

Annual Comprehensive Financial Report



Year Ended June 30, 2023
Forsyth County, North Carolina

FRONT COVER DESIGN

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Forsyth County,
North Carolina

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023

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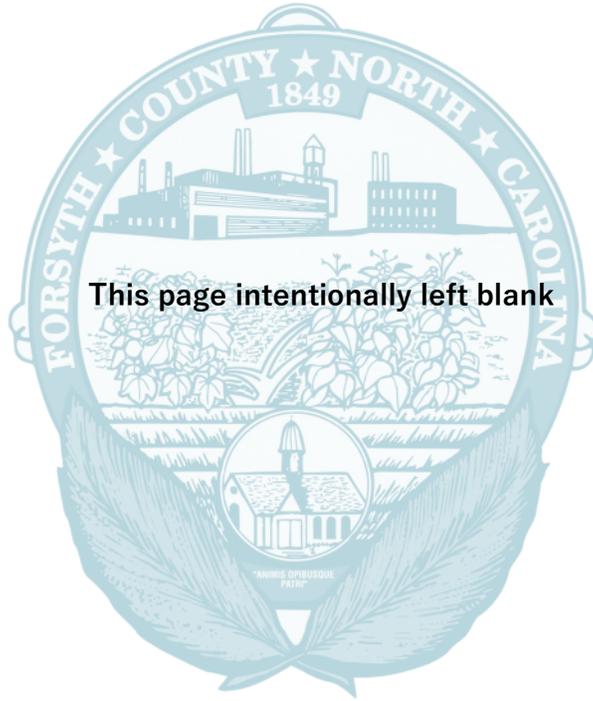
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Forsyth County, North Carolina

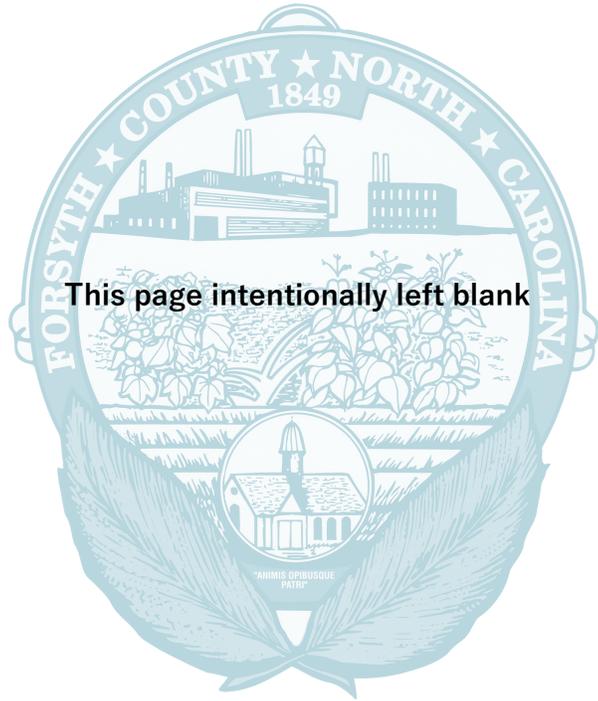
Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2023

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Terri L. Goodman, CPA
CHIEF FINANCIAL OFFICER

Lee H. Plunkett
ASSISTANT CHIEF FINANCIAL OFFICER



Miranda C. Stafford
CONTROLLER & ACCOUNTING MANAGER

FINANCE DEPARTMENT

May 17, 2024

Honorable Members of the Forsyth County Board of Commissioners
and Citizens of Forsyth County, North Carolina:

State law requires that all local governments publish at the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Forsyth County for the fiscal year ended June 30, 2023.

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

Forsyth County's financial statements have been audited by Cherry Bekaert LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Forsyth County for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Forsyth County's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Forsyth County was part of a broader, Federal and State of North Carolina mandated "Single Audit" designed to meet the special needs of Federal and State grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special

emphasis on internal controls and legal requirements involving the administration of Federal and State awards.

GAAP 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 letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Forsyth County's MD&A can be found immediately following the report of independent auditor.

Profile of the Government

Forsyth County is located in the northwestern piedmont section of the state and includes the City of Winston-Salem, which is the County seat and fifth most populous city in the state. The County was created by Act of the North Carolina General Assembly in 1849. The County operates under a commission-manager form of government with seven publicly elected commissioners comprising the governing body. The County is divided into two districts for election purposes, and commissioners are elected on a staggered basis for terms of four years: two from one district, four from the second district, and one at-large. The Board of Commissioners meets twice a month to adopt local regulations and ordinances, establish policies, make appointments, and set the level of services to be provided to County residents. Forsyth County is empowered by state statute to levy a property tax on both real and personal properties located within its boundaries. The Board of Commissioners annually adopts a balanced budget and establishes a tax rate for the support of County programs. The County's annual budget allocates its resources for the health, education, welfare, and protection of its citizens. The County Manager is appointed by and serves at the pleasure of the Board of Commissioners. The manager, administrative staff, and all departments of County government must administer the County programs in accordance with the policies and annual budget ordinance adopted by the Board of Commissioners.

The mission of Forsyth County government is to help create a community, which is safe and healthy, convenient and pleasant to live in, with educational and economic opportunities for everyone. We cooperate with many other public agencies and community organizations in this mission. We provide certain services and functions, which are the responsibility of all county governments, and other services, which the Board of Commissioners has determined to be necessary and appropriate. We are committed to providing quality services, efficiently and effectively, with courteous attention to the opinions and needs of individual citizens. To fulfill its mission, Forsyth County provides a broad range of services that include public safety, environmental protection, health and social services, cultural and recreational programs, community and economic development, and education. This report encompasses the County's activities in maintaining these services and includes its financial support to certain separate agencies, boards, and commissions to assist their efforts in serving citizens. Among these are the Winston-Salem/Forsyth County Schools and Forsyth Technical Community College.

The financial reporting entity includes all funds of the primary government, Forsyth County, as well as its component units. Component units are legally separate entities for which the primary government is financially accountable.

The annual budget serves as the foundation for Forsyth County's financial planning and control. Each year all County departments are required to submit requests for appropriations to the County Manager, who then compiles a proposed budget and presents it to the Board of Commissioners for review. The Board is required to hold public hearings on the proposed budget and to adopt a final budget by July 1 of the fiscal year, or the Board must adopt an interim budget that covers that time until the annual ordinance can be adopted. The annual ordinance includes appropriations for the General Fund, and four annually budgeted special revenue funds. Note 1c provides additional information on budgetary data. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page 18 as part of the basic financial statements for

the governmental funds and, in greater detail, on pages 62 - 64 in the subsection for major fund budgetary comparison schedules. Also included in the basic financial statements for governmental funds are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted. For annually budgeted special revenue funds, this comparison is presented in the nonmajor governmental fund subsection of this report, which starts on page 88. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each nonmajor governmental fund for which a project-length budget has been adopted.

Attesting to the sound financial management of the Board of Commissioners, the County remains one of only a handful of AAA-rated counties nationwide, as ranked by Standard & Poor's and Moody's Investor Services.

Factors Affecting Financial Condition

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

Local economy. Located midway between Washington, D.C. and Atlanta, Georgia, Forsyth County is in the heart of the state's Piedmont Triad region, a 12-county area with more than 1.77 million people. Three cities comprise the Triad: Winston-Salem, Greensboro and High Point. Each city has its own character, its own heritage, and its own industrial base. Yet the area's commercial and cultural growth transcends geographic boundaries with the strengths of each city combining to form a vibrant economic hub.

Forsyth County, with an estimated population of 390,541 and a workforce of more than 188,000, plays a vital role in the Triad's economy. With a strong and well diversified core of manufacturing companies, health care, biotechnology, financial services, and tourism sectors, the County serves as the major employment center for the counties which comprise northwest North Carolina and portions of southwest Virginia. The County's average unemployment rate for the year ended June 30, 2023 is 3.7 percent, which is slightly higher than the national rate of 3.6 percent and state rate of 3.6 percent.

Economic resilience and employment stability have formed the foundation for strong local consumer and commercial markets. The most recent per capita personal income levels from 2021 remain consistently higher than state figures. The County's per capita income is \$56,273, the eighteenth highest among counties in the state, and slightly lower than the State's \$56,705. Capital investment, as measured by the value of new residential and commercial building permits issued during the year, totaled \$1.036 billion during the year ended June 30, 2023, an increase of 12.9 percent over the prior year.

Long-term financial planning. The Forsyth County Major Capital Improvements Program ("CIP") is the result of an ongoing process by County officials to assess the need for major capital expenditures, the feasibility of funding these projects, and to establish an orderly plan for implementing these projects. The CIP is reviewed by the Commissioners periodically, usually twice a year, once at the annual Commissioners' Planning Workshop, and then again during their annual budget deliberations.

As of June 30, 2023, the County's CIP through the year 2029 consists of \$375.9 million in identified projects under consideration to be funded with debt financing, grants, pay-go, or other miscellaneous sources. A majority of the projects are underway with identified funding sources. However, off this total, \$84.2 million in debt financing is anticipated to be sold during this period. General obligation two-thirds bonds will be incurred for public schools (\$65.3 million), community college projects (\$6.9 million), park system development and maintenance (\$6.0 million), and County general capital maintenance (\$6.0 million).

Financial Policies. These financial policies are the basis for our budgeting decisions:

Tax Rate - The Board of Commissioners strives to limit the growth of the annual operating budget to an amount which can be accommodated by growth in the tax base as well as other local, state and

federal revenues, without a tax rate increase, whenever possible. The fiscal year 2023 tax rate of \$.6778 is unchanged from the prior year rate.

Education Debt Leveling Plan (“EDLP”) – In order to level the effects of issuing \$250 million schools and \$25 million community college bonds authorized in the November 2006 referendum, the County has dedicated proceeds from the state education lottery and from a 3-cent property tax increase first levied in fiscal year 2008 to debt service on these bonds. Similarly, the fiscal year 2010 budget included an additional 1.1-cent tax increase over the revenue-neutral rate to fund the \$62 million educational facilities bond authorization approved in the November 2008 referendum. These EDLP tax rates were adjusted to \$.033 and \$.0121 for the 2006 and 2008 EDLP reserves, respectively, following the fiscal year 2014 revaluation. No additional tax increases are anticipated to pay this debt service. Each year lottery funds will be applied first, and the balance of applicable debt service will be paid from fund balance designated from the 3.3-cent and 1.21-cent levies plus any interest on that designated fund balance. The EDLP currently has a balance of \$11.8 million.

Library Debt Leveling Plan (“LDLP”) – In order to level the effects of issuing \$40 million library bonds authorized in the November 2010 referendum, the County has dedicated proceeds from a \$.0057 property tax increase first levied in fiscal year 2016 to debt service on these bonds. No additional tax increases are anticipated to pay this debt service. Each year applicable debt service will be paid from fund balance designated from the \$.0057 levy plus any interest on that designated fund balance. The LDLP currently has a balance of \$2.3 million.

Public Improvement Debt Leveling Plan (“PIDLP”) – In order to level the effects of issuing \$163.6 million schools, \$30.4 million community college, and \$7.0 million parks bonds authorized in the November 2016 referendum, the County has dedicated proceeds from annual operating contributions and from a 2.9-cent property tax increase first levied in fiscal year 2018 to debt service on these bonds. No additional tax increases are anticipated to pay this debt service. Each year applicable debt service will be paid from fund balance designated from the 2.9-cent levy plus any interest on that designated fund balance. The PIDLP currently has a balance of \$14.1 million.

Courthouse Debt Leveling Plan (“CHDLP”) – In order to level the effects of debt issued for the construction of a new courthouse facility, the County has dedicated proceeds from a \$.02 property tax rate increase first levied in fiscal year 2020 to debt service incurred for this project. No additional tax increases are anticipated to pay this debt service. Each year applicable debt service will be paid from fund balance designated from the 2.0-cent levy plus any interest on that designated fund balance. The CHDLP currently has a balance of \$11.7 million.

Debt Policy - Forsyth County recognizes that a formally adopted debt policy is fundamental to sound financial management. The fiscal year 2023 budget was adopted under the policy goal that the total annual debt service for long-term obligations would not exceed 18% of the appropriations in the annually adopted budget as shown in the Budget Ordinance. The policy of keeping debt service at less than a specified percent of the budget can greatly influence the timing and/or amount of funding for a project, as well as the method of funding.

Fund Balance Policy – Available fund balance in the General Fund should be at least 14% of the subsequent year’s budget. The County exceeded this policy target ending the 2023 fiscal year with an available fund balance, net of committed fund balance, of 21.3% of its 2024 budget. \$14.9 million of available fund balance was appropriated to balance the fiscal 2024 budget leaving 18.6% available fund balance of which 14% was set aside in accordance with the County’s fund balance policy. The remaining 4.4%, or \$25.2 million, was assigned for fiscal 2024 economic development and management special projects. One of the County’s goals for future budgets is to reduce the amount of appropriated fund balance needed to balance the budget.

Major Initiatives. The focus of the fiscal year 2024 budget is on maintaining the policies which form the financial foundation of the County; the 18% debt ceiling, the 14% fund balance target, the school, library and public improvement debt leveling plans, and the use of a multi-year approach to mitigate effects of revaluations. Also, capital maintenance plans for the County, schools and community

college which utilize two-thirds bonds for funding every other year provide resources to keep facilities safe, sound and usable and allow for maintenance planning over the life of facilities.

The County provides all of its statutory services and a variety of services which, though not required, have strong public support. The County does not expect to undertake any major new programs, projects or expansion of services without substantial public support for both the services and the tax rate increase, if necessary, to support them.

Awards and Acknowledgements

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Forsyth County for its comprehensive annual financial report for the fiscal year ended June 30, 2022. This was the 39th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

GFOA also presented the County with a Distinguished Budget Presentation Award for the County's fiscal year 2023 annual budget. To receive this award, a governmental unit must publish a budget document that meets program criteria. This award is valid for one year only. We believe the fiscal year 2024 budget continues to conform to program requirements, and we are submitting it to GFOA to determine eligibility for another award.

Acknowledgements. The preparation of the annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. The year-end closing of the accounting system, report preparation and overall coordination was effectively managed by Terri L. Goodman, Chief Financial Officer. Also providing substantial support in report preparation and related accounting activities were: Lee H. Plunkett, Assistant Chief Financial Officer; Miranda C. Stafford, Controller; and Scott R. Bolick, Financial Analyst.

In closing, without the continued leadership and support of the Board of County Commissioners, preparation of this report would not have been possible.

Sincerely,

J. Dudley Watts, Jr.

County Manager

Terri L. Goodman

Chief Financial Officer

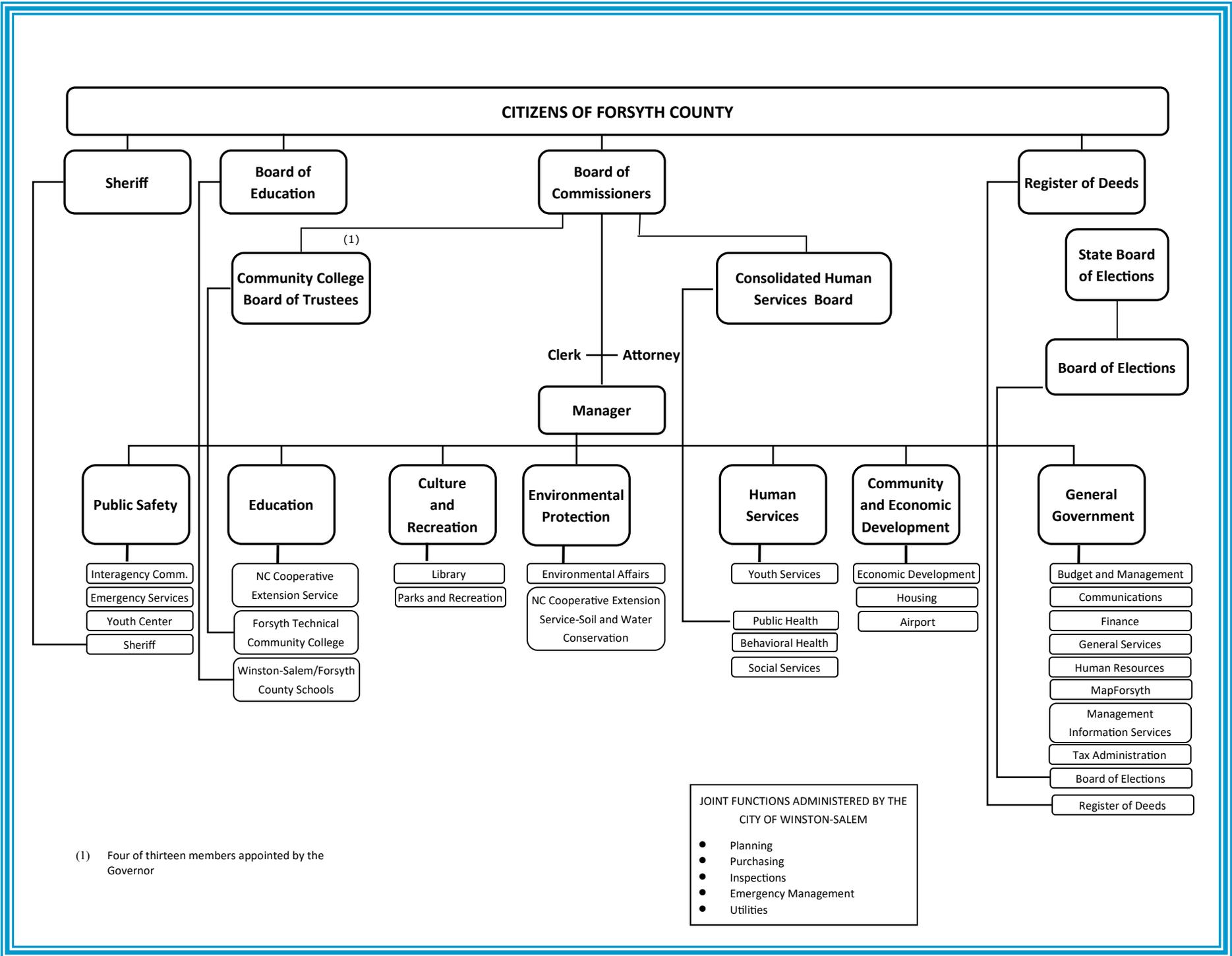
Forsyth County Board of Commissioners



Standing (left to right): Tonya D. McDaniel, Dan Besse, Malishai Woodbury
Sitting (left to right): Richard V. Linville, Chair Don Martin, Vice-Chair Gloria D. Whisenhunt, David R. Plyler

