313,767	1,269,291	606,597	(241,068)	(239,750)	151,018	151,210	(658,725)	440,811
Total primary government net (expense)/revenue	\$ (57,033,708)	\$ (58,839,911)	\$ (61,110,207)	\$ (63,615,340)	\$ (71,113,627)	\$ (71,294,563)	\$ (67,693,647)	\$ (72,633,322)	\$ (69,714,671)	\$ (83,505,711)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes	\$ 48,065,864	\$ 49,058,073	\$ 51,783,504	\$ 52,594,856	\$ 54,063,292	\$ 55,119,160	\$ 57,394,807	\$ 59,946,931	\$ 61,606,085	\$ 66,835,217
Local option sales tax	14,532,240	15,112,475	16,097,112	16,897,507	19,290,881	19,828,653	22,920,189	25,160,570	27,170,396	27,677,519
Other taxes and licenses	934,214	1,065,391	1,077,699	1,075,286	1,758,121	2,817,033	3,455,991	4,698,756	4,286,567	4,067,771
Investment earnings	163,783	154,860	305,406	634,968	1,091,545	879,774	12,964	(63,708)	2,357,868	4,788,726
Miscellaneous	658,262	471,964	564,447	454,249	3,526,780	1,278,071	1,349,679	3,978,747	660,934	1,387,586
Transfers	105,000	105,000	130,000	313,222	130,000	130,000	130,000	(495,406)	(4,524,295)	(2,005,161)
Special item	850,000	-	-	-	-	-	-	-	-	-
Total governmental activities:	65,309,363	65,967,763	69,958,168	71,970,888	79,860,619	80,052,691	85,263,630	93,225,890	91,557,555	102,751,658
Business-type activities:										
Investment earnings	42,829	19,192	23,151	58,652	135,443	101,051	12,454	17,111	125,413	217,714
Miscellaneous	204,818	449,015	140,859	112,402	109,459	-	-	-	-	-
Transfers	(105,000)	(105,000)	(130,000)	(313,222)	(130,000)	(130,000)	(130,000)	495,406	4,524,295	2,005,161
Total business-type activities	142,647	363,207	34,010	(142,168)	114,902	(28,949)	(117,546)	512,517	4,649,708	2,222,875
Total primary government	\$ 65,452,010	\$ 66,330,970	\$ 69,992,178	\$ 71,828,720	\$ 79,975,521	\$ 80,023,742	\$ 85,146,084	\$ 93,738,407	\$ 96,207,263	\$ 104,974,533
Change in Net Position										
Governmental activities	\$ 6,976,469	\$ 5,814,085	\$ 7,578,670	\$ 7,748,151	\$ 8,988,060	\$ 8,997,878	\$ 17,418,966	\$ 20,441,358	\$ 22,501,609	\$ 18,805,136
Business-type activities	1,441,833	1,676,974	1,303,301	464,429	(126,166)	(268,699)	33,472	663,727	3,990,983	2,663,686
Total primary government	\$ 8,418,302	\$ 7,491,059	\$ 8,881,971	\$ 8,212,580	\$ 8,861,894	\$ 8,729,179	\$ 17,452,438	\$ 21,105,085	\$ 26,492,592	\$ 21,468,822

Schedule 3
 Craven County
 Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

General Fund	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Non Spendable:										
Prepays	\$ -	\$ -	\$ 82,500	\$ 34,582	\$ 40,660	\$ 73,681	\$ 21,711	\$ 33,891	\$ 28,093	\$ 56,205
Leases	-	-	-	-	-	-	-	181	2,481	1,741
Restricted:										
Stabilization by state statute	6,619,013	8,690,228	7,866,740	7,681,300	9,666,695	12,415,614	16,454,141	15,518,429	11,913,799	14,916,624
Public Safety	89,738	81,761	56,262	36,076	24,585	41,029	15,739	43,368	64,379	99,004
Assigned:										
Subsequent year's expenditures	131,509	79,872	-	-	901,396	1,416,294	424,561	3,731	249,493	3,921
Unassigned	25,565,252	24,262,888	27,936,364	29,358,798	28,668,673	25,350,019	33,164,799	44,004,435	52,870,852	50,456,258
Total General Fund	\$ 32,405,512	\$ 33,114,749	\$ 35,941,866	\$ 37,110,756	\$ 39,302,029	\$ 39,296,637	\$ 50,080,951	\$ 59,604,035	\$ 65,129,097	\$ 65,533,753

All Other Governmental Funds

Restricted:										
Stabilization by state statute	\$ 183,592	\$ 1,102,191	\$ 350,482	\$ 246,658	\$ 350,349	\$ 163,893	\$ 2,490,112	\$ 5,757	\$ 33,862	\$ 11,664
General Government	-	-	-	527,388	913,772	2,107,453	941,549	1,425,806	4,113,310	3,336,729
Human Services	-	-	-	-	-	-	140,366	186,989	205,243	202,615
Oploid Settlement	-	-	-	-	-	-	-	-	-	3,302,452
Public Safety	567,449	759,385	1,463,892	1,188,720	1,328,278	1,874,198	2,204,704	2,457,840	2,367,542	2,534,065
Economic and Physical Development	1,596,963	1,204,220	1,218,642	1,212,049	1,646,115	6,171,089	2,361,658	2,742,889	3,355,681	3,129,066
Public Schools	647,407	448,646	160,891	431,771	1,518,914	2,361,585	4,836,189	9,451,097	12,286,464	18,385,939
Committed:										
Capital projects	8,981,920	8,974,443	9,719,331	10,570,948	9,896,332	9,351,742	9,818,385	12,084,072	14,747,955	18,433,096
Unassigned	(145,052)	(47,561)	(136,611)	(149,490)	(240,400)	(378,722)	(2,680,122)	(37,504)	(43,637)	(249,675)
Total all other governmental funds	\$ 11,832,279	\$ 12,441,324	\$ 12,776,627	\$ 14,028,044	\$ 15,413,360	\$ 21,651,238	\$ 20,112,841	\$ 28,316,946	\$ 37,066,420	\$ 49,085,951