County Manager







Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Forsyth
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Report of Independent Auditor

To the Honorable Members of the Board of County Commissioners
Forsyth County, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Forsyth County, North Carolina (the “County”) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 (MD&A) and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying budgetary comparison schedules – major government funds, schedule of revenues, expenditures, and changes in fund balance – budget and actual – from inception and the combining and individual fund financial statements, schedules – nonmajor governmental funds, as listed in the table of contents, and 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 State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules – major government funds, schedule of revenues, expenditures, and changes in fund balance – budget and actual – from inception, the combining and individual fund financial statements, schedules – nonmajor governmental funds, and schedule of expenditures of federal and State awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Charlotte, North Carolina
May 17, 2024



MANAGEMENT'S DISCUSSION AND ANALYSIS

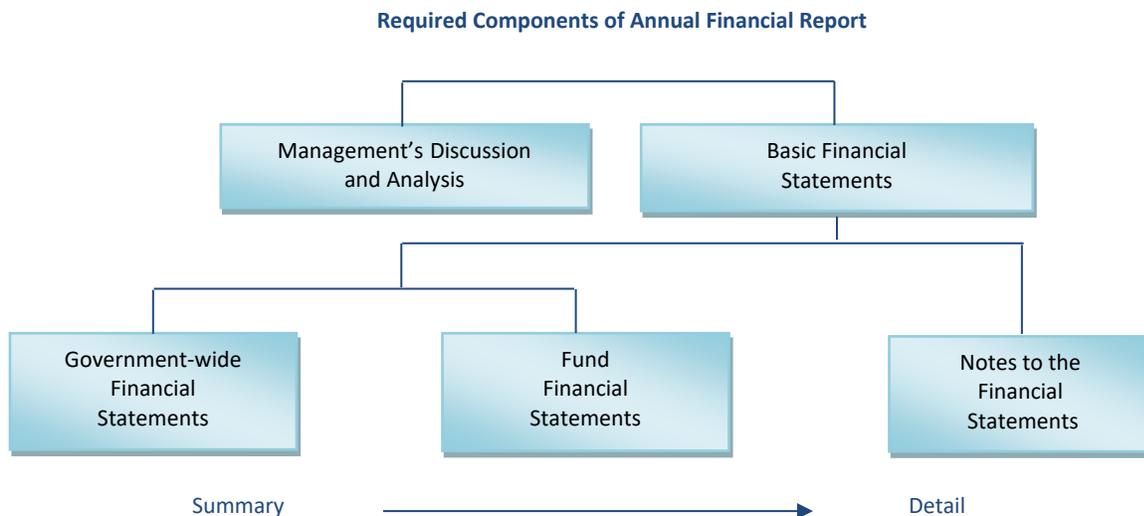
As management of Forsyth County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2023. This narrative complements the data presented in the basic financial statements and we encourage readers to read the information presented here in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of Forsyth County exceeded liabilities and deferred inflows of resources at the close of the fiscal year by \$27.9 million (*net position*).
- The County's total net position increased by \$61.8 million from net position of the prior period despite the payment of \$49.8 million for public school and community college facilities that are not reported as assets of the County.
- Forsyth County maintained its Aaa bond rating from Moody's Investors Service and AAA rating from Standard & Poor's Corporation for the 28th consecutive year.
- As of the close of the current fiscal year, Forsyth County's governmental funds reported combined ending fund balances of \$550.5 million, an increase of \$66.1 million in comparison with the prior year. This increase is largely attributed to the issuance of additional long-term debt to fund schools and community college capital project expenditures.
- The balance in the Education Debt Leveling Plans increased by a net \$188,000 for the year bringing the total available to pay for future education-related debt service to \$11.8 million. The balance in the Library Debt Leveling Plan increased by a net \$537,000 for the year bringing the total available to pay for future library-related debt service to \$2.3 million. The balance in the Public Improvement Debt Leveling Plan increased by a net \$3.2 million for the year bringing the total available to pay for future public improvement-related debt service to \$14.1 million. The balance in the Courthouse Debt Leveling Plan decreased by a net \$1.5 million for the year bringing the total available to pay for future courthouse-related debt service to \$11.7 million.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$79.8 million or 15.8% of total general fund expenditures for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Forsyth County's basic financial statements. The County's basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see *Figure 1*). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains supplementary information that will enhance the reader's understanding of the financial condition of Forsyth County.



BASIC FINANCIAL 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, in a manner similar to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The **statement of net position** presents information on all of Forsyth County's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful way to gauge the County's financial condition.

The **statement of activities** presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide statements are intended to distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are expected to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Forsyth County has no business-type activities. Accordingly, the statement of net position and the statement of activities present only governmental activities, which include all of the County's basic services such as public safety, environmental protection, human services, culture and recreation, community and economic development, education, and general government. Property taxes, sales taxes and state and federal grant funds finance most of these activities. Additionally, these statements report only the activities of the primary government, Forsyth County, because the County's component unit, the Forsyth County Industrial Facilities and Pollution Control Financing Authority, has no financial transactions or account balances to report.

The government-wide financial statements are [Exhibits 1 and 2](#) of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Forsyth 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 Forsyth 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. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on quantifying monies remaining at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in reconciliations that are part of the fund financial statements.

All of the County's basic services were accounted for in 12 governmental funds for the year ended June 30, 2023. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the County Facilities Projects Fund, the Education Facilities Projects Fund, and the Pandemic Response Fund which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

Forsyth County adopts an annual budget for its General Fund, as required by the North Carolina 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. Forsyth County's budget is prepared on the modified accrual basis of accounting. The summary budgetary comparison statement on [Exhibit 5](#) 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. A more detailed budgetary comparison schedule elsewhere in this report is presented at the legal level of budgetary control.

The basic governmental fund financial statements are [Exhibits 3, 4, and 5](#) of this report.

Proprietary Funds – Forsyth County has one kind of proprietary fund. 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 risk retention services for health and dental benefits provided to departments of the County on a cost reimbursement basis. The Employee Health Benefits fund has been included with the governmental activities in the government-wide financial statements, and it is presented in the proprietary fund financial statements, Exhibits 6, 7, and 8 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Forsyth County’s own programs. One trust fund, the other post-employment benefit trust, and two custodial funds comprise the County’s fiduciary funds. The basic fiduciary fund financial statements can be found on Exhibits 9 and 10.

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 are on pages 23 - 54 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Forsyth County’s progress in funding its obligation to provide pension benefits and other post-employment benefits (“OPEB”) to certain employees. Required supplementary information can be found on pages 55 - 60 of this report.

Budgetary comparison schedules for major funds are presented following the required supplementary information on pensions and OPEB. The combining statements referred to earlier in connection with nonmajor governmental funds and individual fund statements and schedules can be found on pages 89 – 104 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 assets and deferred outflows of resources of Forsyth County exceed liabilities and deferred inflows of resources by \$27.9 million as of June 30, 2023. The total net position of the County is negatively affected by its issuance of debt for the construction, renovation, or acquisition of public school and community college facilities that are not reported as assets of the County. These facilities are necessary to provide for the education of the citizens of the County. North Carolina statutes do not permit public schools and community colleges to issue debt; responsibility for providing these facilities lies with the County. The titles to these assets are held by the Winston-Salem/Forsyth County Board of Education or Forsyth Technical Community College, and the assets are reported on their financial statements, as applicable. The outstanding amount of education-related debt, net of unspent proceeds, is \$381.7 million at year-end and is reported as a reduction of unrestricted net position for governmental activities, resulting in a deficit balance of \$314.7 million for this category of net position. Had the education-related debt not been reported as a reduction of unrestricted net position, the balance of unrestricted net position for governmental activities would be \$67.0 million and total net position would be \$409.6 million, an increase in adjusted total net position of \$50.6 million over the prior year.

The following summarizes Net Position at June 30, 2023 and 2022:

Forsyth County’s Net Position		
	Governmental Activities	
	2023	2022
Current and other assets	\$ 661,740,841	\$ 625,288,434
Capital assets, non-current lease receivable	383,679,503	312,645,406
Total assets	<u>1,045,420,344</u>	<u>937,933,840</u>
Deferred outflows of resources	<u>62,804,455</u>	<u>48,357,243</u>
Long-term liabilities outstanding	880,644,545	762,970,123
Other liabilities	166,329,957	191,767,480
Total liabilities	<u>1,046,974,502</u>	<u>954,737,603</u>
Deferred inflows of resources	<u>33,346,854</u>	<u>65,472,774</u>
Net position:		
Net investment in capital assets	211,657,845	194,391,826
Restricted	130,993,945	147,893,636
Unrestricted deficit	<u>(314,748,347)</u>	<u>(376,204,756)</u>
Total net position	<u>\$ 27,903,443</u>	<u>\$ (33,919,294)</u>

A major portion of net position reflects the County’s \$211.7 million investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt still outstanding that was issued to acquire those items. Forsyth County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Forsyth 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 \$131.0 million of Forsyth County’s net position are subject to external restrictions on how they may be used.

The deficit in unrestricted net position decreased by \$61.5 million. The change in unrestricted net position resulting from governmental activities is discussed in the following section.

Governmental activities. Since the County has no business-type activities, the total change in net position is a result of governmental activities. The County’s net position increased by \$61.8 million for the fiscal year ended June 30, 2023.

The following summarizes the changes in net position for the years ended June 30, 2023 and 2022:

Forsyth County’s Changes in Net Position		
	Governmental Activities	
	2023	2022
Revenues:		
Program revenues:		
Charges for services	\$ 39,069,884	\$ 42,428,232
Operating grants and contributions	88,059,984	88,786,082
Capital grants and contributions	10,725,650	7,389,605
General revenues:		
Property taxes	313,776,668	304,906,716
Other taxes	114,290,120	113,354,983
Grants and contributions not restricted to specific programs	10,159,198	7,097,566
Other	19,325,905	5,615,498
Total revenues	595,407,409	569,578,682
Expenses:		
General government	59,336,945	44,899,011
Public safety	109,807,538	98,515,795
Environmental protection	3,465,816	3,380,634
Human services	102,345,711	99,330,693
Culture and recreation	17,673,605	18,081,134
Community and economic development	6,504,022	10,587,507
Education	222,312,377	214,269,063
Interest on long-term debt	12,138,658	17,652,260
Total expenses	533,584,672	506,716,097
Increase in net position	61,822,737	62,862,585
Net position, July 1	(33,919,294)	(96,781,879)
Net position, June 30	\$ 27,903,443	\$ (33,919,294)

As noted above, the balance of assets available to meet the government’s ongoing obligations is obscured by debt issued to finance capital assets that are not reported as assets of the County. In spite of this, the County’s financial position is strong as evidenced by the following:

- Total governmental revenue increased \$25.9 million from the prior year attributed mainly to increases in property tax revenue arising from a \$1.2 billion increase in the County’s fiscal year 2023 assessed property valuation and interest earnings.
- Education expenses of \$49.86 million represent debt-funded outlays for which the resulting capital assets are not reported as assets of the County; however, liability for the applicable debt is reported on the County’s Statement of Net Position.

FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

As noted earlier, Forsyth County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For the fiscal year ended June 30, 2023, the County’s four major funds were the General Fund, the County Facilities Projects Fund, the Education Facilities Projects Fund, and the Pandemic Response Fund.

Governmental Funds. The focus of Forsyth County’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Forsyth 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.

As of the end of the fiscal year, the County’s governmental funds reported combined fund balances of \$550.5 million, an increase of \$66.1 million from the prior year. This increase is primarily the result of the issuance of additional long-term debt to fund schools and community college capital project spending. Approximately 62.8%, or \$345.5 million of total combined fund balance, is restricted or non-spendable. \$264.2 million of this restricted total is restricted for debt funded capital expenditures. \$107.3 million is committed for future debt service, economic development projects, or capital projects. \$41.4 million is assigned for subsequent fiscal year 2024 expenditures and capital projects. The remainder of the fund balance is unassigned.

General Fund Budgetary Highlights The General Fund is the primary operating fund of the County. During the fiscal year, the County revised the General Fund 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 or initiate new programs where timing is critical.

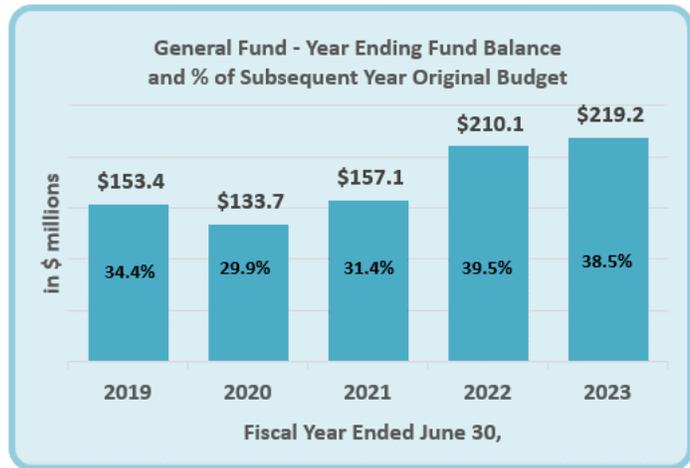
Amendments to the General Fund budget during the year totaled \$47.1 million. Unanticipated state and federal grants totaling \$11.5 million were appropriated for public health and social services. Appropriations of \$26.5 million were made from fund balance, including \$20.0 million to fund a variety of pay-go capital projects, \$1.9 million in Article 46 sales tax earmarked for the Winston-Salem/Forsyth County Schools, \$1.9 million for prior year encumbrances, \$824,000 for capital projects at the airport, \$541,000 for animal services, \$450,000 for renovations to the social services facility, \$178,000 for performance incentives, and \$330,000 for public safety and \$190,000 for behavioral health initiatives.

Although \$47.0 million of fund balance was appropriated in the final budget, the net change in fund balance for the year was an increase of \$9.1 million.

General Fund At the end of the current fiscal year, the fund balance in the General Fund was \$219.2 million, an increase of \$9.1 million, with \$174.4 million available for appropriation and \$79.8 million considered unassigned. To meet the cash flow needs of the County and to provide for unforeseen needs or opportunities, the governing body of Forsyth County has determined that the County should maintain a minimum available fund balance (net of committed fund balance) of 14% of its subsequent year’s general fund expenditures. The County exceeded this policy target ending the 2023 fiscal year with an available fund balance, net of committed fund balance, of \$121.2 million, 21.3% of its 2024 budget. \$14.9 million of fund balance was appropriated to balance the fiscal 2024 budget leaving 18.6% available fund balance of which 14% was set aside in accordance with the County’s fund balance policy.

Key factors that resulted in the \$9.1 million increase in the General Fund fund balance include:

- General Fund revenues increased \$22.6 million over the prior year attributed primarily to a \$9.5 million increase in investment earnings resulting from a steep rise in market rates, \$4.6 million increase in intergovernmental revenue, \$1.5 million increase in sales tax revenue, and \$8.1 million increase in property tax revenue arising from a \$1.2 billion increase in the County’s fiscal year 2023 assessed property valuation.
- Continued diligence in the collection of property taxes which resulted in a 99.37% collection percentage allows the County to realize nearly full benefit of its property tax levy.



In accordance with actions taken by the County’s governing board and its fund balance policies, the following designations of fund balance have been made:

- \$40.0 million is committed for the payment of future debt service.
- \$3.2 million is committed for the future payment of Law Enforcement Special Separation Allowance benefits.
- \$1.5 million is committed for the purchase of four new ambulances for emergency services.
- \$1.0 million is committed for economic development initiatives.
- \$25.2 million is assigned for management special projects. This amount represents the amount by which available fund balance net of all committed and assigned balances exceeded 14% of the fiscal year 2024 budgeted expenditures.

County Facilities Projects Fund accounts for capital project ordinances adopted for the construction of and renovation to County facilities and the related acquisition of land, furnishings and equipment, funded by proceeds of general obligation bonds, limited obligation bonds, and general County revenues. Project spending during fiscal year 2023 included:

- \$39.8 million for general government projects including \$35.2 million for the County’s new 250,000-square-foot, 18-courtroom courthouse facility. The project, estimated to cost \$115.9 million, is expected to be completed in October 2023.
- \$20.4 million for culture and recreation projects including \$15.9 million for the new Kaleideum museum. The 73,600-square-foot, 4-story facility, estimated to cost \$32.8 million, is expected to be complete in March 2024.
- \$11.5 million for renovations, new construction, and improvements at the Smith Reynolds Airport. A total of \$104.7 million is expected to be spent at the airport over the next few years.
- \$8.2 million for public safety including \$5.5 million for radio system upgrade and \$2.6 million for emergency vehicles.

The fund balance in the County Facilities Projects Fund at June 30, 2023 is \$103.2 million comprised of \$49.0 million in unspent debt proceeds and \$54.2 million provided from internal funding sources.

Education Facilities Projects Fund accounts for the construction of and renovation to school and community college facilities and the related acquisition of land, furnishings and equipment financed by proceeds of general obligation bonds. Project spending during fiscal year 2023 included:

- \$7.4 million for Forsyth Technical Community College projects.
- \$41.6 million for Winston-Salem Forsyth County Schools capital projects.

The fund balance in the Education Facilities Projects Fund at June 30, 2023 is \$220.7 million comprised of \$215.2 million in unspent debt proceeds and \$5.5 million provided from internal funding sources. Expenditure of the remaining proceeds is expected to extend out through 2026.

Pandemic Response Fund The Pandemic Response special revenue fund accounts for federal grant funds received from the Emergency Rental Assistance Program and Local Fiscal Recovery Fund under the American Rescue Plan Act for expenditures incurred in response to and in recovery from the Coronavirus Disease 2019 public health emergency. During the year, the Pandemic Response Fund distributed \$12.7 million in Emergency Rental Assistance Program benefits to eligible recipients. The Fund also expended \$23.3 million in Local Fiscal Recovery Fund funds under the American Rescue Plan Act with an additional \$42.5 million received but unearned and available for future spending as of June 30, 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. Forsyth County’s investment in capital assets for its governmental activities as of June 30, 2023, totals \$377.3 million (net of accumulated depreciation), a \$70.4 million increase from the prior year. These assets include land, buildings, construction-in-progress, park facilities, equipment, vehicles and software.

Forsyth County’s Capital Assets (net of depreciation)		
	Governmental Activities	
	2023	2022
Land	\$ 21,929,963	\$ 21,331,016
Art collections	851,438	806,888
Construction-in-progress	148,053,844	83,554,257
Buildings	158,808,242	161,220,898
Right to use buildings	160,454	339,933
Improvements other than buildings	29,886,352	29,878,014
Equipment	4,046,351	4,703,435
Right to use equipment	1,890,732	150,930
Vehicles	4,890,644	4,001,405
Software	76,864	139,856
Right to use other assets	735,981	810,310
Subscription assets	6,013,021	--
Total Capital Assets	\$ 377,343,886	\$ 306,936,942

Additional information on the County’s capital assets can be found in Note 4e on pages 36 - 37 of the Basic Financial Statements.

Long-term Debt. At June 30, 2023, Forsyth County had total bonded debt outstanding of \$641.1 million, all of which is backed by the full faith and credit of the County, total limited obligation and installment financing debt of \$114.8 million secured solely by specified property, and unsecured long-term debt of \$4.2 million. The County's total liability for bonded debt, limited obligation bonds, installment financing agreements, and unsecured debt is \$760.2 million, an increase of \$71.3 million from the previous year. New bonded debt issued during the year totaled \$127.5 million including \$98.3 million in general obligation bonds for schools and community college facilities and \$29.2 million for capital maintenance projects for the schools, community college and County.

At June 30, 2023 and 2022, the County's bonded and non-bonded debt consisted of:

Forsyth County's Outstanding Debt		
	2023	2022
General obligation bonds	\$ 641,135,000	\$ 557,500,000
Limited Obligation Bonds	112,905,000	120,275,000
Installment purchase obligations	1,890,000	6,610,000
Other long-term borrowing	4,224,500	4,473,000
Lease liabilities	2,854,707	1,311,414
Subscription liabilities	3,924,327	-
Total Outstanding Debt	\$ 766,933,534	\$ 690,169,414

As mentioned in the financial highlights section of this document, Forsyth County maintained for the 28th consecutive year its Aaa bond rating from Moody's Investors Service and AAA rating from Standard and Poor's Corporation. This bond rating is a clear indication of the sound financial condition of Forsyth County. This achievement is a primary factor in keeping interest costs on the County's outstanding debt low.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The current debt limitation for Forsyth County is \$3.5 billion. The County's total bonded debt is 1.54% of assessed valuation, well below the 8% of assessed valuation legal debt limit.

Additional information regarding Forsyth County's long-term debt can be found in Note 4i on pages 38 - 42 of the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S GENERAL FUND BUDGET AND RATES

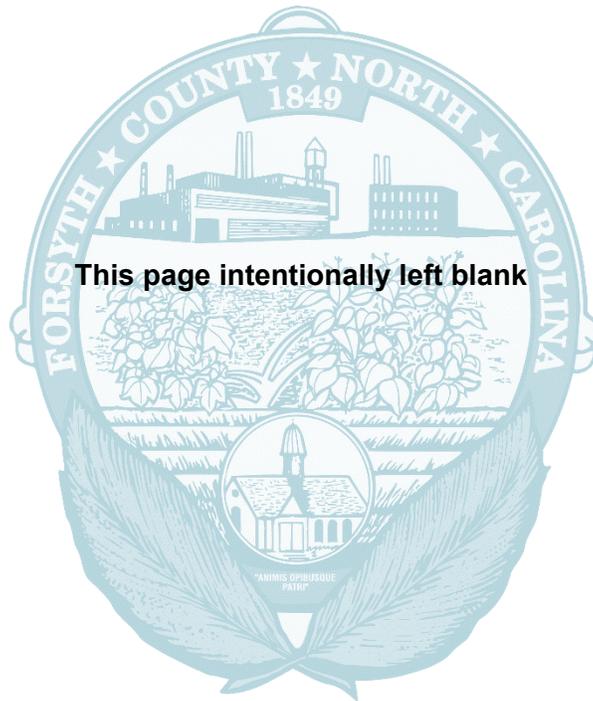
The County has adopted a General Fund budget for the fiscal year ending June 30, 2024 in the amount of \$569.9 million, a decrease of \$10.1 million or 1.7% from the final 2023 budget of \$580 million. The property tax rate of \$0.6778 per hundred dollars assessed value is unchanged from the prior year rate. \$25.9 million of the County's \$174.4 million available fund balance was appropriated, of which \$1.8 million was for the reappropriation of prior year encumbrances and \$9.2 million was from restricted and committed fund balances. Fund balance available net of committed fund balance and fund balance appropriated for the fiscal year 2024 budget is 18.6% of 2024 budgeted expenditures.

Significant factors considered in the preparation of the fiscal year 2024 County budget include:

- The County strives to limit the growth of the annual operating budget to an amount which can be accommodated by growth in the tax base as well as other local, state and federal revenues, without a tax rate increase, whenever possible.
- The three overarching themes that drive expenditures are: support for the Winston-Salem/Forsyth County Schools, debt service, and competition in the job market.
- The surge in sales tax growth during and coming out of the COVID pandemic years has slowed resulting in more modest revenue projections.
- Interest rates are expected to remain above the level of recent years and are likely to support higher investment earnings projections.

REQUESTS FOR INFORMATION

This discussion and analysis is designed to provide an overview of Forsyth County's finances for those with an interest in this area. Additional information can be found on the County's website at www.co.forsyth.nc.us. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Forsyth County Government Center, 201 N. Chestnut Street, Winston-Salem, NC 27101- 4120, or by calling (336) 703-2050.



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Basic Financial Statements

FORSYTH COUNTY, NORTH CAROLINA
Statement of Net Position
June 30, 2023

Exhibit 1

	Governmental Activities
ASSETS	
Cash and cash equivalents / investments	\$ 260,762,938
Cash and cash equivalents / investments - restricted	340,369,055
Taxes receivable (net)	2,536,003
Accounts receivable (net)	12,808,626
Accrued interest receivable	1,431,467
Due from other governments	43,832,752
Leases Receivable	5,714,811
Net pension asset - restricted	498,556
Prepaid items	122,250
Capital assets:	
Land, collections, and construction-in-progress	170,835,245
Other capital assets, net of depreciation	206,508,641
Total capital assets	<u>377,343,886</u>
Total assets	<u>1,045,420,344</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related deferrals	52,811,267
OPEB related deferrals	8,040,801
Deferred charge on refunding	1,952,387
Total deferred outflows of resources	<u>62,804,455</u>
LIABILITIES	
Accounts payable and accrued liabilities	21,049,240
Unearned revenue	62,970,337
Accrued interest payable	6,957,166
Due to other governments	4,376,384
Current portion of long-term liabilities	70,976,830
Noncurrent liabilities due in more than one year:	
Total pension liability-LEOSSA	11,651,675
Net pension liability-LGERS	74,765,845
Net OPEB liability	29,375,741
Other long-term liabilities	764,851,284
Total liabilities	<u>1,046,974,502</u>
DEFERRED INFLOWS OF RESOURCES	
Leases	5,784,519
Pension related deferrals	3,161,695
OPEB related deferrals	24,400,640
Total deferred inflows of resources	<u>33,346,854</u>
NET POSITION	
Net investment in capital assets	211,657,845
Restricted for:	
Stabilization by state statute	120,542,195
Pension asset - Register of Deeds	498,556
Public safety	3,265,341
Human services	2,641,577
Community and economic development	2,024,179
Other purposes	2,022,097
Unrestricted deficit	(314,748,347)
Total net position	<u>\$ 27,903,443</u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Exhibit 2

Functions	Expenses	Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental:					
General government	\$ 59,336,945	4,783,847	1,643,566	-	(52,909,532)
Public safety	109,807,538	19,841,360	5,052,180	-	(84,913,998)
Environmental protection	3,465,816	658,221	542,543	-	(2,265,052)
Human services	102,345,711	4,572,363	74,902,773	-	(22,870,575)
Culture and recreation	17,673,605	4,983,991	742,476	-	(11,947,138)
Community and economic development	6,504,022	4,194,371	224,876	10,725,650	8,640,875
Education	222,312,377	35,731	4,951,570	-	(217,325,076)
Interest on long-term debt	12,138,658	-	-	-	(12,138,658)
Total governmental activities	\$ 533,584,672	39,069,884	88,059,984	10,725,650	(395,729,154)
General revenues:					
Taxes:					
					313,776,668
					109,477,438
					1,135,675
					493,554
					3,183,453
					10,159,198
					17,693,257
					1,632,648
					<u>457,551,891</u>
					61,822,737
					<u>(33,919,294)</u>
					\$ <u>27,903,443</u>

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

FORSYTH COUNTY, NORTH CAROLINA
Balance Sheet

Governmental Funds
 June 30, 2023

Exhibit 3

Page 1 of 2

	<u>General Fund</u>	<u>County Facilities</u>	<u>Education Facilities</u>	<u>Pandemic Response</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and investments	\$ 193,916,132	53,272,242	5,523,392	-	-	252,711,766
Cash and investments - restricted	-	74,221,337	214,056,602	44,585,851	7,505,265	340,369,055
Receivables (net):						
Property taxes	1,772,771	-	-	-	63,534	1,836,305
Occupancy taxes	116,085	-	-	-	-	116,085
Other taxes	45,952	-	-	-	-	45,952
Accounts	12,074,166	44,328	-	-	1,682	12,120,176
Accrued interest	782,973	269,117	38,588	248,971	41,306	1,380,955
Due from other governments	39,252,605	2,461,685	1,148,832	72,606	897,024	43,832,752
Leases receivable	5,714,811	-	-	-	-	5,714,811
Prepaid items	122,250	-	-	-	-	122,250
Total assets	\$ 253,797,745	130,268,709	220,767,414	44,907,428	8,508,811	658,250,107
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 8,676,729	11,375,766	53,275	608,651	155,837	20,870,258
Due to other governments	4,376,384	-	-	-	-	4,376,384
Unearned revenue	2,258,293	15,610,062	-	42,540,036	2,561,946	62,970,337
Total liabilities	15,311,406	26,985,828	53,275	43,148,687	2,717,783	88,216,979
Deferred Inflows of Resources:						
Unavailable taxes	1,772,771	-	-	-	63,534	1,836,305
Unavailable other revenue	11,736,173	94,328	-	72,396	-	11,902,897
Leases	5,784,519	-	-	-	-	5,784,519
Total deferred inflows of resources	19,293,463	94,328	-	72,396	63,534	19,523,721

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

(continued)

FORSYTH COUNTY, NORTH CAROLINA
Balance Sheet

Governmental Funds
 June 30, 2023

Exhibit 3

Page 2 of 2

	<u>General Fund</u>	<u>County Facilities</u>	<u>Education Facilities</u>	<u>Pandemic Response</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:						
Nonspendable	122,250	-	-	-	-	122,250
Restricted	50,259,463	49,012,343	215,190,747	25,220,254	5,727,494	345,410,301
Committed	47,642,535	54,176,210	5,523,392	-	-	107,342,137
Assigned	41,388,191	-	-	-	-	41,388,191
Unassigned	79,780,437	-	-	(23,533,909)	-	56,246,528
Total fund balances	<u>219,192,876</u>	<u>103,188,553</u>	<u>220,714,139</u>	<u>1,686,345</u>	<u>5,727,494</u>	<u>550,509,407</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>253,797,745</u>	<u>130,268,709</u>	<u>220,767,414</u>	<u>44,907,428</u>	<u>8,508,811</u>	<u>658,250,107</u>

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

FORSYTH COUNTY, NORTH CAROLINA

Exhibit 3.1

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2023

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

Fund balances - total governmental funds	\$ 550,509,407
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	377,343,886
Other long-term assets used in governmental activities are not a current financial resource and, therefore, are not reported in the funds.	1,059,534
Deferred outflows of resources used in governmental activities represent a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then, and therefore, are not reported in the funds.	62,804,455
Earned revenue that is not available to pay current period expenditures is deferred in the funds.	13,739,202
Deferred inflows of resources used in governmental activities represent an acquisition of net position that applies to a future period and so will not be recognized as a revenue until then, and therefore, are not reported in the funds.	(27,562,335)
An internal service fund is used by management to charge the costs of health and dental benefits to individual funds. Assets and liabilities of the internal service fund are included in governmental activities of the statement of net position.	6,608,184
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(956,598,890)
Net position of governmental activities	\$ 27,903,443

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Revenues, Expenditures, and Changes in Fund Balances

Exhibit 4

Governmental Funds

Page 1 of 2

For the Fiscal Year Ended June 30, 2023

	<u>General Fund</u>	<u>County Facilities</u>	<u>Education Facilities</u>	<u>Pandemic Response</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 302,179,933	-	-	-	11,551,705	313,731,638
Occupancy taxes	1,135,675	-	-	-	-	1,135,675
Local option sales taxes	106,244,850	-	-	-	3,232,588	109,477,438
Other taxes	493,555	-	-	-	-	493,555
Licenses and permits	882,939	-	-	-	-	882,939
Intergovernmental	54,799,595	10,841,638	892,313	35,936,852	4,448,000	106,918,398
Charges for services	31,052,716	-	-	-	-	31,052,716
Investment earnings	9,059,056	4,576,779	3,983,207	1,855,830	239,504	19,714,376
Other	11,274,506	50,161	-	-	184,700	11,509,367
Total revenues	<u>517,122,825</u>	<u>15,468,578</u>	<u>4,875,520</u>	<u>37,792,682</u>	<u>19,656,497</u>	<u>594,916,102</u>
Expenditures:						
Current:						
General government	53,332,484	-	-	-	-	53,332,484
Public safety	97,510,437	-	-	-	11,389,882	108,900,319
Environmental protection	3,528,372	-	-	-	-	3,528,372
Human services	73,125,072	-	-	29,804,824	10,584	102,940,480
Culture and recreation	17,874,057	-	-	-	-	17,874,057
Community and economic development	5,171,268	-	-	-	208,581	5,379,849
Education	776,277	-	-	-	-	776,277
Intergovernmental: Education	172,542,568	-	49,021,423	-	-	221,563,991
Debt service:						
Principal retirement	56,223,500	-	-	-	-	56,223,500
Interest and other charges	25,467,993	44,995	781,079	-	-	26,294,067
Capital outlay	-	79,823,072	-	139,709	373,455	80,336,236
Total expenditures	<u>505,552,028</u>	<u>79,868,067</u>	<u>49,802,502</u>	<u>29,944,533</u>	<u>11,982,502</u>	<u>677,149,632</u>
Excess (deficiency) of revenues over expenditures	<u>11,570,797</u>	<u>(64,399,489)</u>	<u>(44,926,982)</u>	<u>7,848,149</u>	<u>7,673,995</u>	<u>(82,233,530)</u>