Schedule 4
 Craven County
 Changes in fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes:										
Property	\$ 48,452,331	\$ 49,134,422	\$ 51,917,034	\$ 52,688,757	\$ 54,118,386	\$ 54,957,950	\$ 57,822,448	\$ 59,866,003	\$ 61,523,018	\$ 66,599,438
Sales	14,532,240	15,112,475	16,097,112	16,897,507	19,290,881	19,828,653	22,920,189	25,160,570	27,170,396	27,677,519
Tourism Room	934,214	1,065,391	1,077,689	1,075,286	1,758,121	1,605,717	1,597,678	2,249,242	2,415,605	2,396,376
Total taxes	63,918,785	65,312,288	69,091,845	70,641,550	75,167,388	76,392,320	82,340,315	87,275,815	91,109,019	96,673,333
Intergovernmental	23,154,019	23,935,338	23,209,065	19,476,210	23,511,297	26,494,967	38,102,503	35,827,492	51,728,139	38,585,146
Charges for Services	14,617,799	16,333,950	17,181,291	17,191,527	13,495,640	15,711,402	16,896,108	17,629,177	17,949,560	20,381,629
Interest	150,404	148,453	297,665	630,042	1,117,519	879,774	12,964	(63,708)	2,357,868	4,710,773
Miscellaneous	1,428,429	979,965	1,009,671	934,418	3,339,425	1,278,072	1,373,463	4,002,009	766,729	1,393,190
Total Revenues	103,269,436	106,709,994	110,789,527	108,873,747	116,631,269	120,756,535	138,725,353	144,670,785	163,911,315	161,744,071
Expenditures										
General Government	9,948,357	10,213,411	10,435,517	12,297,021	15,831,603	14,538,888	18,918,417	16,606,583	24,371,287	24,507,945
Public Safety	17,185,318	17,892,625	19,282,826	19,927,529	21,161,542	22,268,324	26,621,964	28,192,022	29,459,298	30,715,887
Environmental Protection	5,140,583	5,079,891	5,357,128	5,473,167	6,042,356	7,655,428	7,241,021	7,347,292	8,094,358	8,865,464
Economic Development	3,612,837	3,950,990	3,849,000	3,054,020	3,499,091	12,429,224	7,194,853	3,868,787	4,277,154	5,168,638
Health	7,644,382	8,379,656	8,235,214	9,009,776	9,437,637	10,312,247	10,616,068	10,534,453	12,381,451	13,039,606
Social Services	22,355,542	22,305,810	22,309,579	19,118,866	19,023,190	19,120,635	19,937,154	20,841,760	25,660,561	27,440,764
Culture and Recreation	2,341,104	3,028,748	2,919,651	2,688,417	3,185,110	3,004,223	3,173,640	3,045,225	3,432,789	4,078,685
Education	24,559,787	26,103,710	27,005,640	27,018,838	27,166,990	28,571,621	28,777,523	29,422,557	31,821,071	30,560,310
Debt Service:										
Principal	6,831,446	6,816,300	6,891,300	7,021,300	6,845,855	5,914,300	6,400,150	6,286,945	5,218,100	3,891,114
Interest	1,976,022	1,720,571	1,471,252	1,157,728	953,550	809,936	776,440	638,514	501,661	392,081
Bond issuance costs					36,100					
Total Expenditures	101,596,378	105,496,712	107,757,107	106,766,662	113,183,024	124,624,826	129,657,230	126,784,138	145,217,730	148,680,494
Excess of revenues over (under) expenditures	1,674,058	1,213,282	3,032,420	2,107,085	3,448,245	(3,868,291)	9,068,123	17,886,647	18,693,585	13,063,577
Other Financing Sources (Uses)										
Lease Proceeds										
Transfers in	7,619,608	6,425,300	7,855,332	9,122,508	7,503,106	10,752,856	7,794,375	385,949	155,246	279,584
Transfers out	(7,514,608)	(6,320,300)	(7,725,332)	(8,809,286)	(7,413,106)	(10,652,079)	(7,714,375)	(16,004,625)	(32,464,066)	(19,484,135)
Refunding bonds issued	-	-	-	-	8,335,000	-	-	-	-	-
Payment to refunding escrow agent	-	-	-	-	(8,296,656)	-	-	-	-	-
Proceeds from installment note/COPS	-	-	-	-	-	10,000,000	-	-	-	-
Special item	850,000	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	955,000	105,000	130,000	313,222	128,344	10,100,777	80,000	(159,457)	(4,419,049)	(1,775,577)
Net change in fund balances	\$ 2,629,058	\$ 1,315,282	\$ 3,162,420	\$ 2,420,307	\$ 3,576,589	\$ 6,232,486	\$ 9,148,123	\$ 17,727,190	\$ 14,274,536	\$ 11,308,000
Debt service as a percentage of noncapital expenditures	8.84%	8.28%	7.98%	8.02%	7.11%	6.03%	6.02%	5.65%	4.38%	3.25%

Schedule 5
Craven County
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property			Present-use Value (1)	Personal Property	Public Service Companies (2)	Total Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Taxable Value (4)
	Residential Property	Commercial Property	Industrial Property						
2015	5,902,879,610	2,162,096,295	46,574,740	139,682,484	1,522,563,337	130,349,522	9,904,145,988	0.4675	8,753,885,441
2016	5,947,385,914	2,178,573,186	46,564,923	141,917,615	1,553,771,682	155,515,544	10,023,728,864	0.4675	9,087,696,160
2017	5,206,928,087	2,030,255,403	42,342,930	131,599,087	1,638,861,659	155,227,537	9,205,214,703	0.5394	9,298,196,670
2018	5,466,479,591	1,860,735,378	43,165,400	133,196,948	1,655,323,746	162,065,213	9,320,966,276	0.5394	9,563,889,058
2019	5,327,228,030	2,108,571,090	43,578,000	133,240,033	1,761,612,228	166,348,703	9,540,578,084	0.5394	10,039,543,391
2020	5,304,353,760	2,108,733,327	45,922,900	133,783,370	1,827,117,756	176,828,919	9,596,740,032	0.5494	10,514,670,792
2021	5,486,948,016	2,127,480,453	48,312,340	132,953,939	2,028,190,175	169,749,363	9,993,634,286	0.5494	11,301,180,918
2022	5,481,813,881	2,242,623,400	48,809,700	135,172,223	2,148,572,925	187,139,127	10,244,131,256	0.5600	13,324,832,539
2023	5,788,240,270	2,263,456,720	49,402,300	134,191,573	2,075,979,231	194,660,292	10,505,930,386	0.5600	13,665,362,105
2024 (5)	8,615,989,137	2,517,865,678	64,803,380	162,072,728	2,560,602,961	242,618,048	14,163,951,932	0.4448	14,453,012,176

Source: Annual County Report of Valuation and Property Tax Levies

Notes:

- (1) Present use value property is agricultural, horticultural and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.
- (2) Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.
- (3) Per \$100 of value.
- (4) The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place in the calendar year ending during the fiscal year. (The 2024 figure is based on property sales which took place in calendar 2023 and the sales to assessment ratio was 98.0%.)
- (5) Reassessment was performed on January 1, 2023, and was the basis for fiscal year 2024 taxes. The next reassessment will occur on January 1, 2027.

Schedule 6
 Craven County
 Direct and Overlapping Property Tax Rates,
 Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024 (1)</u>
Craven County Direct Rate \$	0.4675 \$	0.4675 \$	0.5394 \$	0.5394 \$	0.5394 \$	0.5494 \$	0.5494 \$	0.5600 \$	0.5600 \$	0.4448
<u>Municipality Rates:</u>										
Bridgeton	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Cove City	0.1500	0.2500	0.2678	0.2678	0.2700	0.2700	0.2700	0.2700	0.2700	0.2200
Dover	0.3000	0.3000	0.3500	0.3500	0.3500	0.3500	0.3500	0.2900	0.2900	0.3100
Havelock	0.4850	0.5100	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.6800
New Bern	0.4100	0.4100	0.4600	0.4600	0.4600	0.4822	0.4822	0.4822	0.4822	0.3800
River Bend	0.2650	0.2650	0.3105	0.2900	0.2400	0.2600	0.2600	0.2600	0.2600	0.2400
Trent Woods	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700
Vanceboro	0.4600	0.4600	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.4000

Fire Districts Rates:

West New Bern II (Rhems)	0.0389	0.0389	0.0457	0.0457	0.0400	0.0400	0.0400	0.0350	0.0350	0.0250
Township #1	0.0250	0.0250	0.0269	0.0269	0.0269	0.0269	0.0269	0.0250	0.0250	0.0200
Tri Community	0.0377	0.0527	0.0658	0.0555	0.0555	0.0555	0.0555	0.0500	0.0500	0.0375
Little Swift Creek	0.0549	0.0549	0.0700	0.0700	0.0700	0.0650	0.0650	0.0650	0.0650	0.0500
Township #3	0.0624	0.0774	0.0861	0.0861	0.0861	0.0900	0.0900	0.0900	0.0900	0.0650
Township #5	0.0453	0.0553	0.0653	0.0653	0.0653	0.0653	0.0653	0.0653	0.0653	0.0541
Township #6	0.0480	0.0520	0.0586	0.0586	0.0500	0.0500	0.0500	0.0450	0.0450	0.0380
Township #7	0.0177	0.0190	0.0216	0.0272	0.0250	0.0250	0.0250	0.0250	0.0250	0.0200
West New Bern	0.0324	0.0349	0.0391	0.0457	0.0391	0.0391	0.0391	0.0375	0.0375	0.0281
Township #9	0.0682	0.0682	0.0746	0.0746	0.0746	0.0746	0.0746	0.0600	0.0600	0.0425
Sandy Point	0.0377	0.0527	0.0672	0.0672	0.0672	0.0672	0.0672	0.0500	0.0500	0.0375

Source: Craven County Tax Department

Note: (1) Real property was revalued on January 1, 2023

Schedule 7
 Craven County
 Principal Property Tax Payers,
 Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2024			Fiscal Year 2015		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
BSH Home Appliances Corp	Home appliance manufacturer	195,111,354	1	1.38%	91,988,631	2	0.93%
International Paper Company	Wood pulp manufacturer	188,725,562	2	1.33%			
Duke Energy Progress Inc.	Electric utility	121,085,048	3	0.85%	49,618,047	4	0.50%
Weyerhaeuser Company	Real estate investment trust	98,728,190	4	0.70%	63,627,860	3	0.64%
Piedmont Natural Gas	Gas utility	37,096,188	5	0.26%			
Wal-Mart Real Estate Business Trust	Real estate development	37,087,671	6	0.26%	24,871,830	9	0.25%
New Bern Apartments LLC	Real estate development	34,578,309	7	0.24%			
Craven Wood Energy LTD	Electricity manufacturer	30,706,054	8	0.22%	26,030,745	7	0.26%
Atlantic Marine Corps Communities, LLC	Real estate development	28,629,782	9	0.20%	32,823,775	5	0.33%
White River Marine Group LLC	Boat manufacturer	26,506,459	10	0.19%			
Weyerhaeuser NR Company	Wood pulp manufacturer				201,482,386	1	2.03%
Carolina Telephone & Telegraph Co.	Communications utility				30,803,102	6	0.31%
New Bern Riverfront Development LLC	Real estate development				24,890,230	8	0.25%
Wyndam Vacation Resorts Inc	Real estate development				17,038,710	10	0.17%
Totals		\$ 798,254,617		5.64%	\$ 563,175,316		5.69%

Source: Craven County Tax Department

Schedule 8
 Craven County
 Property Tax Levies and Collections
 Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Adjusted Levy
2015	46,074,580	354,529	46,429,109	46,059,154	99.20%	330,223	46,389,377	99.91%
2016	46,661,088	287,113	46,948,201	46,591,996	99.24%	47,940	46,639,936	99.34%
2017	49,281,078	264,724	49,545,802	49,229,371	99.36%	63,997	49,293,368	99.49%
2018	50,133,887	208,230	50,342,117	50,013,650	99.35%	63,503	50,077,153	99.47%
2019	51,207,256	357,778	51,565,034	51,213,187	99.32%	90,595	51,303,782	99.49%
2020	52,499,119	271,764	52,770,883	52,162,736	98.85%	128,213	52,290,949	99.09%
2021	54,749,539	272,681	55,022,220	54,599,304	99.23%	164,579	54,763,883	99.53%
2022	57,025,239	396,164	57,421,403	56,829,343	98.97%	404,056	57,233,399	99.67%
2023	58,468,532	435,582	58,904,114	58,397,668	99.14%	270,852	58,668,520	99.60%
2024	63,288,453	385,598	63,674,051	63,261,448	99.35%	-	63,261,448	99.35%

Source: Craven County Tax Department

Schedule 9
 Craven County
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)
	General Obligation Bonds	Installment Loans	Financed Purchase	General Obligation Bonds	Installment Loans				
2015	19,059,987	42,252,485	0	5,000	5,601,369		66,918,841	656	1.64%
2016	16,448,638	37,862,267	0	0	16,279,594		70,590,499	693	1.69%
2017	13,808,847	33,427,050	0	0	16,819,909		64,055,806	629	1.52%
2018	11,109,056	29,025,750	0	0	15,930,845		56,065,651	551	1.31%
2019	8,614,265	24,654,450	0	0	15,041,781		48,310,496	478	1.09%
2020	6,146,474	31,128,149	0	0	14,152,717		51,427,340	508	1.10%
2021	3,729,683	27,064,999	0	0	13,263,653		44,058,335	430	0.88%
2022	1,365,892	23,184,999	0	0	12,374,589		36,925,480	358	0.68%
2023	0	19,389,999	315,921	0	11,485,525		31,191,445	299	0.57%
2024	0	15,669,999	323,441	0	10,596,461		26,589,901	260	0.45%

*Information not yet available

Notes: Debt amounts shown include deferred premiums on debt but do not include pension obligations, OPEB, or compensated absences. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See Schedule 12 for personal income and population data. These ratios are calculated using personal income and population for the calendar year ended during the fiscal year.

Schedule 10
 Craven County
 Ratios of Net General Bonded Debt Outstanding,
 Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding					Total	Percentage of Personal Income(1)	Percentage of Actual Taxable Value of Property(2)	Per Capita(1)
	General Obligation Bonds	Less: Amounts			Restricted to Repaying Principal				
2015	\$ 19,064,987	\$	647,407	\$	18,417,580	0.45%	0.21%	180	
2016	16,448,638		448,646		15,999,992	0.38%	0.18%	157	
2017	13,808,847		155,992		13,652,855	0.32%	0.15%	134	
2018	11,109,056		401,190		10,707,866	0.25%	0.11%	105	
2019	8,614,265		1,210,957		7,403,308	0.17%	0.07%	73	
2020	6,146,474		2,201,532		3,944,942	0.08%	0.04%	39	
2021	3,729,683		3,729,683		-	0.00%	0.00%	0	
2022	1,365,892		1,365,892		-	0.00%	0.00%	0	
2023	-		-		-	0.00%	0.00%	0	
2024	-		-		-	0.00%	0.00%	0	

*Information not yet available.

Notes: Debt amounts shown include deferred premiums on debt but do not include pension obligations, OPEB, or compensated absences. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See Schedule 12 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) See schedule 5 for estimated actual taxable value data.

Schedule 11
 Craven County
 Legal Debt Margin Information,
 Last Ten Fiscal Years
 (dollars in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed Value of Property	\$ 9,904,146	\$ 10,023,729	\$ 9,205,215	\$ 9,320,966	\$ 9,540,578	\$ 9,596,740	\$ 9,993,634	\$ 10,244,131	\$ 10,505,930	\$ 14,163,952
Debt Limit, 8% of Assessed Value (Statutory Limitation)	792,332	801,898	736,417	745,677	763,246	767,739	799,491	819,531	840,474	1,133,116
Amount of Debt Applicable to Limit										
Gross debt	66,919	70,590	64,056	56,066	48,310	51,427	44,058	36,925	31,191	26,590
Less: Amount available for repayment of g.o. bonds	647	449	156	401	1,211	2,202	3,730	1,366	-	-
Debt outstanding for water and sewer purposes	5,606	16,280	16,820	15,931	15,042	14,153	13,264	12,375	11,486	10,596
Revenue bonds	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	60,665	53,862	47,080	39,734	32,058	35,073	27,065	23,185	19,706	15,993
Legal Debt Margin	\$ 731,667	\$ 748,036	\$ 689,337	\$ 705,944	\$ 731,188	\$ 732,666	\$ 772,426	\$ 796,346	\$ 820,769	\$ 1,117,123

Total net debt applicable to the limit as a % of debt limit	7.66%	6.72%	6.39%	5.33%	4.20%	4.57%	3.39%	2.83%	2.34%	1.41%
-------------------------------------------------------------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------

Note: NC Statute GS159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: money held for payment of principal; debt incurred for water, sewer, gas, or electric power purposes; uncollected special assessments, funding and refunding bonds not yet issued; and revenue bonds.