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

(continued)

FORSYTH COUNTY, NORTH CAROLINA

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2023

Exhibit 4

Page 2 of 2

	<u>General Fund</u>	<u>County Facilities</u>	<u>Education Facilities</u>	<u>Pandemic Response</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses):						
General obligation bonds issued	-	4,000,000	123,520,000	-	-	127,520,000
Premium on general obligation bonds	-	45,611	12,597,704	-	-	12,643,315
Lease liabilities issued	2,244,111	-	-	-	-	2,244,111
Subscription liabilities issued	5,778,513	-	-	-	113,620	5,892,133
Transfers in	14,001,791	22,747,053	1,735,000	-	63,105	38,546,949
Transfers out	(24,545,158)	-	-	(6,064,715)	(7,937,076)	(38,546,949)
Total other financing sources (uses)	<u>(2,520,743)</u>	<u>26,792,664</u>	<u>137,852,704</u>	<u>(6,064,715)</u>	<u>(7,760,351)</u>	<u>148,299,559</u>
Net change in fund balances	<u>9,050,054</u>	<u>(37,606,825)</u>	<u>92,925,722</u>	<u>1,783,434</u>	<u>(86,356)</u>	<u>66,066,029</u>
Fund balance - June 30, 2022	<u>210,142,822</u>	<u>140,795,378</u>	<u>127,788,417</u>	<u>(97,089)</u>	<u>5,813,850</u>	<u>484,443,378</u>
Fund balance - June 30, 2023	<u>\$ 219,192,876</u>	<u>103,188,553</u>	<u>220,714,139</u>	<u>1,686,345</u>	<u>5,727,494</u>	<u>550,509,407</u>

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

FORSYTH COUNTY, NORTH CAROLINA

Exhibit 4.1

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds	\$	66,066,029
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		70,468,096
Contributions in the current fiscal year to the pension plans are not included on the Statement of Activities.		14,414,584
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(61,152)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		493,352
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(89,407,435)
Expenses in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds.		(1,614,284)
Internal service funds are used by management to charge the costs of health and dental benefits to individual funds. The profit or loss generated by the internal service fund is eliminated on the statement of activities.		1,463,547
Change in net position of governmental activities	\$	<u><u>61,822,737</u></u>

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

FORSYTH COUNTY, NORTH CAROLINA

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

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 297,073,935	297,073,935	302,179,933	5,105,998
Occupancy taxes	1,000,000	1,000,000	1,135,675	135,675
Local option sales taxes	102,081,551	102,081,551	106,244,850	4,163,299
Other taxes	420,000	420,000	493,555	73,555
Total taxes	400,575,486	400,575,486	410,054,013	9,478,527
Licenses and permits	751,350	751,350	882,939	131,589
Intergovernmental	54,670,898	66,139,887	54,799,595	(11,340,292)
Charges for services	29,739,646	29,739,646	31,052,716	1,313,070
Investment earnings	1,001,500	1,001,500	9,059,056	8,057,556
Other	12,145,947	12,568,663	11,274,506	(1,294,157)
Total revenues	498,884,827	510,776,532	517,122,825	6,346,293
Expenditures:				
Current:				
General government	58,327,493	62,725,841	53,332,484	9,393,357
Public safety	99,071,783	103,751,051	97,510,437	6,240,614
Environmental protection	3,738,400	3,938,412	3,528,372	410,040
Human services	88,109,948	99,814,169	73,125,072	26,689,097
Culture and recreation	18,748,406	19,625,317	17,874,057	1,751,260
Community and economic development	6,605,138	7,604,139	5,171,268	2,432,871
Education	925,496	928,867	776,277	152,590
Intergovernmental: Education	170,616,869	172,542,568	172,542,568	-
Debt service:				
Principal retirement	57,252,034	56,223,500	56,223,500	-
Interest and other charges	23,171,189	25,485,232	25,467,993	17,239
Contingency	2,642,919	2,642,919	-	2,642,919
Total expenditures	529,209,675	555,282,015	505,552,028	49,729,987
Excess (deficiency) of revenues over expenditures	(30,324,848)	(44,505,483)	11,570,797	56,076,280
Other financing sources (uses):				
Lease liabilities issued	-	2,641,535	2,244,111	(397,424)
SBITA debt issued	-	5,880,000	5,778,513	(101,487)
Transfers in	13,539,490	13,539,490	14,001,791	462,301
Transfers out	(3,665,109)	(24,545,158)	(24,545,158)	-
Total other financing sources (uses)	9,874,381	(2,484,133)	(2,520,743)	(36,610)
Net change in fund balance	\$ (20,450,467)	(46,989,616)	9,050,054	56,039,670
Fund balance - June 30, 2022			210,142,822	
Fund balance - June 30, 2023			\$ 219,192,876	

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Net Position
Proprietary Fund - Internal Service Fund
June 30, 2023

Exhibit 6

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents / investments	\$ 8,051,172
Accounts receivable	688,450
Accrued interest	27,195
Total assets	<u>8,766,817</u>
LIABILITIES	
Current liabilities:	
Accounts payable	178,982
Claims liability	1,979,651
Total liabilities	<u>2,158,633</u>
NET POSITION	
Unrestricted	\$ <u><u>6,608,184</u></u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund - Internal Service Fund
For the Fiscal Year Ended June 30, 2023

Exhibit 7

	Governmental Activities
Operating revenues:	
Charges for services	\$ 29,278,153
Other revenue	3,669,281
Total operating revenues	<u>32,947,434</u>
Operating expenses:	
Professional services	3,248,522
Claims	26,281,226
Insurance premiums	2,100,657
Other operating	39,659
Total operating expenses	<u>31,670,064</u>
Operating income	1,277,370
Nonoperating revenues:	
Interest earnings	186,177
Change in net position	1,463,547
Net position at beginning of year	<u>5,144,637</u>
Net position at end of year	\$ <u><u>6,608,184</u></u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Cash Flows
Proprietary Fund - Internal Service Fund
For the Fiscal Year Ended June 30, 2023

Exhibit 8

	Governmental Activities
Cash flows from operating activities:	
Cash received from user departments and participants	\$ 32,852,403
Cash paid to suppliers, participants and others	(32,346,165)
Net cash provided by operating activities	<u>506,238</u>
Cash flows from investing activities:	
Interest and dividends on investments	<u>170,950</u>
Net increase in cash and cash equivalents	677,188
Cash and cash equivalents / investments at beginning of year	<u>7,373,984</u>
Cash and cash equivalents / investments at end of year	\$ <u><u>8,051,172</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ <u>1,277,370</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Increase in accounts receivable	(93,750)
Increase in accounts payable	45,249
Decrease in claims payable	(721,350)
Decrease in unearned revenue	<u>(1,281)</u>
Total adjustments	<u>(771,132)</u>
Net cash provided by operating activities	\$ <u><u>506,238</u></u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Fiduciary Net Position
Fiduciary Funds

Exhibit 9

June 30, 2023

	Other Post-employment Benefit Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents / investments	\$ -	3,901,097
Cash and investments held by fiscal agent:		
Short-Term OPEB Fund	4,005,371	-
Long-Term OPEB Fund	9,756,628	-
OPEB Equity Funds	29,102,184	-
Receivables - Property taxes	-	3,214,037
Total assets	<u>42,864,183</u>	<u>7,115,134</u>
LIABILITIES		
Due to other governments	-	3,124,018
Accounts payable and accrued liabilities	-	330,006
Total liabilities	<u>-</u>	<u>3,454,024</u>
NET POSITION		
Restricted for:		
Post-employment benefits other than pensions	42,864,183	-
Individuals, organizations, and other governments	-	3,661,110
	<u>\$ 42,864,183</u>	<u>3,661,110</u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds

Exhibit 10

For the Fiscal Year Ended June 30, 2023

	Other Post-employment Benefit <u>Trust Fund</u>	Custodial <u>Funds</u>
ADDITIONS		
Contributions:		
Employer	\$ 4,659,308	-
Plan members	419,485	-
Total contributions	<u>5,078,793</u>	<u>-</u>
Investment income:		
Net increase in fair value of investments	4,022,814	-
Investment income	283,351	-
Less: investment expense	(2,195)	-
Net investment earnings	<u>4,303,970</u>	<u>-</u>
Ad valorem taxes collected for other governments	-	194,487,688
Collections pursuant to court orders	-	211,372
Total additions	<u>9,382,763</u>	<u>194,699,060</u>
DEDUCTIONS		
Benefits	3,478,793	-
Tax distributions to other governments	-	194,269,878
Payments pursuant to court orders	-	119,484
Total deductions	<u>3,478,793</u>	<u>194,389,362</u>
Change in net position	5,903,970	309,698
Net position - beginning	36,960,213	3,351,412
Net position, ending	<u><u>\$ 42,864,183</u></u>	<u><u>3,661,110</u></u>

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

Notes to the Financial Statements

Forsyth County, North Carolina
June 30, 2023

1. Summary of Significant Accounting Policies

The accounting policies of Forsyth County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

1a. Reporting Entity

Forsyth County (the "County") was created by an act of the General Assembly of North Carolina in 1849. The County operates under a commission-manager form of government with seven commissioners comprising the governing body. The County is divided into two districts for election purposes, and commissioners are elected on a staggered basis for terms of four years: two from one district; four from the second district; and one at large. The County Manager is appointed by and serves at the pleasure of the Board of Commissioners. The County provides the following services to its citizens: public safety, environmental protection, human services, culture and recreation programs, community and economic development, and education. Mental health, developmental disabilities, and substance abuse services are provided in part through the County's contribution to Cardinal Innovations Healthcare Solutions. Elementary and secondary education and professional, technical and vocational training beyond the secondary level are provided by other governmental agencies.

The Forsyth County Industrial Facilities and Pollution Control Financing Authority exists to issue and service revenue bond debt of private businesses for economic development purposes. The seven-member governing board of the Authority is appointed by the County Commissioners. The County can remove any member of the Authority's board with or without cause. The Authority is considered to be a component unit of the County; however, it has no financial transactions or account balances, and, therefore, it is not presented in the government-wide financial statements. The Authority does not issue separate financial statements.

The Forsyth County Financing Corporation ("FCFC") is a nonprofit corporation that exists to facilitate Limited Obligation Bond financings for the County. It is duly incorporated in the State and is in good standing under the North Carolina Nonprofit Corporation Act, Chapter 55A of the General Statutes. The FCFC was established on April 19, 2021, and is governed by a three-member board of directors. The FCFC is a legally separate entity from the County, but it is reported as if it were a part of the County since its sole purpose is to facilitate limited obligation bond financings for County capital projects. To fulfill its purpose, the FCFC has entered into a financing contract with the County that transfers all obligations of the financing to the County. In accordance with GAAP, eliminations are done in the fund financial statements resulting in the inclusion of all FCFC activities in the funds in which the activity takes place. Accordingly, there are no financial activities to report for the FCFC itself in these financial statements.

1b. Basis of Presentation, Basis of Accounting

Basis of Presentation *Government-wide Statements:* The statement of net position and the statement of activities report information on all of the non-fiduciary activities of the County. Eliminations have been made to minimize the double-counting of internal activities with the exception of interfund services provided and used which represent a customer-type relationship. Although such interfund activity is eliminated, the residual balances of the internal service fund are not and are included in the governmental activities column of the government-wide financial statements. These statements present the governmental activities of the County, which encompass all the financial activities of the County, except for fiduciary activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues 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, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

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 nonexchange 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.

County Facilities Fund. This fund is used to account for the construction of and renovation to County facilities and the related acquisition of land, furnishings and equipment.

Education Facilities Fund. This fund is used to account for the construction of and renovation to school and community college facilities and the related acquisition of land, furnishings and equipment.

Pandemic Response Fund. This fund accounts for federal grant funds received from the Emergency Rental Assistance Program and Local Fiscal Recovery Fund under the American Rescue Plan Act for expenditures incurred in response to and in recovery from the Coronavirus Disease 2019 public health emergency.

Additionally, the County reports the following fund types:

Proprietary - Internal Service Fund. The Employee Health Benefits Fund accounts for risk retention services for health and dental benefits provided to departments of the County on a cost reimbursement basis.

Fiduciary – Trust Fund. The Other Post-Employment Benefit Trust Fund accounts for the activities of the Healthcare Plan Fund, which accumulates resources to pay other post-employment benefits for qualified retired County employees.

Fiduciary - 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. These funds account for assets held by the County on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for property taxes and occupancy taxes collected on behalf of the County and other governments; and the Sheriff Fund, which accounts for monies held by the Sheriff's Office as a result of gathering evidence or executing court orders.

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

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and 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. Nonexchange 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 and time requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County internal service fund are charges for health and dental premiums.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within ninety days after year-end, except for property taxes. Uncollected property taxes are not recognized as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance operations of the current year. Property taxes receivable are recorded net of an allowance for estimated uncollectible delinquent taxes, with the net receivable recorded as deferred inflows of resources until collected. 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.

Sales taxes collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services, other than those that are invoiced, are not susceptible to accrual because generally they are not measurable until received in cash. 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. Additionally, when both restricted and unrestricted non-grant resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

1c. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and four special revenue funds: the Fire Tax Districts Fund, Law Enforcement Equitable Distribution Fund, Emergency Telephone System Fund, and Moser Bequest for Care of Elderly Fund. All annual appropriations lapse at fiscal year end. The Pandemic Response Fund, State Public School Building Capital Fund, the Housing Rehabilitation Fund, the Justice Assistance Fund, and the Opioid Response Fund, which are special revenue funds, and all capital projects funds are budgeted under project ordinances.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for the General Fund, except for Nondepartmental and intergovernmental education expenditures. Certain Nondepartmental appropriations are not expended until they are transferred to a specific department, so they are set apart from other Nondepartmental appropriations. Budgetary control for intergovernmental education expenditures is for current expense and capital outlay for each entity. The legal level of control varies for annually budgeted special revenue funds. Appropriations in the Fire Tax Districts Fund are controlled at the fire tax district level. The Law Enforcement Equitable Distribution Fund is controlled by an appropriation for a transfer to the General Fund. The Emergency Telephone System Fund and the Moser Bequest for Care of Elderly Fund have legal appropriation control at the program level. Amendments are required for revisions to appropriations at the legal level of control in annually budgeted funds, and these amendments may be approved by the County Manager and reported to the Board of Commissioners as long as they do not alter total expenditures of the fund. Amendments that alter total expenditures of any fund must be approved by the Board of Commissioners. During the year, Board amendments to the original budget totaling \$47.1 million included \$11.5 million for unanticipated intergovernmental and local grant funding, \$8.5 million for lease and subscription liabilities, and appropriations of fund balance totaling \$26.5 million. Appropriations of fund balance included \$20.0 million to fund pay-go projects, \$1.9 million of excess Article 46 sales tax to be paid to the Winston-Salem/Forsyth County Schools, \$1.9 million for prior year encumbrances, \$824,000 for capital projects at the airport, \$541,000 for animal services, \$450,000 for renovations to the social services facility, \$178,000 for performance incentives, and \$330,000 for public safety and \$190,000 for behavioral health initiatives. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers the period until the annual ordinance can be adopted.

1d. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

Deposits and Investments All deposits of the County are made in board-designated official depositories and are secured as required by North Carolina General Statutes. State statutes authorize the County 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). Money market investments and investments that have a remaining maturity at the time of purchase of one year or less are reported at cost or amortized cost. The County's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. As permitted under State law, from time to time the County invests in securities which are callable and which provide for periodic interest rate increases. These investments are stated at fair value in the County's financial statements.

The NCCMT Government Portfolio is an SEC-registered (2a-7) money market mutual fund which invests in treasuries and government agencies. The Government Portfolio is reported at fair value.

General Statute 159-30.1 allows the County to establish an Other Postemployment Benefit (OPEB) Trust under the management of the State Treasurer and G.S. 159-30(g) allows the County to make contributions to the Fund. The Fund is not registered with the Securities and Exchange Commission. The State Treasurer in his discretion may invest the proceeds in equities of certain

publicly held companies and long or short term fixed income investments as detailed in G.S. 147-69.2(1-6) and (8). Funds submitted are managed in three different sub-funds, the State Treasurer’s Short Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by G.S. 147-69.1, the Bond Index Fund (BIF) consisting of high quality debt securities eligible under G.S. 147-69.2(b)(1)-(6), and BlackRock’s MSCI ACWI EQ Index Non-Lendable Class B Fund authorized under G.S. 147-69.2(b)(8).

Cash and Cash Equivalents The County pools moneys from all funds, except the Other Post-employment Benefit Trust Fund, to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Restricted Investments The unexpended bond proceeds of the County are classified as restricted investments because their use is restricted to the purpose for which the bonds were originally issued.

Receivables and Payables The County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year, in accordance with State law. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2022.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Historical collection experience is used to estimate the trade accounts receivable allowance. The allowance for uncollectible property taxes is estimated using the average collection rate for the last three years on back year taxes.

Outstanding balances between funds at fiscal year end result from use of pooled funds for cash flow purposes by capital projects funds or grant special revenue funds that will be reimbursed in the short-term by drawdowns from cash held by fiscal agent or grantors, respectively; or from year-end accruals of reimbursements due to the General Fund from special revenue funds. These balances are reported as “due to/from other funds.”

Lease receivable The County’s lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under certain lease agreements, the County may receive variable lease payments that are dependent upon the lessee’s revenue. The variable payments, if any, are recorded as an inflow of resources in the period the payment is received.

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 plus lease payments received at or before the commencement of the lease, less lease incentives paid at or before the commencement of the lease. The deferred inflow of resources is recognized as revenue on a straight-line basis over the term of the lease.

Prepaid Items Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These outlays are accounted for using the consumption method.

Capital Assets Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets as defined by the County are buildings and improvements other than buildings with an initial, individual cost of \$20,000 or more, and all other assets, except licensed software, with an initial, individual cost of \$5,000 or more and an estimated useful life of three years or more. Licensed software is capitalized when its initial cost is greater than \$10,000 and its annual maintenance fee is significantly less than the initial cost. Internally developed software is capitalized when development cost exceeds \$100,000 and expected useful life is 3 years or greater. Assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of the donation. 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.

Capital assets are depreciated using the straight-line method over the following estimated useful lives, in years.

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	20 - 40
Improvements other than buildings	20
Equipment and vehicles	3 - 10
Computer software	3 - 6

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

The County has recorded subscription-based Information technology arrangement assets and liabilities as a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 96. The subscription assets are initially measured at an amount equal to the initial measurement of the related subscription liabilities plus any payments made prior to the subscription term, less incentives, and plus any ancillary charges necessary to place the subscription asset into service. The subscription assets are amortized on a straight-line balance over the life of the related contract. Subscription arrangements which are based on variable payments (or user seats) are not recorded as subscription assets or liabilities and are expenses as incurred.

Deferred outflows and inflows of resources In addition to assets, the statement of financial position reports a separate section for deferred outflow 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, and pension and OPEB related deferrals. In addition to liabilities, the statement of financial position also reports a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet this criterion – unavailable taxes and other revenue receivable, and pension and OPEB related deferrals.

Long-term Obligations In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, in 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 are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences The County permits its employees to accumulate a limited amount of vacation leave which, if not used, will be paid upon termination of service at the rates of pay then in effect. All vacation pay, including salary-related payments that are directly connected with this leave pay, are accrued when incurred in the government-wide financial statements.

The County allows unlimited accumulation of sick leave. Employees do not receive any payment for unused sick time upon separation or retirement. However, employees eligible for retirement benefits may use their unused sick leave in the determination of length of service for retirement benefit purposes. Since the County has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

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

Fund Balances In the fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The governmental fund types classify fund balances as follows:

Nonspendable. This classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Prepaid items – This portion of fund balance is not an available resource because it represents the year-end balance of prepaid items, which are not spendable resources.

Restricted. This classification includes revenue sources that are statutorily restricted for specific purposes, or restricted for specific purposes by grantors or creditors.

Restricted for Stabilization by State Statute. This portion of fund balance is not available for appropriation under State law G.S. 159-8. This statute is one of several 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. G.S. 159-8(a) stipulates that 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. The resulting amount of fund balance not available for appropriation is known as Restricted by State statute ("RSS"). RSS is calculated at the end of each fiscal year and is usually comprised of receivable balances that are not offset by deferred inflows and encumbrances related to purchase orders and contracts outstanding at year end that will be honored by the County in the next fiscal year. RSS is further reduced by inventories and prepaids as they are classified as nonspendable. RSS is included as a component of restricted net position in the Statement of Net Position and restricted fund balance in the governmental balance sheet.

Restricted for Register of Deeds. This represents the unspent portion of Register of Deeds fees whose use is restricted by State statute for expenditure on computer and imaging technology in the office of the Register of Deeds.

Restricted for Public Safety. This portion of fund balance is restricted by revenue source for law enforcement and emergency services purposes.

Restricted for Human Services. This represents the unspent portion of maintenance of efforts funding for mental health, developmental disabilities, and substance abuse services provided by a third party and unspent revenue restricted by source for social services and public health purposes.

Restricted for Environmental Protection. This portion of fund balance is restricted by revenue source for soil and water conservation activities.

Restricted for Capital Projects. This portion of fund balance is restricted by revenue source for capital expenditures.

Restricted for Community and Economic Development. This portion of fund balance is restricted by revenue source for airport operations, housing rehabilitation and home buyer related purposes.

Committed. This classification includes amounts that can only be used for specific purposes imposed by majority vote of the governing board. Any changes or removal of specific purposes requires majority action by the governing body.

Committed for Education Debt Leveling Plans. Unspent revenue generated by 4.51 cents of the ad valorem tax rate and interest on the unspent portions thereof is committed for retirement of general obligation education debt authorized by the November 2006 and 2008 referendums.

Committed for Library Debt Leveling Plan. Unspent revenue generated by .57 cents of the ad valorem tax rate and interest on the unspent portions thereof is committed for retirement of general obligation library debt authorized in a November 2010 referendum for construction of library facilities.

Committed for Public Improvement Debt Leveling Plan. Portion of fund balance committed for retirement of general obligation public improvement debt authorized by a November 2016 referendum. Balance is comprised of annual operating contributions and revenue generated by 2.9 cents of the ad valorem tax rate and interest on the unspent portions thereof.

Committed for Courthouse Debt Leveling Plan. Unspent revenue generated by 2.0 cents of the ad valorem tax rate and interest on the unspent portions thereof is committed for retirement of debt incurred for the construction of new courthouse facility.

Committed for Culture and Recreation - Library. Portion of fund balance generated by special gifts committed for library technology expenditures.

Committed for Law Enforcement Special Separation Allowance. Portion of fund balance committed for law enforcement officers' pension obligations.

Committed for Community and Economic Development. Portion of fund balance committed by action of the governing board for certain future economic development purposes.

Committed for Public Safety. Portion of fund balance committed by action of the governing board for emergency services vehicle purchases.

Committed for Intergovernmental - Education. Portion of fund balance committed by action of the governing board for certain school expenditures.

Committed for Human Services. Portion of fund balance committed by action of the governing board for certain public health expenditures.

Committed for Capital Projects. Portion of fund balance committed by action of the governing board for certain school and County capital expenditures.

Assigned. The portion of fund balance that the governing board, with or without formal action, has assigned for specific management purposes. The governing board may delegate to the County Manager or Chief Financial Officer the authority to assign a portion of fund balance to promote sound financial operations of the County or to meet a future obligation. Assignment calculations may be made after the end of the fiscal year during the process of preparation of the financial statements.

Assigned for Subsequent Year Budget. This represents the portion of fund balance appropriated in the adopted 2023-2024 Budget Ordinance that is not already classified in restricted or committed.

Assigned for Public Safety. The represents the portion of fund balance assigned for countywide fire services.

Assigned for Management Special Projects. In the General Fund, unassigned fund balance in excess of 14% of the subsequent year's budget is assigned for management special projects in the subsequent year.

Unassigned. This portion of fund balance is the residual classification for amounts not restricted, committed, or assigned to specific purposes within the General Fund. In governmental funds other than the General Fund, it includes any residual negative balances which may not be classified as restricted or committed in those funds.

The County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Chief Financial Officer will use resources in the following order: debt 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 Chief Financial Officer has the authority to deviate from this policy if it is in the best interest of the County.

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

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

The County administers a public employee retirement plan, the Law Enforcement Officers' Special Separation Allowance, a single-employer defined benefit pension plan that provides benefits to the County's qualified sworn law enforcement officers. The County is required to provide these benefits by the North Carolina General Statutes. These benefits are funded on a pay-as-you-go basis.

The County administers a single-employer defined benefit health care other post-employment benefit plan (the OPEB Plan). For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to and deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments for the OPEB plan are reported at fair value.

1e. Change in Accounting Principle

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), effective July 1, 2022. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in an intangible right-to-use subscription asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and (4) requires note disclosure regarding a SBITA.

The implementation of GASB 96 resulted in the recognition of SBITAs, net of amortization, totaling \$6,013,021, and liabilities totaling \$3,924,327.

2. 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 *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. The net adjustment of \$(522,605,964) consists of several elements detailed in the following table.

Description	Detail	Net Adjustment
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		\$ 377,343,886
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Other long-term assets used in governmental activities are not a current financial resource and, therefore, are not reported in the funds.		
Pension asset - ROD	\$ 498,556	
Accrued interest and penalties on property taxes	537,661	
Accrued interest on leases receivable	23,317	1,059,534
<hr/>		
Deferred outflows of resources used in governmental activities represent a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then, and therefore, are not reported in the funds.		
Pension and OPEB contributions, current year	\$ 20,720,795	
Pension and OPEB related deferred outflows	40,131,273	
Deferred bond refunding charges	1,952,387	62,804,455
<hr/>		
Earned revenue that is not available to pay current period expenditures is deferred in the funds.		
Property taxes	1,836,305	
Intergovernmental revenue	1,681,861	
Interest earnings	363,344	
Fees and miscellaneous	9,857,692	13,739,202
<hr/>		
Deferred inflows of resources reported in the government-wide statements, but not the fund statements – pension and OPEB related deferrals		(27,562,335)
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An internal service fund is used by management to charge the costs of health and dental benefits to individual funds. The assets and liabilities of the Employee Health Benefits Fund are included in governmental activities in the statement of net position.		6,608,184
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Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period. Thus, they do not require current resources to pay and, accordingly, are not reported in the fund statements.		
Accrued interest payable	(6,957,166)	
Bonds, limited obligation bonds, installment purchases and other borrowing	(760,154,500)	
Leases and subscriptions payable	(6,779,034)	
Compensated absences	(9,273,675)	
Pension liabilities	(86,417,520)	
Claims and judgments – excluding health and dental	(1,248,718)	
Net OPEB obligation	(29,375,741)	
Unamortized issuance premiums	(56,392,536)	(956,598,890)
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Total adjustment		\$ (522,605,964)

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. Additional detail on the elements that comprise the total adjustment of \$(4,243,292) is given in the table that follows.

Description	Detail	Net Adjustment
Capital outlay expenditures are recorded in the fund statements but are capitalized as assets in the statement of activities.	\$ 87,635,777	
Depreciation expense, the allocation of capital assets over their useful lives, is recorded on the statement of activities but not in the fund statements.	(17,167,681)	\$ 70,468,096
Pension plan contributions in the current fiscal year are recorded as expenditures in the fund statements but are not included in the statement of activities.		14,414,584
The statement of activities reports <i>gains</i> and <i>losses</i> arising from the trade-in, sale, or disposal of existing capital assets. Conversely, governmental funds do not report any gain or loss on such transactions, but report the sale proceeds. The change in net position differs from the change in fund balance by the net cost of capital assets sold and donated assets received.		(61,152)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Reverse deferred inflows recorded at July 1, 2022:		
Property taxes and accrued interest on property taxes	(2,328,936)	
Intergovernmental	(1,270,504)	
Interest earnings	(263,868)	
Fees and miscellaneous	(9,920,203)	
Record deferred inflows in the fund statements at June 30, 2023:		
Property taxes and accrued interest on property taxes	2,373,966	
Intergovernmental	1,681,861	
Interest earnings	363,344	
Fees and miscellaneous	9,857,692	493,352
On the fund statements, new debt issued during the year is recorded as a source of funds, and principal payments on debt are recorded as a use of funds. Neither transaction affects the statement of activities.		
New debt issued	(148,299,559)	
Principal payments on debt	58,892,124	(89,407,435)
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.		
Compensated absences	(239,097)	
Claims and judgments – excluding health and dental	(307,562)	
OPEB contributions	6,306,211	
OPEB income	830,104	
Pension expense	(22,359,349)	
Accrued interest	333,411	
Amortized charge on refundings	(1,228,800)	
Amortized debt premiums	15,050,798	(1,614,284)
Internal service fund profit or loss generated by customers within the primary government is eliminated from the statement of activities.		1,463,547
Total adjustments		\$ (4,243,292)

3. Stewardship, Compliance, and Accountability

Excess of Expenditures over Appropriations Expenditures for Human Resources department exceeded budget by \$32,283. Temporary employees were added to HR in FY23 for the transition into a new financial and human capital management system. Budget estimates fell short of actual experience. Refinement of estimates should preclude future overages for these expenditures. Expenditures in the County Commissioners and Manager’s Office exceeded budget by \$7,910. Countywide salary adjustments were not covered with adequate funding for this department. A closer review of such adjustments will prevent a recurrence in the future.

4. Detailed Notes on All Funds

4a. Deposits

The County has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund’s portion of total cash and investments is reported as cash and cash equivalents/investments by the County’s individual major funds and Internal Service Fund and in the aggregate for non-major and custodial funds. Interest earned is distributed monthly to the various funds based on each fund’s proportionate equity in the cash and investments pool. For purposes of the statement of cash flows, all cash and investments of the proprietary fund are considered to be cash equivalents, since they are available on demand from the cash and investments pool.

In accordance with the County’s investment policy, all the deposits of the County are either insured or collateralized by using the pooling method. Under the pooling method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer’s agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County’s agent in the County’s name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the pooling method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or with the escrow agent. Due to the inability to measure the exact amounts of collateral pledged for the County under the pooling method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the pooling method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2023, the deposit portion of the County’s cash and investment pool was \$12,282,012. The bank balances totaled \$14,268,693, of which \$500,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2023, the County’s petty cash funds totaled \$18,457.

4b. Investments

The table below shows the distribution of the County’s investment holdings by maturity as of June 30, 2023. The weighted average maturity of the total portfolio at June 30, 2023 is 67.2 days.

	Valuation Measurement Method	Reported Value	Fair Value	Less than 1 year	1 – 2 years	2 – 5 years
NCCMT Government portfolio	Fair value – level 1	\$ 418,242,949	418,242,949	418,242,949	-	-
US Treasury Securities	Fair value – level 1	1,983,600	1,983,600	1,983,600	-	-
Commercial Paper	Amortized cost	72,877,492	72,872,193	72,872,193	-	-
Agency Securities	Fair value – level 2	99,628,580	99,628,580	69,572,570	14,588,590	15,467,420
Total Portfolio		\$ 592,732,621	592,727,322	562,671,312	14,588,590	15,467,420

Valuation. Investments with less than one year to maturity at time of purchase and with no call features are priced at amortized cost. Investments reported at fair value are valued using prices and other relevant information generated by market transactions involving identical or comparable assets or groups of assets. Fair value – level 1 securities are valued using directly observable, unadjusted quoted prices in active markets for identical assets. Fair value – level 2 securities are valued using a matrix pricing technique which values the security based its relationship to benchmark quoted prices.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County’s investment practice gives consideration to shortening maturities during periods of rising interest rates. The County manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows

from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk. In accordance with the County's investment policy, the County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law and the County's investment policy limit investments in commercial paper to those issuers carrying the highest ratings issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2023, the County's investments in the bonds of U.S. Agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The County's investment 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. For an investment, the custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy provides limited guidance on custodial credit risk, but management procedures are that the County shall utilize a third party custodial agent for book entry transactions, all of which shall be held in the County's name. The custodial agent shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. Certificated securities shall be in the custody of the Chief Financial Officer.

Concentration of Credit Risk. The County places no limit on the amount that may be invested in any one issuer. Five percent (5%) or more of the County's investments are in agency securities issued by the Federal Home Loan Bank (11.0%), Federal Home Loan Mortgage Corporation (7.1%), and Federal National Mortgage Association (9.3%) as well as in the North Carolina Capital Management Trust Government Portfolio money market account (47.4%).

Other Post-Employment Benefits Trust

At June 30, 2023, the Healthcare Plan had \$42,864,183 invested in a Local Government Other Post-Employment Benefits (OPEB) Trust established pursuant to G.S. 159-30.1. The OPEB Trust is deposited with the State Treasurer and may be invested in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the OPEB Trust was invested as follows: State Treasurer's Short Term Investment Fund (STIF), 9.3%; State Treasurer's Bond Index Fund (BIF), 22.8%; and, BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund, 67.9% (the equities were split with 62.2% in domestic securities and 37.8% in international securities).

Valuation: North Carolina Department of State Treasurer OPEB Trust 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. Ownership interest of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share at June 30, 2023. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. Ownership of the BIF is determined monthly at fair value using the same Level 2 inputs as the STIF and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. The BIF was valued at \$1 per unit at June 30, 2023. The BlackRock's MSCI ACWI EQ Index Non-Lendable Class B fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. At June 30, 2023 the fair value of the funds was \$31.815788 per share. Fair value for this Blackrock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

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 for the Healthcare Plan Fund. The State Treasurer's STIF had a weighted average maturity of 0.7 years at June 30, 2023. The State Treasurer's BIF had a weighted average maturity of 8.7 years at June 30, 2023.

Credit Risk: The County does not have a formal investment policy regarding credit risk for the Healthcare Plan Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer's STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate term treasuries, agencies, and money market instruments. The BIF is unrated and authorized under NC General Statute 147-69.1 and 147-69.2. The State Treasurer's BIF is invested in high quality debt securities eligible under NC General Statute 147-69.2(b)(1)-(6).