The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

Schedule 13
 Craven County
 Principal Employers
 Current Year and Nine Years Ago

Employer	2024			2015		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Department of Defense (1)	5,324	1	13.39%	5,018	1	13.63%
CarolinaEast Health Systems	3,095	2	7.78%	2,239	2	5.72%
Craven County Schools	1,544	3	3.88%	1,150	4	5.14%
BSH Home Appliances	1,512	4	3.80%	1,951	3	2.49%
State of North Carolina	759	5	1.91%	886	6	2.42%
Moen Incorporated	712	6	1.79%	900	5	2.18%
Craven County	712	7	1.79%	588	8	1.74%
Wal-Mart	537	8	1.35%	790	7	1.59%
Craven Community College	522	9	1.31%	451	10	1.25%
City of New Bern	498	10	1.25%	475	9	1.10%
	<u>15,215</u>		<u>38.26%</u>	<u>14,448</u>		<u>37.26%</u>

Source: Craven County Economic Development, NC Department of Commerce - NCWorks

Notes: (1) Excludes 6,832 active military personnel based in Craven County. It includes civilian employment at the Fleet Readiness Center East, Naval Health Clinic, 2nd MAW, and MCAS Cherry Point.

Schedule 12
 Craven County
 Demographic and Economic Statistics
 Last Ten Fiscal Years

Year	Population(1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Public School Enrollment(3)	Unemployment Rate(4)	Number of Building Inspections Performed(5)
2015	102,048	4,069,541	39,168	14,297	6.8%	7,538
2016	101,875	4,178,133	40,702	14,120	6.1%	8,918
2017	101,863	4,224,542	41,265	14,002	5.3%	9,688
2018	101,809	4,269,091	41,748	13,778	4.7%	8,942
2019	101,167	4,437,303	43,458	13,584	4.2%	15,602
2020	101,181	4,677,441	46,130	13,113	4.1%	14,063
2021	102,568	4,979,472	49,475	12,542	6.7%	13,647
2022	103,193	5,414,079	53,991	12,353	4.7%	15,808
2023	104,372	5,480,226	54,327	12,490	3.7%	14,074
2024	102,391	5,951,003	58,120	12,285	3.5%	15,955

* Information not yet available.

Notes:

- (1) N.C. State Data Center. Estimates are as of beginning of fiscal year (July 1)
- (2) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are as of the end of the calendar year ended during the fiscal year.
- (3) N.C. Department of Public Instruction, First Month Average Daily Membership.
- (4) N. C. Employment Security Commission, Annual Average as of the end of the calendar year ended during the fiscal year.
- (5) Total number of inspections performed by Craven County Inspections Department. Does not include inspections by municipalities.

Schedule 14
 Craven County
 Full-time Equivalent County Government Employees by Function,
 Last Ten Fiscal Years

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government	78	77	78	78	79	84	96	86	92	100
Public safety	154	157	162	164	183	178	186	176	189	188
Social services	188	195	204	207	211	192	194	180	194	185
Economic and physical development	20	23	23	20	20	9	10	10	9	10
Environmental protection	31	29	28	30	32	28	34	31	35	28
Health	90	93	99	98	105	101	102	101	98	96
Transportation (1)						17	16	17	28	28
Cultural and recreation (2)	14	13	13	9	13	25	23	22	26	16
Water (Enterprise activity)	13	14	15	18	18	16	17	17	19	17
Total	588	601	622	624	661	650	678	640	690	668

Source: Craven County Human Resources, Finance Department

Notes: This schedule represents number of persons employed as of June 30 of each year. Vacant positions are not included in the above numbers. Full time personnel work 2,080 hours per year (less vacation and sick leave). For purposes of this schedule the number of part time employees has been divided by 2.5 to arrive at the full time equivalents.

(1) Effective 2020. Transportation function added to schedule. Employees were previously included in the social services count.

(2) Effective 2020. Convention Center FTE's were reclassified from economic and physical development to cultural and recreation.

Schedule 15
Craven County
Operating Indicators by Function,
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020 (5)	2021	2022	2023	2024
Public Safety										
Fire/Rescue calls to County E911 (A)	9,457	9,453	9,823	9,483	10,212	9,774	10,364	11,176	10,957	12,242
Average daily population in jail (B)	261	276	275	287	306	304	297	326	306	308
Health Services (C)										
Food and lodging inspections	1,312	1,299	1,374	1,190	1,471	788	1,027	1,215	1,421	1,428
Visits to health department	30,576	30,014	29,298	27,262	28,151	26,900	26,073	25,453	27,806	28,534
Transportation Services (D)										
Number of miles driven	708,841	673,929	599,821	594,277	588,401	527,137	446,095	486,584	525,727	651,120
Number of trips provided	86,927	74,346	69,359	64,167	63,144	55,027	42,239	46,117	55,602	63,491
Tax/Real Estate Services (E)										
Deed transfers processed	3,970	4,136	4,567	4,484	4,815	4,859	5,930	6,624	5,191	4,904
Number of real estate parcels	57,097	57,354	57,438	57,571	57,952	58,385	58,734	59,285	59,829	59,955
Number of tax bills generated (3)(6)	65,112	67,034	67,398	67,425	67,813	68,488	74,057	71,815	71,545	71,237
Economic and Physical Development										
County tourism revenues (1)(2)(6)(G)	127	131	137	142	149	155	115	160	171	180
Economic impact of convention center (2)(5)(G)	9.0	9.0	9.0	9.0	2.0	1.0	0.8	2.1	3.1	4.6
Number of registered voters (H)	66,478	69,459	66,615	68,827	67,487	72,995	69,206	69,206	59,091	78,988
Number of enplanements at airport (I)	114,373	111,909	111,962	116,647	112,889	87,335	56,709	76,539	75,108	61,797
Water Services										
Number of service connections (J)	13,442	13,615	13,664	13,821	13,949	14,119	14,331	14,462	14,857	14,732

Notes:

- (1) The amounts shown are for calendar year ending December 31 during the fiscal year.
- (2) Amounts shown are millions of dollars.
- (3) Fiscal 2015 decrease due to DMV billing for motor vehicles property tax at time of registration renewal.
- (4) Fiscal 2019 decrease due to damages caused by Hurricane Florence September 12-15, 2018. Facility closed for repairs following the storm for the remainder of the fiscal year. Facility reopened October 2019.
- (5) Fiscal 2020 decreases in most categories can be attributed to COVID-19 restrictions.
- (6) Fiscal 2021 increase due to first year of GAP Billing.

Source of data:

- (A) Craven County Emergency Services
- (B) Craven County Sheriff Department
- (C) Craven County Health Department
- (D) CARTS (Craven County Transportation)
- (E) Craven County Tax Department
- (F) Craven County Finance Department
- (G) New-Bern Craven County Convention Center
- (H) Craven County Elections Department
- (I) Coastal Carolina Regional Airport
- (J) Craven County Water Department

Schedule 16
 Craven County
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Public Safety (A)</u>								
Correction facility rated capacities	292	292	292	292	292	292	292	292
<u>Parks and Land Use (B)</u>								
Number of county parks	4	4	4	4	4	4	4	4
Boat ramps operated (1)	2	0	0	0	0	0	0	0
<u>Water Service (C)</u>								
Miles of water main	634	634	634	650	650	655	657	658
Number of elevated water tanks	9	9	9	9	9	9	9	9
Number of system wells	10	10	10	18	18	18	18	18
Water Treatment Plant				1	1	1	1	1
<u>Transportation Services (D)</u>								
Number of CARTS vehicles	32	32	32	32	32	29	29	29
<u>Economic and Physical Development</u>								
Convention center	1	1	1	1	1	1	1	1
Number of acres remaining at Industrial Park (E)	183	161	161	161	142	142	135	111
<u>Airport (F)</u>								
Number of runways	2	2	2	2	2	2	2	2

Source of data:

- (A) Craven County Sheriff Department
- (B) Craven County Recreation Department
- (C) Craven County Water Department
- (D) CARTS (Craven County Transportation)
- (E) Craven County Finance Department
- (F) Craven County Regional Airport

Note:

(1) Boat ramps were deeded to NC Wildlife Resources Commission in fiscal year 2016.

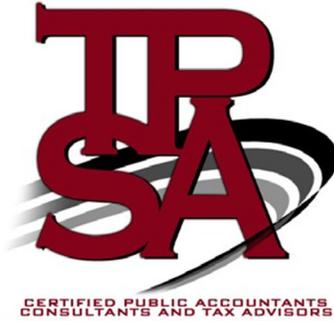
Craven County



COMPLIANCE SECTION

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

Independent Auditors' Report

To the Board of County Commissioners
Craven 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 Craven County, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprises Craven County's basic financial statements, and have issued our report thereon dated November 25, 2024. Our report includes a reference to other auditors who audited the financial statements of Carolina East Health System and Craven County Alcoholic Beverage Control Board, as described in our report on the County's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matter that are reported on separately by those auditors. The financial statements of Carolina East Health System and Craven County Alcoholic Beverage Control Board were not audited in accordance with Government Auditing Standards.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

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Report on Compliance and Other Matters

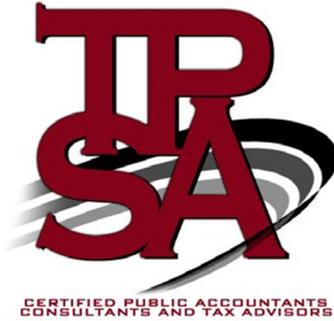
As part of obtaining reasonable assurance about whether Craven County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters⁶ that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 25, 2024



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

Independent Auditors' Report

To the Board of County Commissioners
Craven County, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Craven County, North Carolina, compliance with the types of compliance requirements described in the OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of the Craven County's major federal programs for the year ended June 30, 2024. Craven County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Craven 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, 2024.

Basis for Opinion on Each Major Federal Program

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

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Craven 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 Craven 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 Craven 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 Craven 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 Craven 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items [2024-001, 2024-002, 2024-003, 2024-004, 2024-005, 2024-006] to be significant deficiencies.

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.

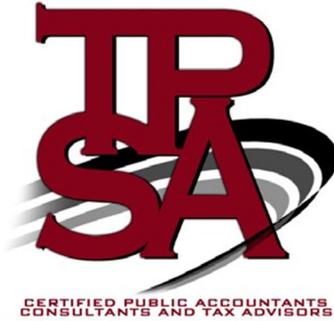
Government Auditing Standards requires the auditor to perform limited procedures on Craven County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Craven County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Craven County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Craven County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 25, 2024



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

Independent Auditors' Report

To the Board of County Commissioners
Craven County, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Craven County, North Carolina, compliance with the types of compliance requirements described in the OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of Craven County's major State programs for the year ended June 30, 2024. Craven County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Craven 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, 2024.

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 Craven County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of Craven 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 Craven County State programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Craven 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 Craven 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 Craven 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 Craven 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 Craven 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 State program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items [2024-001, 2024-002, 2024-003, 2024-004, 2024-005] to be significant deficiencies.

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 Craven County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Craven 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.

Craven County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Craven County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 25, 2024



Thompson, Price, Scott, Adams & Co, P.A.

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**Report on Compliance for the Passenger Facility Charge Program and on Internal Control Over Compliance and the Schedule of Passenger Facility Charge Revenue and Expenditures
In Accordance With the Passenger Facility Charge Audit Guide for Public Agencies**

Independent Auditors' Report

To the Board of County Commissioners
Craven County, North Carolina

Report on Compliance for the Passenger Facility Charge Program

Opinion on the Passenger Facility Charge Program

We have audited Craven County Regional Airport Authority's ("the Authority", a component unit of Craven County) compliance with the types of compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies (the Guide), issued by the Federal Aviation Administration that could have a direct and material effect on its passenger facility charge program for the year ended June 30, 2024.

In our opinion, the Craven County Regional Airport Authority's 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 passenger facility charge program for the year ended June 30, 2024.

Basis for Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the passenger facility charge program. Our audit does not provide a legal determination of the Authority'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 passenger facility charge program.

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA's Private Companies Practice Section

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority'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 Guide 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 Authority's compliance with the requirements of the passenger facility charge program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, 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 Authority'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 Authority'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 Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 the passenger facility charge program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the passenger facility charge 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 the passenger facility charge 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.

Whiteville, NC

November 25, 2024

Craven County, North Carolina
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses ___ yes X none reported
- Noncompliance material to financial statements noted ___ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses X yes ___ none reported

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

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

Identification of major federal programs:

<u>CFDA #</u>	<u>Program Name</u>
10.561	SNAP Cluster
20.106	Airport Improvement Program - CARES Act Fund
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.224	Health Center Program
93.563	Child Support Enforcement
93.778	Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B Programs \$ 1,037,700

Auditee qualified as low-risk auditee? ___ X yes ___ no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses X yes ___ none reported

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act ___ X yes ___ no

Identification of major State programs:

<u>Program Name</u>
Medical Assistance Program
Golden LEAF Grant
State Aid to Airports
State Capital Infrastructure Funds - County Court House Project
Public School Bulding Capital Fund - Lottery Proceeds

Craven County, North Carolina
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2024

Section I - Summary of Auditors' Results (continued)

Dollar threshold used to determine State Major Programs \$ 500,000

Auditee qualified as low-risk auditee? yes no

Passenger Facility Charge Program

Internal control over Passenger Facility Charge Program

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with the Federal Aviation Administration Passenger Facility Charge Audit Guide for Public Agencies? yes no

Identification of programs:

Program Name
 Passenger Facility Charge Program

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

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

Finding: 2024-001 Inaccurate Information Entry

SIGNIFICANT DEFICIENCY

Eligibility

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

Condition: There were 3 errors discovered during our procedures where income or household size was incorrectly calculated or inaccurate information was entered into the case file.

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

Context: We examined 60 cases from of a total of 997,008 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Craven County, North Carolina
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2024

Section III - Federal Award Findings and Questioned Costs (Continued)

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

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2023-001.

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

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

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

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

Finding: 2024-002 Inaccurate Resource Entry
 SIGNIFICANT DEFICIENCY
 Eligibility

Criteria: In accordance with Medicaid Manual MA-2230, Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application and these items will agree to reports in the NC FAST system. In this process, the countable resources should be calculated correctly and agree back to the amounts in the NC FAST system. Any items discovered in the verification process should be considered countable or non-countable resources and explained within the documentation.

Condition: There were 1 errors discovered during our procedures where resources were incorrectly calculated or were not properly documented in the case file.

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

Context: We examined 60 cases from of a total of 997,008 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

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

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2023-002.

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

Craven County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

Section III - Federal Award Findings and Questioned Costs (Continued)

Recommendation: Case files should be reviewed internally to ensure correct calculations of resources are made, proper information is included in the case file, and necessary procedures are taken when determining eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

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

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

Finding: 2024-003 Inadequate Request for Information

SIGNIFICANT DEFICENCY

Eligibility

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. Electronic matches are required at applications and redeterminations.