4c. 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
2020	\$ 2,313,167	757,562	3,070,729
2021	2,282,468	542,086	2,824,554
2022	2,080,776	306,914	2,387,690
2023	2,080,776	119,645	2,200,421
Totals	\$ 8,757,187	1,726,207	10,483,394

4d. Receivables

Receivables at June 30, 2023 for the County's individual major funds and nonmajor governmental funds in the aggregate are net of applicable allowances for uncollectible accounts as follows:

Description	Gross Receivable	Allowance for Uncollectible Accounts	Net Receivable
Property taxes			
General fund	\$ 4,680,921	(2,908,150)	1,772,771
Nonmajor governmental funds	167,757	(104,223)	63,534
Occupancy taxes – General fund	116,085	-	116,085
Other taxes – General fund	45,952	-	45,952
Accounts			
General fund	46,510,429	(34,436,263)	12,074,166
County Facilities fund	44,328	-	44,328
Nonmajor governmental funds	1,682	-	1,682
Accrued interest			
General fund	782,973	-	782,973
County Facilities fund	269,117	-	269,117
Education Facilities fund	38,588	-	38,588
Pandemic Response fund	248,971	-	248,971
Nonmajor governmental funds	41,306	-	41,306
Total receivables	\$52,948,109	(37,448,636)	15,499,473

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report a liability in connection with resources that have been received, but not yet earned. At June 30, 2023, the components of *unavailable* and *unearned revenue* were as follows:

Governmental Funds:	Unavailable Revenue	Unearned Revenue
Delinquent property taxes receivable: General fund	\$ 1,772,771	-
Nonmajor funds	63,534	-
Intergovernmental and private grants: General fund	1,170,127	2,015,233
Pandemic Response fund	72,396	42,540,036
County Facilities Capital Projects fund	94,328	15,610,062
Nonmajor funds	--	2,561,946
Fees and other revenue: General fund	10,202,702	243,060
Investment earnings: General fund	363,344	-
Total unavailable and unearned revenue for governmental funds	\$ 13,739,202	\$ 62,970,337

4e. Lease Receivable

The County has entered into a number of agreements for the lease of County property at the Smith Reynolds Airport, downtown parking facilities, and tower sites. Lease terms range from 1 to 36 years. The lease receivable is measured as the present value of the future minimum lease payments expected to be received during the lease term. For the fiscal year ending June 30, 2023, the County recognized \$568,292 of lease revenue and \$178,870 of interest revenue under these leases.

Regulated Leases

The County has entered into certain aeronautical leases with air carriers and other aeronautical users that are regulated by the United States Department of Transportation and the Federal Aviation Administration (collectively referred to as “regulators”). Regulators define aeronautical use of an airport as any activity that involves, makes possible, is required for the safety of, or is otherwise directly related to, the operation of an aircraft. Aeronautical use includes services provided by air carriers related directly or substantially to the movement of passengers, baggage, mail, and cargo on the airport. Because of the cost-recovery nature, and in some cases, revenue-sharing provisions, regulated leases are not included as part of lease receivables. During the fiscal year, the County recognized lease revenue of \$1,825,892 from regulated leases which consisted of fixed payments in accordance with the terms of each lease.

Future minimum lease receipts as of June 30, 2023 are as follows:

Year Ending June 30	Amount
2024	\$ 1,173,396
2025	1,173,396
2026	1,173,396
2027	1,173,396
2028	1,173,396
2029-2033	5,866,980
2034-2038	5,866,980
2039-2041	3,129,056
Total	<u>\$ 20,729,996</u>

4f. Capital Assets

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 21,331,016	598,947	--	21,929,963
Art collections	806,888	44,550	--	851,438
Construction-in-progress	83,554,257	72,958,349	(8,458,762)	148,053,844
Total capital assets not being depreciated	105,692,161	73,601,846	(8,458,762)	170,835,245
Capital assets being depreciated:				
Buildings	283,372,896	6,710,628	(68,712)	290,014,812
Improvements other than buildings	50,631,594	344,275	(93,905)	50,881,964
Equipment	42,266,934	795,930	(3,552,051)	39,510,813
Vehicles	21,088,366	2,716,678	(23,823)	23,781,221
Software	5,193,117	--	(708,482)	4,484,635
Right to use building	496,745	--	--	496,745
Right to use equipment	224,165	2,244,111	(15,605)	2,452,671
Right to use other assets	884,639	--	--	884,639
Subscription-based assets	--	9,681,071	--	9,681,071
Total capital assets being depreciated	404,158,456	22,492,693	(4,462,578)	422,188,571
Less accumulated depreciation for:				
Buildings	122,151,998	9,103,529	(48,957)	131,206,570
Improvements other than buildings	20,753,580	335,435	(93,403)	20,995,612
Equipment	37,563,499	1,412,119	(3,511,156)	35,464,462
Vehicles	17,086,961	1,827,439	(23,823)	18,890,577
Software	5,053,261	62,992	(708,482)	4,407,771
Less accumulated amortization for:				
Right to use building	156,812	179,479	--	336,291
Right to use equipment	73,235	504,309	(15,605)	561,939
Right to use other assets	74,329	74,329	--	148,658
Subscription-based assets	--	3,668,050	--	3,668,050
Total accumulated depreciation and amortization	202,913,675	17,167,681	(4,401,426)	215,679,930
Total capital assets being depreciated, net	201,244,781	5,325,012	(61,152)	206,508,641
Capital assets, net	\$306,936,942	78,926,858	(8,519,914)	377,343,886

Depreciation expense charged to functions for the year ended June 30, 2023, was as follows:

Function	Depreciation/ Amortization Expense
General government	\$ 12,582,871
Public safety	2,676,901
Environmental protection	37,854
Human services	239,831
Culture and recreation	455,417
Community and economic development	1,154,039
Education	20,768
Total	\$ 17,167,681

Construction Commitments

Active construction projects as of June 30, 2023 include: Courthouse facility, Kaleideum family museum, renovation and improvements to the Z. Smith Reynolds Airport, Belews Lake Park development, Public Safety Center upfit, pickleball courts at Joanie Moser Park, the design phase of various park improvement projects, business park infrastructure development, and various maintenance and repair projects to County facilities. At June 30, 2023, commitments with contractors on these projects are as follows:

Project	Spent-to-Date	Remaining Commitment
Courthouse facility	\$ 77,222,474	7,614,266
Kaleideum Family Museum	22,206,666	6,544,586
Smith Reynolds Airport	19,576,960	1,559,132
Belews Lake park	2,428,792	4,658,943
Public Safety Center upfit	1,156,899	332,158
Joanie Moser pickleball courts	178,276	139,287
Miscellaneous capital maintenance	559,632	91,749
Totals	\$ 123,329,699	20,940,121

4g. Interfund Receivables, Payables, and Transfers

Certain special revenue funds account for revenues that are used to reimburse eligible expenditures in the General Fund. Accrual of these revenues at year-end results in interfund receivables and payables at June 30. Amounts advanced from the cash and investment pool are also included in due to and due from other funds. At June 30, 2023, there were no interfund receivables or payables.

The following is a summary of interfund transfers for the year ended June 30, 2023:

Transfers in:	Transfers out:			Total
	General Fund	Pandemic Response Fund	Nonmajor Governmental Funds	
General Fund	\$ --	6,064,715	7,937,076	14,001,791
County Facilities Fund	22,747,053	--	--	22,747,053
Education Facilities Fund	1,735,000	--	--	1,735,000
Nonmajor governmental funds	63,105	--	--	63,105
Totals	\$ 24,545,158	6,064,715	7,937,076	38,546,949

The General Fund transferred \$22,747,053 to the County Capital Facilities Fund to fund pay-go, airport and radio system projects, and for the purchase of emergency and non-emergency vehicles. Transfers of \$14,001,791 to the General Fund included \$6,064,715 from the Pandemic Response Fund for revenue loss reimbursement under the American Rescue Plan Act, \$3,733,329 from the Fire Tax Districts special revenue fund to support the County fire department, \$190,371 from the Law Enforcement Equitable Distribution special revenue fund for law enforcement programs, and \$4,013,376 in lottery proceeds from the Public School Building Capital fund for the payment of current year debt service.

4h. Payables

Payables at June 30, 2023, were as follows:

Description	General Fund	County Facilities Fund	Education Facilities Fund	Pandemic Response Fund	Nonmajor Governmental Funds	Total
Vendors	\$ 6,016,460	11,375,766	53,275	608,651	155,837	18,209,989
Salaries and benefits	2,660,269	--	--	--	--	2,660,269
Totals	\$ 8,676,729	11,375,766	53,275	608,651	155,837	20,870,258

4i. Long-term obligations

Long-term obligation activity

Changes in long-term obligations during the year ended June 30, 2023, were as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental activities:					
Compensated absences	\$ 9,034,578	11,764,510	11,525,413	9,273,675	6,559,230
Pension liability (LIGERS), net	21,122,678	53,643,167	--	74,765,845	--
Pension liability (LEOSSA), total	12,796,693	1,526,203	2,671,221	11,651,675	--
General obligation bonds	557,500,000	127,520,000	43,885,000	641,135,000	50,455,000
Unamortized premiums	39,684,121	12,643,315	13,509,981	38,817,455	--
Limited obligation bonds	120,275,000	--	7,370,000	112,905,000	7,305,000
Unamortized premiums	19,115,898	--	1,540,817	17,575,081	--
Installment purchase obligations	6,610,000	--	4,720,000	1,890,000	645,000
Other long-term borrowing	4,473,000	--	248,500	4,224,500	248,500
Lease liabilities	1,311,414	2,244,111	700,818	2,854,707	692,383
Subscription liabilities	--	5,892,133	1,967,806	3,924,327	1,843,348
OPEB liability, net	33,990,978	36,320,320	40,935,557	29,375,741	--
Claims and judgments	3,642,157	28,515,200	28,928,988	3,228,369	3,228,369
Total general long-term obligations	\$ 829,556,517	280,068,959	158,004,101	951,621,375	70,976,830

Compensated absences, pension liabilities, the net other postemployment benefit obligation, and general liability claims and judgments are liquidated in the General Fund. Health and dental claims are paid from the Employee Health Benefits internal service fund.

Arbitrage In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to 1.103-15 of the related Treasury Regulations, the County must rebate to the federal government "arbitrage profits" earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on the borrowings. At June 30, 2023, the County had no liability for arbitrage.

General Obligation Bonds The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for governmental activities. All general obligation bonds are backed by the full faith, credit and taxing power of the County, and principal and interest requirements were appropriated in the Debt Service Fund for the year ending June 30, 2023. All future principal and interest requirements will be appropriated in the General Fund.

On June 13, 2023, the County issued \$29,220,000 general obligation public improvement bonds Series 2023A for acquiring, constructing, and maintenance and repair of school and community college facilities, as well as various County maintenance and improvement projects. Interest rates range from 4.0 to 5.0 percent, with a final maturity of June 1, 2043. On June 14, 2023, the County issued \$98,300,000 general obligation public improvement bonds Series 2023B for acquiring, constructing, and equipping various public school and community college facilities. Interest rates range from 4.0 to 5.0 percent, with a final maturity of June 1, 2043. This issuance was the last of four that were authorized by the 2016 Bond Referendum.

At June 30, 2023, the County has \$1,952,387 bond refunding charges from prior refunding issues. These charges are reported as a deferred outflow of resources on the Statement of Net Position.

The American Recovery and Reinvestment Act of 2009 (the "Recovery Act") authorizes the County to issue taxable bonds known as "Qualified School Construction Bonds" to finance construction, rehabilitation or repair of public school facilities or for the acquisition of land on which a public school facility is to be constructed. Under the Act, the County may elect to receive a subsidy payment from the United States Treasury in an amount calculated as provided in the Recovery Act. The County has designated its 2010D Bonds as "Qualified School Construction Bonds" for purposes of the Recovery Act and expects to receive such subsidy payments from the federal government. The County received \$1,192,657, or 90.6% of the interest paid on the 2010D Bonds, in such federal subsidy during the year ended June 30, 2023, and if the new federal sequester rate remains unchanged, expects to receive \$3,965,360 in such subsidies over the remaining life of the bonds. Such cash subsidy payments are not pledged to the repayment of the 2010D Bonds, but are expected to be a source of payment of debt service on the bonds. Such cash subsidy payments do not constitute a full faith and credit guarantee of the federal government, but are required to be paid by the United States Treasury under the Recovery Act. If such cash subsidy payments from the United States Treasury are reduced or eliminated as a result of the change in the law, the 2010D Bonds are subject to extraordinary optional redemption.

A summary of outstanding general obligation bonds follows:

Purpose of Issue	Date of Issue	Final Maturity	Effective Interest Rate	Amount Issued	Principal Outstanding June 30, 2023
<u>Governmental Activities</u>					
School Building	09-02-2010	04-01-2027	4.9860	26,405,000	26,405,000
Community College	01-09-2013	05-01-2032	2.4014	5,000,000	2,750,000
Library	11-05-2014	05-01-2033	2.4617	34,000,000	24,400,000
Public Improvement	01-08-2013	05-01-2032	2.2334	13,750,000	8,000,000
	11-04-2014	05-01-2033	2.4455	13,550,000	9,550,000
	03-14-2017	03-01-2037	2.8348	20,535,000	14,325,000
	03-15-2017	03-01-2037	3.1155	102,610,000	85,990,000
	03-20-2019	03-01-2039	2.7236	21,375,000	17,095,000
	03-21-2019	03-01-2039	2.7459	98,415,000	78,720,000
	04-28-2021	03-01-2041	1.5584	13,065,000	11,755,000
	04-29-2021	03-01-2041	1.5255	115,975,000	104,375,000
	06-13-2023	06-01-2043	3.5995	29,220,000	29,220,000
	06-14-2023	06-01-2043	3.5629	98,300,000	98,300,000
Refunding	09-02-2010	07-01-2023	2.0350	50,295,000	5,000,000
	01-09-2013	07-01-2026	1.7692	35,090,000	14,365,000
	01-28-2015	12-01-2028	1.8425	72,245,000	45,525,000
	04-01-2020	04-01-2030	1.1763	66,810,000	53,185,000
	04-29-2021	03-01-2027	0.3996	19,850,000	12,175,000
Totals				\$ 836,490,000	641,135,000

Of the \$457,330,000 public improvement and public improvement refunding bonds outstanding, \$41,584,551 funded County facilities and capital projects, \$352,849,092 funded School facilities, and \$62,896,358 funded Community College facilities.

Annual debt service requirements to maturity for general obligation bonds are as follows:

June 30	Principal	Interest	Total
2024	\$ 50,455,000	24,896,591	75,351,591
2025	51,820,000	22,656,425	74,476,425
2026	52,510,000	20,140,466	72,650,466
2027	52,405,000	17,880,713	70,285,713
2028	50,140,000	15,542,621	65,682,621
2029 - 2033	196,995,000	51,672,606	248,667,606
2034 - 2038	129,615,000	21,842,529	151,457,529
2039 - 2043	57,195,000	4,916,775	62,111,775
Totals	\$ 641,135,000	179,548,726	820,683,726

There are \$14,700,000 in authorized but unissued general obligation bonds at June 30, 2023.

Conduit Debt Obligations Forsyth 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. As of June 30, 2023, there was one series of industrial revenue bonds outstanding, with a principal amount payable of \$2,703,140.

Limited Obligation Bonds The County issues limited obligation bonds through the Forsyth County Financing Corporation (“the Corporation”) to provide for the acquisition, construction, and equipping of capital facilities. The County has contractual obligations to the Corporation with terms that require annual interest and principal payments. These installment financings are non-general obligation financings and County facilities are pledged as collateral for the debt until the debt is retired. No deficiency judgment may be rendered against the County for amounts owed and the taxing power of the County may not be pledged directly or indirectly to collateralize amounts due pursuant to these contracts. Principal and interest requirements for limited obligation bonds are provided by a General Fund appropriation in the year in which they are due.