Condition: There were 5 errors discovered during our procedures where required information needed for eligibility determinations were not requested or not requested timely at applications or redeterminations.

Questioned Cost: There were no known affects to eligibility and there were no known questioned costs.

Context: We examined 60 cases from of a total of 997,008 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

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

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2023-003.

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

Recommendation: Files should be reviewed internally to ensure all required verifications have been completed and information requested from the applicant/beneficiary or through various systems have been included and necessary procedures are taken when determining eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

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

Craven County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

Section III - Federal Award Findings and Questioned Costs (Continued)

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services

Medicaid Assistance Program (Medicaid; Title XIX)

AL # 93.778

Finding: 2024-004 Non-Cooperation with Child Support Procedures

SIGNIFICANT DEFICIENCY

Eligibility

Criteria: In accordance with the Medicaid Manual MA-3365, all Medicaid cases should be evaluated and referred to the Child Support Enforcement Agency (IV-D). The Child Support Enforcement Agency (IV-D) can assist the family in obtaining financial and/or medical support or medical support payments from the child's non-custodial parent. Cooperation requirement with Social Services and Child Support Agencies must be met or good cause for not cooperating must be established when determining Medicaid eligibility.

Condition: There were 1 errors discovered during our procedures that referrals between the County's Medicaid and Child Support Agencies were not properly made.

Questioned Cost: There were no known affects to eligibility and there were no known questioned costs.

Context: We examined 60 cases from of a total of 997,008 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

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

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

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

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

US Department of Health and Human Services

Passed through the NC Department of Health and Human Services

Medicaid Assistance Program (Medicaid; Title XIX)

AL # 93.778

Finding: 2024-005 Untimely Review of SSI Terminations

SIGNIFICANT DEFICIENCY

Eligibility

Criteria: In accordance with the Medicaid Manual MA-3120, the State sends notification to the County when a participant is no longer eligible under a SSI determination. The County has a certain time period to initiate an ex-parte review to determine whether the recipient qualifies for Medicaid under any other coverage group, such as Family and Children's Medicaid, North Carolina Health Choice for Children, Work First Family Assistance, or Medicaid for the Aged, Blind and Disabled.

Craven County, North Carolina
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2024

Section III - Federal Award Findings and Questioned Costs (Continued)

Condition:	There were 1 applicants/beneficiaries not reviewed timely and determined to be eligible for Medicaid when their SSI benefits were terminated.
Questioned Cost:	There were no known affects to eligibility and there were no known questioned costs.
Context:	We examined 60 cases from of a total of 997,008 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.
Effect:	The County did not initiate ex-parte review timely, therefore, no eligibility review was completed in the required time period. The lack of follow up and certification lead to applicants receiving Medicaid benefits for which they were not eligible.
Cause:	Ineffective communication between departments within the Department of Social Services. One area within DSS received State communications that applicants would no longer be eligible for SSI benefits and the County needed to conduct an ex-parte review. This information was not shared with other departments in DSS from which the recipient was also receiving benefits.
Recommendation:	Any State communications related to applicants/beneficiaries should be shared with all areas from which the participant receives benefits. State files should be reviewed internally to ensure all actions have been properly closed and the corrective action has been taken. Workers should be retrained on what process needs to be followed when State communications are received.
Views of responsible officials and planned corrective actions:	The County agrees with the finding. See Corrective Action Plan in the following section.

US Department of Health and Human Services
 Passed through the NC Department of Health and Human Services
 Food and Nutrition Services (FNS) Cluster
 AL # 10.551 and 10.561

Finding: 2024-006 FNS Eligibility Determinations

SIGNIFICANT DEFICIENCY

Eligibility

Criteria:	<p>Per Section 200.303 of the Uniform Grant Guidance, a non-federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. The State has provided policies and procedures to ensure that the County is meeting the federal guidance, relevant policies are:</p> <p>Food and Nutrition Services Policy 305 describes the verification sources and requirements and the FNS units primary responsibility for providing documentary evidence to support statements on applications and recertifications and procedures required if the statements by applicant/beneficiary are questionable.</p> <p>Food and Nutrition Services Policy 300 describes the sources of income countable and not countable to the household for determining financial eligibility.</p> <p>Food and Nutrition Services Policy 310 describes the procedures related to verifying changes in income (i.e. termination, end of contract, temporary, etc.).</p>
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Craven County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

Section III - Federal Award Findings and Questioned Costs (Continued)

Condition: There were a total of 5 errors found in our testing: 1 instances where there was an inadequate documentation of the purchasing and preparing food separately requirement for a Simplified Nutritional Assistance Program (SNAP) case; 1 instance where the caseworker did not request adequate information from the recipient related to self-employment income; 2 instances where the caseworker did not request adequate information from the recipient related to an expense deduction; 1 instance where an incorrect expense deduction was entered in NCFAST.

Questioned Cost: There were no known affects to eligibility and there were no known questioned costs.

Context: We examined 25 of 12,226 FNS/SNAP cases from a report of all active FNS/SNAP beneficiaries provided by the County's Department of Social Services. The finding is being reported with the financial statement audit as it relates to FNS administrative cost compliance audit.

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

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

Recommendation: The County should provide training of management and staff on the program's eligibility requirements, proper case review process, and required verifications for eligibility. Also, the County should ensure that their formal internal review process is adequately completed to identify and correct errors in case reviews.

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

Section IV - State Award Findings and Questioned Costs

Program Name: Medical Assistance Program (Medicaid; Title XIX)
AL # 93.778
SIGNIFICANT DEFICENCY: Finding 2024-001, 2023-002, 2023-003, 2024-004, and 2024-005 also apply to State requirements and State Awards.

Section V - Passenger Facility Charge Program Findings and Questioned Costs

None reported.

Board of Commissioners
Jason R. Jones, Chairman
Dennis Bucher, Vice Chairman
Thomas F. Mark
George S. Liner
Theron L. McCabe
Ettienne "E.T." Mitchell
Beatrice R. Smith



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Craig Warren, Finance Director

Commissioners 252-636-6601
Manager 252-636-6600
Finance 252-636-6603
Human Resources 252-636-6602

Corrective Action Plan
For the Year Ended June 30, 2024

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

Finding 2024-001

Name of contact person: April Rollins, Medicaid Program Manager
Corrective Action: Refresher training for all Medicaid staff on the importance of entering information accurately in NC Fast. Staff will have access to one on one training as needed. We will continue to complete second party reviews in excess of the states mandated 98 cases quarterly.
Proposed completion date: 1/31/2025

Finding 2024-002

Name of contact person: April Rollins, Medicaid Program Manager
Corrective Action: Refresher training for all Medicaid staff on the importance of entering resource information accurately and examples of how to enter resource information in NC Fast will be conducted. We will continue to complete second party reviews in excess of the states mandated 98 cases quarterly.
Proposed completion date: 1/31/2025

Finding 2024-003

Name of contact person: April Rollins, Medicaid Program Manager
Corrective Action: Refresher training for all Medicaid staff regarding requests for information to ensure we are requesting all verifications needed will be conducted. We will continue to complete second party reviews in excess of the states mandated 98 cases quarterly.
Proposed completion date: 1/31/2025

Board of Commissioners
Jason R. Jones, Chairman
Dennis Bucher, Vice Chairman
Thomas F. Mark
George S. Liner
Theron L. McCabe
Ettienne "E.T." Mitchell
Beatrice R. Smith



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Manager 252-636-6600
Finance 252-636-6603
Human Resources 252-636-6602

Corrective Action Plan
For the Year Ended June 30, 2024

Section III - Federal Award Findings and Questioned Costs (continue)

Finding 2024-004

Name of contact person: April Rollins, Medicaid Program Manager
Corrective Action: Refresher training on child support requirements and policy relating to cooperation/non-cooperation with child support will be conducted with Medicaid staff. We will continue to complete second party reviews in excess of the states mandated 98 cases quarterly.
Proposed completion date: 1/31/2025

Finding 2024-005

Name of contact person: April Rollins, Medicaid Program Manager
Corrective Action: Refresher training on the SSI exparte processes and timeliness requirements will be completed with all Medicaid staff. We will continue to complete second party reviews in excess of the states mandated 98 cases quarterly.
Proposed completion date: 1/31/2025

Finding 2024-006

Name of contact person: April Rollins, Medicaid Program Manager
Corrective Action: The importance of proper documentation will be addressed in a team meeting, specifically discussing how actions must be supported with notes, attention to details, ensuring that documentation and information entered in case matches with reported income and expenses.
Proposed completion date: 12/18/2024

Section IV - State Award Findings and Questioned Costs

Corrective Action for Finding 2024-001, 2023-002, 2023-003, 2024-004, and 2024-005 also apply to the State award findings.

Craven County, North Carolina
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2024

Finding: 2023-001
Status: Repeated as 2024-001

Finding: 2023-002
Status: Repeated as 2024-002

Finding: 2023-003
Status: Repeated as 2024-003

**Craven County, North Carolina
Schedule of Expenditures of Federal and State Awards
for the Year Ended June 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
Passed-through the N.C. Dept. of Health and Human Services: Division of Social Services: Administration:					
SNAP Cluster					
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 34,462	\$ -	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		1,271,087	-	-
Total SNAP Cluster			1,305,549	-	-
Passed-through the N.C. Dept. of Health and Human Services: Division of Public Health: Administration:					
Special Supplemental Nutrition Program for Women, Infants, & Children					
Total U.S. Department of Agriculture	10.557		537,392	-	-
			1,842,941	-	-
<u>U.S. Dept. of Housing and Urban Development</u>					
Passed-through N.C. Department of Commerce					
CDBG - Neighborhood Revitalization Program	14.228		111,821	-	-
Total U.S. Department of Housing and Urban Development			111,821	-	-
<u>U.S. Dept. of Justice</u>					
Passed-through N.C. Department of Public Safety					
Byrne Justice Assistance Grants	16.738		181,752	-	-
Total U.S. Dept. of Justice			181,752	-	-
<u>U.S. Dept. of Transportation</u>					
Direct Programs: Administered by Craven County Regional Airport Authority					
Airport Improvement Program					
Airport Improvement Program - CARES Act Fund	20.106		2,644,575	-	-
Airport Improvement Program - Airport Security	20.106		82,729	-	-
Airport Improvement Project	20.106		112,694	-	-
Airport Project NO. 50	20.106		245,688	-	-
Airport Project NO. 51	20.106		5,863,755	-	-
Airport Project NO. 52	20.106		166,342	-	-
Airport Project NO. 53	20.106		4,500,000	-	-
Airport Project NO. 54	20.106		3,663,141	-	-
Total Airport Improvement Program			17,278,924	-	-
Administered by Craven Area Rural Transportation System					
Federal Transit Formula Grants	20.507		581,462	-	-
Formula Grants for Rural Areas and Tribal Transit Program					
Formula Grants for Rural Areas and Tribal Transit Program - Admin					
	20.509	DOT-11 36233.31.24.1	125,344	7,835	-
Formula Grants for Rural Areas and Tribal Transit Program - Admin					
	20.509	DOT-11 36233.31.25.1	232,513	14,532	-
Formula Grants for Rural Areas and Tribal Transit Program - Operating					
	20.509	DOT-11 36233.31.25.2	294	-	-
Formula Grants for Rural Areas and Tribal Transit Program - Capital					
	20.509	DOT-11 36233.31.25.3	33,006	89,257	-
Formula Grants for Rural Areas and Tribal Transit Program - Capital					
	20.509	DOT-11 36233.31.25.4	5,887	736	-
Formula Grants for Rural Areas and Tribal Transit Program - Capital					
	20.509	DOT-11 36233.31.25.5	1,796	3,525	-
COVID 19 Formula Grants for Rural Areas and Tribal Transit Program - Operating					
	20.509	49233.69.1.2	145,296	-	-
Total Formula Grants for Rural Areas and Tribal Transit Program			544,136	115,885	-
State and Community Highway Safety	20.600	22023.6.30	8,692	-	-
Total U.S. Dept. of Transportation			18,413,214	115,885	-

**CRAVEN COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
<u>U.S. Dept. of Treasury</u>					
Direct Grant					
Coronavirus State and Local Fiscal Recovery Funds	21.027		2,339,299	-	-
Local Assistance and Tribal Consistency Fund	21.032		162,054	-	-
Total U.S. Dept. of Treasury			2,501,353	-	-
<u>U.S. Dept. of Health & Human Services</u>					
Direct Program					
Health Center Program	93.224		1,410,000	-	-
Health Center Program - ARPA	93.224		50,736	-	-
Total Health Center Program			1,460,736	-	-
Passed-through Eastern Carolina Council of Governments:					
Division of Aging and Adult Services:					
<u>Aging Cluster:</u>					
Special Programs for the Aging - Title III B					
Grants for Supportive Services and Senior Centers	93.044		162,886	9,582	-
ARPA - Supportive Services	93.044		24,162	4,264	-
Special Programs for the Aging - Title III C					
Nutrition Services	93.045		182,962	10,762	-
ARPA - Home Delivered Meals	93.045		9,277	1,637	-
Nutrition Services Incentive Program	93.053		33,351	-	-
Total Aging Cluster			412,638	26,245	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Temporary Assistance for Needy Families Cluster					
TANF - Work First	93.558		1,552,776	-	-
Division of Public Health					
TANF - Work First	93.558		16,489	-	-
Total TANF Cluster			1,569,265	-	-
<u>Foster Care and Adoption Cluster (Note 4 and 5)</u>					
Foster Care - Title IV-E	93.658		948,696	96,958	-
Foster Care - Title IV-E - Benefit Payments	93.658		392,674	140,057	-
Adoption Assistance	93.659		23,568	-	-
Total Foster Care and Adoption Cluster (Note 4)			1,364,938	237,015	-
Child Support Enforcement	93.563		752,227	-	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556		22,642	-	-
Refugee and Entrant Assistance State / Replacement Designee Administered Programs	93.566		3,872	-	-
Stephanie Tubbs Jones Child Welfare Services Program: - Permanency Planning - Families for Kids	93.645		23,743	10,702	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood					
Administrative and Services	93.674		22,329	5,582	-
Benefit Payments	93.674		1,934	-	-
Total John H. Chafee Foster Care Program for Successful Transition to Adulthood			24,263	5,582	-
Social Service Block Grant - Other Service and Training	93.667		448,467	-	-
Division of Social Services:					
Social Services Block Grant					
State In Home Service Fund	93.667		56,919	-	-
State Adult Day Care	93.667		38,033	-	-
COVID-19 - State Adult Day Care	93.667		14,855	17,990	-
State Child Protective Services	93.667		86,742	-	-
Total Social Service Block Grant			645,016	17,990	-