A summary of outstanding limited obligation bonds follows:

Purpose of Issue	Principal Outstanding June 30, 2023
<u>Governmental Activities</u>	
Issued \$100,480,000 on June 29, 2021 to finance the construction of a new courthouse facility and new children’s museum and the refunding of the PNC Bank installment financing and Series 2009 limited obligation bonds; collateralized by the courthouse facility; interest varies from 2.00% to 5.00%; final maturity 04-01-2041	\$ 100,480,000
Issued \$26,460,000 of taxable bonds on June 29, 2021 to finance construction and renovation projects at the airport and advance refund a majority of the Series 2012 limited obligation bonds; collateralized by the courthouse facility; interest varies from 0.179% to 1.585%; final maturity 04-01-2028	12,425,000
Total	\$ 112,905,000

Debt service requirements to maturity for limited obligation bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 7,305,000	4,116,974	11,421,974
2025	7,170,000	4,076,066	11,246,066
2026	7,110,000	3,836,986	10,946,986
2027	7,040,000	3,595,471	10,635,471
2028	7,077,810	3,295,527	10,373,337
2029 – 2033	32,342,190	11,565,069	43,907,259
2034 – 2038	28,040,000	4,822,700	32,862,700
2039 – 2043	16,820,000	1,008,900	17,828,900
Total	\$ 112,905,000	36,317,693	149,222,693

Installment Purchases As authorized by State law, the County has entered into direct borrowing installment financing agreements secured by a deed of trust on County property as follows:

Purpose of Issue	Date of Issue	Final Maturity	Interest Rate	Amount Issued	Principal Outstanding June 30, 2023
<u>Governmental Activities</u>					
Refunding	01-22-2014	02-01-2026	2.47 %	\$ 8,230,000	1,890,000
Totals				\$ 8,230,000	1,890,000

Annual maturities are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 645,000	46,683	691,683
2025	630,000	30,752	660,752
2026	615,000	15,191	630,191
Total	\$ 1,890,000	92,626	1,982,626

Other long-term borrowing. On December 20, 2019, the County entered a \$4,473,000 unsecured direct installment financing draw program with the State of North Carolina for the purpose of constructing and equipping a sanitary sewer project to serve the western area of the county. The project was completed on April 19, 2021 at a total cost to the County of \$5.1 million. The County was reimbursed on a periodic basis from the draw program for actual cost. On November 10, 2021, the County amended the original promissory note to receive an additional 10 percent, \$447,300, which was allowable under the original loan terms to finance a portion of the project amount that exceeded the original loan amount. The final draw down for \$1,051,551 was received during the fiscal year ending June 30, 2022.

As authorized by State law, the County has entered into an unsecured direct borrowing financing agreement as follows:

Purpose of Issue	Principal Outstanding June 30, 2023
<u>Governmental Activities</u>	
Issued \$4,473,300 on December 20, 2019 to finance sanitary sewer project; interest rate 1.91%; Issue amount increased to \$4,920,300 on November 10, 2021; final maturity 05-01-2040	\$ 4,224,500
Total	\$ 4,224,500

Debt service requirements to maturity for other long-term borrowing are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 248,500	80,688	329,188
2025	248,500	75,942	324,442
2026	248,500	71,195	319,695
2027	248,500	66,449	314,949
2028	248,500	61,703	310,203
2029 - 2033	1,242,500	237,318	1,479,818
2034 - 2038	1,242,500	118,659	1,361,159
2039 - 2043	497,000	14,239	511,239
Total	\$ 4,224,500	726,193	4,950,693

Principal and interest requirements for other long-term borrowing are provided by a General Fund appropriation in the year in which they are due.

Legal Debt Limit. As of June 30, 2023, the County's legal debt limit was \$3,540,863,763, computed at 8% of the total appraised property valuation of \$44,260,797,034. With \$679,953,127 in County, School, and Community College general obligation bonds outstanding at June 30, 2023 and \$136,594,581 committed under limited obligation bonds, installment purchase and other long-term borrowing, the County could issue additional bonds up to \$2,724,316,055 if authorized.

Debt Related to Capital Activities. Of the total governmental activities debt, \$214,852,370 relates to assets to which the County holds title. Unspent restricted investments related to this debt is \$49,012,343.

Leases. The County has entered into agreements to lease certain equipment, office space and tower sites. 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. As a result of these leases, the County has recorded a right to use asset with a net book value of \$2,787,167 at June 30, 2023.

The future principal and interest lease payments as of June 30, 2023, were as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 692,383	53,611	745,994
2025	554,035	41,176	595,211
2026	541,222	29,072	570,294
2027	560,061	16,415	576,476
2028	88,600	8,602	97,202
2029-2033	418,406	21,328	439,734
Total	\$ 2,854,707	170,204	3,024,911

SBITAs. The County has entered into SBITAs for finance, reporting, and communications software for a period of 1 to 5 years and incremental borrowing rates between 1.58 to 3.121 percent. The SBITAs have been recorded at the present value of the future contract payments as of the date of their inception, or for SBITAs existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances as of July 1, 2022.

The future principal and interest SBITA payments as of June 30, 2023 were as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 1,843,348	1,967,150	3,810,498
2025	1,286,318	1,368,443	2,654,761
2026	420,887	438,191	859,078
2027	373,774	381,944	755,718
Total	\$ 3,924,327	4,155,728	8,080,055

For the year ended June 30, 2023, the County had no SBITAs with variable payments that were based on user seats, other payments, such as termination penalties, not previously included in the measurement of the subscription liability, or commitments under SBITAs before the commencement of the subscription term or any losses associated with an impairment.

4j. Fund Balances

The following are details of the governmental funds fund balances as of June 30, 2023:

	General Fund	County Facilities Fund	Education Facilities Fund	Pandemic Response Fund	Non-major Funds	Total Governmental Funds
Nonspendable – prepaid items	\$ 122,250	--	--	--	--	122,250
Restricted:						
State statute reserve	40,465,900	2,680,802	1,187,420	249,181	940,012	45,523,315
Encumbrance reserve	4,229,094	45,363,545	56,411	24,971,073	398,757	75,018,880
Total Stabilization by State Statute	44,694,994	48,044,347	1,243,831	25,220,254	1,338,769	120,542,195
Register of Deeds	1,993,587	--	--	--	--	1,993,587
Public Safety	--	--	--	--	3,265,341	3,265,341
Human Services	2,294,054	--	--	--	347,523	2,641,577
Environmental Protection	28,510	--	--	--	--	28,510
Capital Projects	--	967,996	213,946,916	--	--	214,914,912
Community & Economic Development	1,248,318	--	--	--	775,861	2,024,179
Total Restricted	50,259,463	49,012,343	215,190,747	25,220,254	5,727,494	345,410,301
Committed:						
Education Debt Leveling Plans	11,826,441	--	--	--	--	11,826,441
Library Debt Leveling Plan	2,341,673	--	--	--	--	2,341,673
Public Improvement Debt Leveling Plan	14,129,382	--	--	--	--	14,129,382
Courthouse Debt Leveling Plan	11,731,613	--	--	--	--	11,731,613
Culture and Recreation	740,000	--	--	--	--	740,000
Law Enforcement Separation Allowance	3,176,786	--	--	--	--	3,176,786
Public safety – Emergency Services	1,500,000	--	--	--	--	1,500,000
Human Services – Public health	317,214	--	--	--	--	317,214
Community & Economic Development	1,078,674	--	--	--	--	1,078,674
Intergovernmental - Education	800,752	--	--	--	--	800,752
Capital Projects	--	54,176,210	5,523,392	--	--	59,699,602
Total Committed	47,642,535	54,176,210	5,523,392	--	--	107,342,137
Assigned:						
Subsequent Year Budget	14,896,928	--	--	--	--	14,896,928
Public safety - Fire	1,284,194	--	--	--	--	1,284,194
Management Special Projects	25,207,069	--	--	--	--	25,207,069
Total Assigned	41,388,191	--	--	--	--	41,388,191
Unassigned	79,780,437	--	--	(23,533,909)	--	56,246,528
Total Fund Balances	\$ 219,192,876	103,188,553	220,714,139	1,686,345	5,727,494	550,509,407

Subsequent Years Budget Appropriation. The following schedule provides information on the portion of restricted and committed fund balance that has been appropriated in the general fund budget for the fiscal year ending June 30, 2024:

	Subsequent Year's Budget Appropriation	Unappropriated Fund Balance	Total
Restricted:			
Register of Deeds	\$ 45,659	1,947,928	1,993,587
Human Services	1,307,085	986,969	2,294,054
Committed:			
Public improvement debt leveling	\$ 5,852,409	8,276,973	14,129,382
Court facility debt leveling	1,950,582	9,781,031	11,731,613

5. Other Information

5a. Pension Costs

North Carolina Local Governmental Employees' Retirement System

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

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

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

Funding Policy. 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 6.0% of their annual covered salary. The County is required to contribute at an actuarially determined rate. The current rate for employees not engaged in law enforcement and for law enforcement officers is 12.10% and 13.04%, respectively, of annual covered payroll. The County's contribution to LGERS for the year ended June 30, 2023 was \$13,982,853. The contribution made by the County equaled the required contribution for the year.

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Local Governmental Employees' Retirement System (LGERS) Pension

At June 30, 2023, the County reported a liability of \$74,765,845 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2023, the County's proportion was 1.325% (measured as of June 30, 2022), which was a decrease of .052% from its proportion measured as of June 30, 2022 (measured as of June 30, 2021).

For the year ended June 30, 2023, the County recognized pension expense of \$21,054,176. At June 30, 2023, 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	\$ 3,221,592	315,859
Changes of assumptions	7,459,955	-
Net difference between projected and actual earnings on pension plan investments	24,710,894	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	64,717	1,001,802
Employer contributions subsequent to the measurement date	13,982,853	-
Totals	\$ 49,440,011	1,317,661

The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to LGERS pension benefits will be recognized in pension expense as follows:

Year ending June 30,	
2024	\$ 10,720,351
2025	9,130,976
2026	2,515,434
2027	11,772,736
Total	\$ 34,139,497

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

Inflation	2.50 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality rates based on the *RP-2019 Total Data Set for Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019. Future ad hoc cost of living adjustment amounts are not considered to be substantively automatic and are therefore not included in the measurement.

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

Asset Class	Target Allocation	Long-term Expected Real Real Rate of Return
Fixed income	29.0 %	1.1 %
Global equity	42.0	6.5
Real estate	8.0	5.9
Alternatives	8.0	7.5
Credit	7.0	5.0
Inflation protection	6.0	2.7
Total	100.0 %	

The information above is based on 30-year expectations developed with an investment consulting firm as part of a study that was completed in early 2022, and is part of the 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 2.25%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County’s proportionate share of the net pension liability (asset)	\$ 134,942,722	74,765,845	25,176,605

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.

Law Enforcement Officers’ Special Separation Allowance

Plan Description. Forsyth County administers a public employee retirement plan (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. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2021, the Separation Allowance’s membership consisted of:

Retirees currently receiving benefits	40
Active plan members	258
Total	298

Benefits Provided. The Separation Allowance is equal to .85% 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.

Funding Policy. 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 in the General Fund. There are 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. For the fiscal year ended June 30, 2023, the County’s required and actual benefits paid were \$804,711.

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

Basis of Accounting. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Law Enforcement Officers’ Special Separation Allowance (LEOSSA) Pension

At June 30, 2023, the County reported a total pension liability of \$11,651,675. The total pension liability was measured as of December 31, 2022 based on an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of December 31, 2022 utilizing update procedures incorporating the actuarial assumptions.

For the year ended June 30, 2023, the County recognized pension expense of \$1,629,060. Benefit payments and administrative costs paid during the current fiscal year, but before the measurement date totaled \$407,844.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,257,492	-
Changes of assumptions and other inputs	1,438,730	1,795,698
Benefit payments subsequent to the measurement date	398,551	-
Totals	\$ 3,094,773	1,795,698

The amount reported as deferred outflows of resources related to pensions resulting from benefit payments made subsequent to the measurement date will be recognized as a decrease of the total pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to LEOSA pension benefits will be recognized in pension expense as follows:

Year ending June 30,	
2024	\$ 621,038
2025	508,636
2026	125,297
2027	(206,662)
2028	(147,785)
Total	\$ 900,524

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

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, includes inflation at 2.50%
Discount rate	4.31 percent, includes inflation at 2.50%

The discount rate used to determine the total pension liability is the Standard and Poor's Municipal Bond 20 Year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an experience study completed by the actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2019.

All mortality rates use Pub-2010 amount-weighted tables and are projected from 2010 using generational improvement with Scale MP-2019.

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 4.31 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
County's total pension liability	\$ 12,540,768	11,651,675	10,836,407

Schedule of changes in total pension liability.

Total pension liability as of December 31, 2021	\$ 12,796,693
Changes for the year:	
Service cost at end of year	653,745
Interest	279,579
Change in benefit terms	-
Difference between expected and actuarial experience	592,879
Changes of assumptions and inputs	(1,932,519)
Benefit payments	(738,702)
Other	-
Net changes	(1,145,018)
Total pension liability as of December 31, 2022	\$ 11,651,675

Changes of assumptions and benefit terms. Since the prior measurement date of December 31, 2021 to the current measurement date of December 31, 2022, the discount rate has changed from 2.25 percent to 4.31 percent due to a change in the Municipal Bond Index Rate.

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, visiting their website at www.osc.nc.gov, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires that the County contribute each month an amount equal to 5.0% 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's contributions for the year ended June 30, 2023 were \$928,021, exclusive of voluntary employee contributions.

Register of Deeds' Supplemental Pension Fund

Plan Description. The County contributes to the Register of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. The RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Governmental 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 Register of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, visiting their website at www.osc.nc.gov or calling (919) 981-5454.

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.

Funding Policy. On a monthly basis, the County remits to the Department of State Treasurer an amount equal to 1.5% of the monthly receipts collected pursuant to Article 1 of North Carolina General Statute Chapter 161. The statutory contribution currently has no relationship to the actuarial required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Immediately following January 1 of each year, the Department of State Treasurer divides 93% of the amount in the RODSPF at the end of the preceding calendar year into equal shares, up to the statutory maximum, to be disbursed as monthly benefits. The remaining 7% of the fund's assets may be used by the State Treasurer in administering the fund. For the fiscal year ended June 30, 2023, the County's required and actual contributions were \$33,180.

Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Register of Deeds' Supplemental Pension Fund (RODSPF)

At June 30, 2023, the County reported an asset of \$498,556 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2022 (measurement date), the County's proportion was 3.766%, which was an increase of .287% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the County recognized pension expense of \$83,957. At June 30, 2023, 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	\$ 3,841	9,010
Changes of assumptions	26,396	-
Net difference between projected and actual earnings on pension plan investments	207,217	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,849	39,326
Employer contributions subsequent to the measurement date	33,180	-
Totals	\$ 276,483	48,336

The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the subsequent fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to RODSPF pension benefits will be recognized in pension expense as follows:

Year ending June 30,	
2024	\$ 47,602
2025	26,239
2026	68,985
2027	52,141
Total	\$ 194,967

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

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

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

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

Future ad hoc cost of living adjustment amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2023 is .078%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

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

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the

County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	\$ (352,190)	(498,556)	(621,802)

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.

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

The following is information related to the proportionate share and pension expense for all pension plans as of June 30, 2023:

	LGERS	LEOSSA	RODSPF	Total
Pension Expense	\$ 21,054,176	1,629,060	83,957	22,767,193
Pension Liability (Asset)	74,765,845	11,651,675	(498,556)	85,918,964
Proportionate share of pension liability (asset)	1.325%		3.766%	
Deferred Outflows of Resources:				
Differences between expected and actual experience	3,221,592	1,257,492	3,841	4,482,925
Changes of Assumptions	7,459,955	1,438,730	26,396	8,925,081
Net difference between projected and actual earnings on pension plan investments	24,710,894	--	207,217	24,918,111
Changes in proportion and differences between employer contributions and proportionate share of contributions	64,717	--	5,849	70,566
Employer contributions subsequent to the measurement date	13,982,853	398,551	33,180	14,414,584
Total Deferred Outflows of Resources	\$ 49,440,011	3,094,773	276,483	52,811,267
Deferred Inflows of Resources:				
Differences between expected and actual experience	315,859	--	9,010	324,869
Changes of Assumptions	--	1,795,698	--	1,795,698
Net difference between projected and actual earnings on pension plan investments	--	--	--	--
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,001,802	--	39,326	1,041,128
Total Deferred Inflows of Resources	\$ 1,317,661	1,795,698	48,336	3,161,695

5b. Other Post-employment Benefits (OPEB)

Healthcare, Life Insurance, and Death Benefits

Plan Description. Forsyth County administers a single-employer defined benefit Healthcare Plan (the Plan). The Board of County Commissioners established and may amend the benefit provisions of the Plan.

As of July 1, 2007, the Plan provides postemployment healthcare benefits to retirees of the County until they reach age 65 or are eligible for Medicare, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and (1) have at least 5 years of creditable service with the County if employed prior to July 1, 2007; (2) have at least twenty years of creditable service with the County if employed on or after July 1, 2007. Coverage on eligible dependents that are on the retiree's policy the day before retirement may be continued until eligibility ceases. Based on level of coverage, the County pays between 70.7% and 88.8% of the established premium cost. Retirees pay the same premium as active employees.

All employees that retire with fifteen or more continuous years of full-time service, other than those that retire under a disability retirement, are eligible to receive a benefit in the amount of \$2,000 in the event of death. This benefit is provided at no cost to the retiree.

Those members that retire under a disability retirement are entitled to a life insurance benefit equal to one and a half times salary at the time they retire, subject to age reductions. The County pays the full cost of the life insurance premium.

The County has elected to partially pay the future overall cost of coverage for these benefits. A separate report was not issued for the Plan.

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

Retirees currently receiving benefits	1,074
Active plan members	1,845
Total	2,919

Contributions. The contribution requirements of plan members and the County are established and may be amended by the Board of County Commissioners. The required contribution is based on projected pay-as-you-go financing requirements and an additional amount to prefund benefits as determined annually by the Board of County Commissioners.