**CRAVEN COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
Division of Child Development and Early Education: Subsidized Child Care					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Child Care Development Fund-Administration	93.596		220,306	-	-
Total Subsidized Child Care			220,306	-	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Medical Assistance:					
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778		3,883,746	105,156	-
Division of Social Services:					
Administration:					
State Children's Insurance Program - N.C. Health Choice	93.767		262,664	3,628	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Public Health Emergency Preparedness	93.069		35,794	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Program	93.116		50	-	-
Family Planning Services	93.217		86,007	-	-
Immunization Cooperation Agreements	93.268		37,858	-	-
COVID-19 Immunization Cooperation Agreements	93.268		30,000	-	-
Total Immunization Cooperation Agreements			67,858	-	-
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		220,496	-	-
Refugee and Entrant Assistance State / Replacement Designee Administers Programs	93.566		22,080	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		11,300	-	-
HIV Care Formula Grants - Ryan White Care Act	93.917		6,664	-	-
HIV Prevention Activities_Health Department Based	93.940		103,999	-	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967		144,667	-	-
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977		100	-	-
Preventive Health and Health Services Block Grant	93.991		30,431	-	-
Maternal and Child Health Services Block Grant	93.994		94,949	6,840	-
Total U.S. Dept. of Health and Human Services			11,470,451	413,158	-
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Public Safety:					
Division of Emergency Management:					
Emergency Management Performance	97.042	EMPG-2016- 37049	68,454	-	-
Total U. S. Department of Homeland Security			68,454	-	-
Total Federal Awards			\$ 34,589,986	\$ 529,043	\$ -
State Awards:					
<u>N.C. Dept. of Administration</u>					
Veterans Service			-	2,174	-
Total N.C. Dept. of Administration			-	2,174	-

**Craven County, North Carolina
Schedule of Expenditures of Federal and State Awards
for the Year Ended June 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
Golden LEAF Foundation					
Golden LEAF Grant			-	442,766	-
Administered by Craven County Regional Airport Authority					
Golden LEAF Grant			-	95,313	-
Total Golden LEAF Foundation			-	538,079	-
N.C. Department of Environmental Quality					
Division of Waste Management					
Soil Conservation State Match			-	7,200	-
Total N.C. Dept. Environmental Quality			-	7,200	-
N.C. Dept. of Health and Human Services					
Passed-through Eastern Carolina Council of Governments:					
Division of Aging and Adult Services					
State Appropriation - Access			-	94,136	-
State Appropriation - In-Home Services			-	98,052	-
Total Division of Aging and Adult Services			-	192,188	-
Division of Social Services					
Administration					
Smart Start			-	40,230	-
State Child Welfare - State Protective Services			-	102,250	-
Direct Benefit Payments					
State Foster Home			-	168,290	-
State Foster Home Fund (SFHF) Maximization			-	271,445	-
Foster Care at Risk Maximization			-	15,541	-
Extended Foster Care Maximization Non IV-E programs			-	36,828	-
Total Division of Social Service			-	634,584	-
Division of Public Health					
Food and Lodging Fees			-	22,035	-
DPH Aid-to-Counties			-	131,720	-
General Communicable Disease Control			-	6,343	-
Healthy Community Activities			-	3,747	-
Child Health			-	979	-
HIV/STD STATE			-	6,132	-
Breast and Cervical Cancer Control			-	10,800	-
Family Planning - State			-	63,385	-
Maternal Health			-	15,238	-
High Risk Maternity Clinics			-	117,141	-
Mosquito and Tick Suppression			-	1,312	-
Public Health Pest Management			-	749	-
Women's Health Service Fund			-	6,995	-
State Fiscal Recovery Funds			-	130,189	-
TB Control			-	33,610	-
Total Division of Public Health			-	550,375	-
Total N. C. Department of Health and Human Services			-	1,377,147	-
N.C. Dept. of Public Safety					
Juvenile Crime Prevention Programs					
Community for Children			-	2,435	2,435
Structured Day Reporting			-	85,500	85,500
Teen Court			-	160,000	160,000
Raise the Age			-	42,400	42,400
Positive Impact			-	30,000	30,000
Total Juvenile Crime Prevention Programs			-	320,335	320,335
Total N. C. Department of Public Safety			-	320,335	320,335
N.C. Dept. of Transportation					
Rural Operating Assistance Program (ROAP) Cluster					
ROAP RGP		36228.22.12.1	-	45,420	-
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.12.1	-	103,736	-
ROAP Work First Transitional - Employment		36236.11.11.1	-	28,759	-
Total ROAP Cluster			-	177,915	-

**CRAVEN COUNTY, NORTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal AL# CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Provided to Subrecipients
		DOT-9			
State Maintenance Assistance for Urban and Small Urban Program		36234.88.32.2	-	130,920	-
		DOT-11			
Rural State Operating Program		36223.144.3.2	-	20,000	-
Administered by Craven County Regional Airport Authority					
		DOT-8			
State Aid to Airports		36244.26.15.2	-	1,064,778	-
		DOT-8			
State Aid to Airports		36244.26.16.1	-	372,574	-
		DOT-8			
State Aid to Airports		36244.26.16.2	-	2,400	-
Total State Aid to Airports			-	1,439,752	-
Total N.C. Dept. of Transportation			-	1,393,613	-
<u>N.C. Office of State Budget and Management</u>					
State Capital Infrastructure Funds - County Court House Project			-	3,733,998	-
Total N.C. Office of State Budget and Management			-	3,733,998	-
<u>N.C. Department of Public Instruction</u>					
Public School Building Capital Fund - Lottery Proceeds			-	1,114,170	1,114,170
Total N.C. Department of Public Instruction			-	1,114,170	1,114,170
Total State Awards			-	8,861,690	1,434,505
Other Financial Assistance:					
<u>NC Dept. of Justice</u>					
Opioid Settlement Fund (Note 6)			-	204,179	-
Total Federal and State Awards			\$ 34,589,986	\$ 9,594,912	\$ 1,434,505

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 Craven County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. 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 Craven County, it is not intended to and does not present the financial position, changes in net position or cash flows of Craven 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

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

Note 4: Cluster of Programs

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

Note 5: Benefit Payments Issued by the State

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

**CRAVEN COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL# CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
Program Title	AL No.		Federal	State	
Special Supplemental Nutrition Program for Women Infant and Children	10.557		\$ 2,352,208	\$ -	
Supplemental Nutrition Assistance Program	10.551		24,349,364	-	
Temporary Assistance for Needy Families	93.558		222,531	-	
Refugee Assistance Payment	93.566		14,748	-	
Adoption Assistance	93.659		519,095	106,158	
Medical Assistance Program	93.778		152,012,777	60,371,385	
Child Welfare Services Adoption	N/A		-	270,821	
State / County Special Assistance program	N/A		-	346,206	

CRAVEN COUNTY, NORTH CAROLINA
CRAVEN COUNTY REGIONAL AIRPORT AUTHORITY (A Component Unit)

SCHEDULE OF PASSENGER FACILITY CHARGE REVENUE AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2024

Unexpended passenger facility charges as of July 1, 2023	\$ 534,341
Revenues	
Passenger facility charges collected	283,208
Interest Income	17,659
Total revenue	300,867
Unexpended passenger facility charges as of June 30, 2024	\$ 835,208

Note 1: Summary of Significant Accounting Policies

This schedule presents the activity of the passenger facility charge program of Craven County Regional Airport Authority. The schedule is presented using the accrual basis of accounting.

Note 2: Passenger Facility Charges

Beginning February 1, 1997, and including subsequent revisions, Craven County Regional Airport Authority was authorized to impose a passenger facility charges to a maximum of \$11,200,275. There was no expenditures incurred in the current fiscal year. Passenger facility charges are administered by the Federal Aviation Administration but are not considered to be Federal financial assistance as defined by OMB Circular A-133.