The County pays the full costs of retiree death benefits and life insurance for disability retirees, which were \$14,000 and \$10,131, respectively, for fiscal year 2023. The monthly cost of healthcare benefits is shared by the County and covered retirees, respectively, as follows: retiree-only coverage, \$897 and \$113; retiree and one dependent, \$1,116 and \$320; and retiree and more than one dependent, \$1,561 and \$646. For fiscal year 2023, the County contributed \$3,035,178 for healthcare benefits, and retiree Plan members contributed \$419,485. Additionally, the County contributed \$1,600,000 to prefund benefits.

Investments. The allocation of invested assets is determined by an Investment Advisory Committee established by the County's Chief Financial Officer. The target asset allocation and best estimates of geometric real rates of return for each major asset class, as provided by the Plan's investment consultant, are summarized in the following table:

	Target Allocation	10 year expected geometric real rate of return
Equity index fund	65%	7.50%
Bond index fund	25%	4.30%
Short-term investment fund	10%	3.20%

For the year ended June 30, 2023, the money weighted annual rate of return on investments, net of investment expense, was 11.25 percent.

Net OPEB Liability. The components of the net OPEB liability at June 30, 2022 are:

Total OPEB liability	\$ 72,239,924
Plan fiduciary net position	42,864,183
Net OPEB liability	\$ 29,375,741

The ratio of plan fiduciary net position to total OPEB liability is 59.34 percent.

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following key actuarial assumptions and other inputs:

Inflation	2.50 percent
Real wage growth	.75 percent
Wage inflation	3.25 percent
Salary increases, including wage inflation:	
General employees	3.25 – 8.41 percent
Firefighters	3.25 – 8.15 percent
Law enforcement officers	3.25 – 7.90 percent
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	6.27 percent
Municipal bond index rate:	
Prior measurement date	3.54 percent
Measurement date	3.65 percent
Year fiduciary net position to be depleted:	
Prior measurement date	N/A
Measurement date	N/A
Single equivalent interest rate, net of OPEB plan investment expense, including price inflation:	
Prior measurement date	5.13 percent
Measurement date	6.27 percent
Health care cost trends: Pre-Medicare	7.00 percent for 2022 decreasing to an ultimate rate of 4.50 percent by 2032

The total OPEB liability was rolled forward to June 30, 2023, utilizing update procedures incorporating the actuarial assumptions. Mortality rates were based on the Pub-2010 mortality tables, with adjustments for Local Government Employees Retirement System experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – December 31, 2019, adopted by the Board of the Local Government Employees Retirement System.

Several factors were considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were 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 then adding expected inflation.

Discount rate. The discount rate used to measure the total OPEB liability was based upon the long-term expected rate of return. The projection of cash flows used to determine the discount rate assumed that the County pays benefits directly to Plan members as the benefits come due and will contribute an additional \$1,600,000 annually toward the Plan’s financial net position. Based on these assumptions, the Plan’s financial net position was projected to not be depleted.

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the Plan’s net OPEB liability using the discount rate of 6.27 percent, as well as what the Plan’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.27 percent) or 1-percentage-point higher (7.27 percent) than the current rate:

		Discount Rate (6.27%)	1% Increase (7.27%)
Net OPEB liability	\$	35,572,950	29,375,741
			23,858,260

Sensitivity of the net OPEB liability to changes in the health care cost trend rates. The following presents the Plan’s net OPEB liability using the health care cost trend rate of 7.00 percent, as well as what the Plan’s net OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

		1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	\$	22,887,368	29,375,741	36,932,783

Changes in Net OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB. At June 30, 2023, the County reported a net OPEB liability of \$29,375,741. The total OPEB liability used to calculate the net OPEB liability is based upon an actuarial valuation as of June 30, 2022. The expected total OPEB liability is determined as of June 30, 2023 using standard roll forward techniques.

At June 30, 2023, the components of the net OPEB liability are as follows:

	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance as of June 30, 2022	\$ 70,951,191	36,960,213	33,990,978
Changes for the year:			
Service cost	2,662,349	--	2,662,349
Interest	3,520,591	--	3,520,591
Difference between expected and actual experience	4,486,998	--	4,486,998
Changes of assumptions or other inputs	(4,674,994)	--	(4,674,994)
Contributions – employer	--	6,306,211	(6,306,211)
Net investment income	--	4,303,970	(4,303,970)
Benefit payments	(4,706,211)	(4,706,211)	--
Net changes	1,288,733	5,903,970	(4,615,237)
Balance as of June 30, 2023	\$ 72,239,924	42,864,183	29,375,741

For the year ended June 30, 2023, the County recognized OPEB income of \$830,104. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,701,184	17,613,271
Changes of assumptions and other inputs	4,102,432	6,787,369
Net difference between projected and actual earnings on pension plan investments	237,185	--
Totals	\$ 8,040,801	24,400,640

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,	
2024	\$ (4,924,817)
2025	(6,170,401)
2026	(4,787,807)
2027	(453,438)
2028	(23,376)
Total	\$ (16,359,839)

5c. 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 on the job; certain employee, dependent, and retiree health care costs; and natural disasters. These risks of loss are handled through a combination of risk retention and insurance. The County uses the Employee Health Benefits Fund (an internal service fund) to account for and finance its risks of loss for employee, dependent, and retiree health care. Other risks of loss are accounted for in the General Fund.

The County's risk retention program provides coverage for a maximum of \$700,000 for each workers' compensation claim except Law Enforcement and Emergency Services which has a retention limit of \$750,000 for each workers' compensation claim, \$75,000 for each auto liability and general liability claim, \$250,000 for each public officials and law enforcement claim, \$100,000 for each property damage claim, and \$25,000 for each health care claim. The County purchases commercial insurance for claims in excess of the retention limits. There were no settlements in excess of the insurance coverage in any of the prior three fiscal years.

The County carries commercial flood insurance with maximum coverage of \$15,000,000 per year for property in areas that have been mapped and designated "X" (an area with moderate to minimal flood hazard) by the Federal Emergency Management Agency (FEMA.) Most of the County's property is located in areas designated "X." The County has some property of lower value located in areas designated "A" (an area close to a river, lake, or stream) by FEMA, and the County has purchased flood insurance with maximum coverage of \$1,000,000 per year for this property.

In accordance with G.S. 159-29, the County's employees that have access at any given time to \$100 or more of the County's funds are performance bonded through a commercial surety bond. The chief financial officer and tax collector are individually bonded for \$1,000,000 and \$150,000, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$4,000,000.

Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). For losses other than employee, dependent, and retiree health care costs, the County's actuarially determined claims liability, which does not include non-incremental claims adjustment expenses, is \$1,248,718 at June 30, 2023. It is reported in the Statement of Net Position as a long-term liability, due within one year.

The County's estimated claims liability for employee, dependent, and retiree health care costs is \$1,979,651 at June 30, 2023. It is reported as a current liability in the proprietary fund Statement of Net Position and as a long-term liability, due within one year, in the government-wide Statement of Net Position.

The County's risk retention program for employee, dependent, and retiree health care costs, and premiums is maintained at a level to cover future catastrophic losses as well as the actuarially determined claims liability, and also to enable matching revenues and expenses over a reasonable period of time without significant year-to-year increases. The net position of \$6,608,184 in the Employee Health Benefits Fund are designated for these purposes.

Changes in the claims liability amount in fiscal 2022 and fiscal 2023 were as follows:

	Beginning Balance	Current-Year Claims and Changes in Estimates	Claims Payments	Ending Balance
2021-2022	\$4,508,537	24,304,536	(25,170,916)	3,642,157
2022-2023	3,642,157	28,515,200	(28,928,988)	3,228,369

The County also provided risk management services, contractually, to local agencies and municipalities. There was no transfer or pooling of risks between or among any of the participants, and each participant was completely responsible for (and only responsible for) its own claims liabilities.

5d. Contingent Liabilities

The County has received proceeds from a number of Federal and State of North Carolina grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial.

The County is involved in several other claims and lawsuits, which it intends to defend vigorously. The County's legal counsel estimates that any possible liability to the County resulting from such litigation and not covered by insurance would not have a material adverse effect on the financial position of the County at June 30, 2023.

5e. Joint Ventures

The County, in conjunction with the State of North Carolina and the Winston-Salem/Forsyth County Board of Education, participates in a joint venture to operate Forsyth Technical Community College. Each of the three participants appoints four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex officio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds or other debt instruments to provide financing for new facilities. 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 \$11,038,588 and \$7,867,924 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2023. In addition, the County made debt service payments of \$6,904,261 during the fiscal year on general obligation bonds and an installment financing agreement issued for community college capital facilities. The participating governments do not have an equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2023. Complete financial statements for the community college may be obtained from the community college's administrative offices at 2100 Silas Creek Parkway, Winston-Salem, North Carolina 27103.

In conjunction with the City of Winston-Salem and the Greater Winston-Salem Chamber of Commerce, Inc., the County takes part in a joint venture to operate the Forsyth County Tourism Development Authority, which was established pursuant to state statute for the purpose of furthering the development of travel, tourism, and conventions in the County. The Authority board is comprised of nine members of which the County and the City of Winston-Salem each appoint four, and the Chamber appoints one. The Authority receives approximately 61.4% of room occupancy taxes which are levied and collected by the County. For the year ended June 30, 2023, occupancy taxes totaling \$5,047,445 were distributed to the Authority. The County also provided \$28,069 in financial services to the Authority during fiscal year 2023. The participating governments and agency do not have an equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2023. Complete financial statements for the Authority can be obtained from the Authority's finance officer at Forsyth County Government Center, 201 N. Chestnut Street, Winston-Salem, North Carolina 27101.

5f. Jointly Governed Organizations

The County, in conjunction with eleven other counties and 62 municipalities, is a member of the Piedmont Triad Regional Council (PTRC). The PTRC is a voluntary association of municipal and county governments, enabled by state law to promote regional issues and cooperation among members and to coordinate funding from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$80,344 to the Council during the fiscal year ended June 30, 2023.

The County participates with Guilford County and three municipalities in the Piedmont Triad International Airport Authority which operates the airport of the same name. Each participating government has one appointment to the seven-member board except Guilford County, which has three appointments. The County made no payments to the Authority in the fiscal year ended June 30, 2023.

Required Supplementary Schedules

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

Local Governmental Employees' Retirement System – Schedule of the Proportionate Share of the Net Pension Liability (Asset)

Local Governmental Employees' Retirement System – Schedule of Employer Contributions

Law Enforcement Officers' Special Separation Allowance – Schedule of Changes in Total Pension Liability (Asset)

Law Enforcement Officers' Special Separation Allowance – Schedule of Total Pension Liability (Asset) as a Percentage of Covered Payroll

Law Enforcement Officers' Special Separation Allowance – Notes to the Required Schedules

Register of Deeds' Supplemental Pension Fund – Schedule of the Proportionate Share of the Net Pension Liability (Asset)

Register of Deeds' Supplemental Pension Fund – Schedule of Employer Contributions

Healthcare Plan – Schedule of Changes in Net OPEB Liability and Related Ratios

Healthcare Plan – Schedule of Employer Contributions

Healthcare Plan – Notes to the Required Schedules

Healthcare Plan – Schedule of Investment Returns

LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

FORSYTH COUNTY, NORTH CAROLINA

Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability (asset)	1.325%	1.377%	1.376%	1.369%	1.402%	1.383%	1.380%	1.400%	(1.394%)	1.454%
County's proportionate share of the net pension liability (asset)	\$ 74,765,845	21,122,678	49,165,696	37,388,507	33,257,151	21,135,895	29,287,603	6,283,987	(7,691,093)	17,531,105
County's covered payroll	102,625,794	96,981,503	96,946,393	92,640,576	87,585,656	86,954,681	84,323,090	82,451,507	81,718,579	81,535,693
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	72.85%	21.78%	50.71%	40.36%	37.97%	24.31%	34.73%	7.62%	(9.41%)	21.50%
Plan fiduciary net position as a percentage of the total pension liability	84.14%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

¹ The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FORSYTH COUNTY, NORTH CAROLINA

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 13,982,853	11,915,695	10,046,439	8,915,568	7,328,062	6,896,296	6,435,317	5,736,808	5,880,990	5,791,279
Contributions in relation to the contractually required contribution	<u>13,982,853</u>	<u>11,915,695</u>	<u>10,046,439</u>	<u>8,915,568</u>	<u>7,328,062</u>	<u>6,896,296</u>	<u>6,435,317</u>	<u>5,736,808</u>	<u>5,880,990</u>	<u>5,791,279</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 117,343,700	102,625,794	96,981,503	96,946,393	92,640,576	87,585,656	86,954,681	84,323,090	82,451,507	81,718,579
Contributions as a percentage of covered payroll	11.92%	11.61%	10.36%	9.20%	7.91%	7.87%	7.40%	6.80%	7.13%	7.09%

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY (ASSET) ¹

FORSYTH COUNTY, NORTH CAROLINA

Last Six Fiscal Years (see Note 1 below)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service Cost	\$ 653,745	644,063	365,467	300,482	317,852	254,543	292,100
Interest	279,579	230,463	273,412	288,665	243,471	280,573	235,450
Difference between expected and actual experience	592,879	650,806	560,209	362,962	617,333	155,543	-
Changes of assumptions and other inputs	(1,932,519)	(308,192)	3,091,178	222,999	(278,708)	415,966	(455,706)
Benefit payments	(738,702)	(723,094)	(748,979)	(688,187)	(660,575)	(680,570)	(622,315)
Net change in Total Pension Liability	\$ (1,145,018)	494,046	3,541,287	486,921	239,373	426,055	(550,471)
Total Pension Liability - beginning	12,796,693	12,302,647	8,761,360	8,274,439	8,035,066	7,609,011	8,159,482
Total Pension Liability - ending	\$ 11,651,675	12,796,693	12,302,647	8,761,360	8,274,439	8,035,066	7,609,011

¹ The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. This data is presented for those years that information is available.

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF TOTAL PENSION LIABILITY (ASSET) AS A PERCENTAGE OF COVERED PAYROLL ¹

FORSYTH COUNTY, NORTH CAROLINA

For the fiscal year ended June 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability	\$ 11,651,675	12,796,693	12,302,647	8,761,360	8,274,439	8,035,066	7,609,011
Covered-employee payroll	\$ 16,370,150	15,629,155	13,941,026	12,300,412	11,753,403	10,996,359	10,680,124
Total Pension Liability as a percent of covered-employee payroll	71.18%	81.88%	88.25%	71.23%	70.40%	73.07%	71.24%

¹ This data is presented for those years that information is available.

Notes to the Required Schedules:

- (1) No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 73 nor does the Plan provide pay related benefits.
- (2) The amounts presented for each fiscal year were determined as of the prior December 31.

REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

FORSYTH COUNTY, NORTH CAROLINA

Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability (asset)	3.766%	3.478%	3.564%	3.440%	3.780%	3.962%	3.961%	3.929%	3.869%	3.798%
County's proportionate share of the net pension liability (asset)	\$ (498,556)	(668,259)	(816,749)	(679,188)	(626,106)	(676,308)	(740,482)	(910,408)	(877,043)	(811,150)
County's covered-employee payroll	\$ 91,768	88,515	86,915	84,631	82,261	100,962	97,488	90,114	87,044	83,168
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-543.28%	-754.97%	-939.71%	-802.53%	-761.12%	-669.86%	-759.56%	-1010.28%	-1007.59%	-975.32%
Plan fiduciary net position as a percentage of the total pension liability	139.04%	156.53%	173.62%	164.11%	153.31%	153.77%	160.17%	197.29%	102.64%	190.50%

¹ The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FORSYTH COUNTY, NORTH CAROLINA

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 33,180	43,167	41,743	34,124	32,699	32,350	34,426	32,356	31,436	31,593
Contributions in relation to the contractually required contribution	\$ 33,180	43,167	41,743	34,124	32,699	32,350	34,426	32,356	31,436	31,593
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
Covered-employee payroll	\$ 103,394	91,768	88,515	86,915	84,631	82,261	100,962	97,488	90,114	87,044
Contributions as a percentage of covered-employee payroll	32.09%	47.04%	47.16%	39.26%	38.64%	39.33%	34.10%	33.19%	34.88%	36.30%

HEALTHCARE PLAN

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS ¹

FORSYTH COUNTY, NORTH CAROLINA

For the fiscal year ended June 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
TOTAL OPEB LIABILITY							
Service Cost	\$ 2,662,349	2,477,659	4,414,974	4,365,019	3,081,527	3,045,210	2,876,639
Interest on total OPEB liability	3,520,591	3,543,583	4,088,383	3,936,358	4,719,619	4,605,929	4,422,422
Difference between expected and actual experience	4,486,998	(867,655)	(29,169,251)	(3,215,577)	(6,122,054)	(1,342,048)	-
Changes of assumptions or other inputs	(4,674,994)	1,188,082	(5,155,058)	(991,320)	16,450,078	-	-
Benefit payments ²	(4,706,211)	(3,700,375)	(3,643,164)	(2,775,016)	(4,366,227)	(4,371,688)	(4,025,629)
Net change in total OPEB liability	1,288,733	2,641,294	(29,464,116)	1,319,464	13,762,943	1,937,403	3,273,432
Total OPEB liability - beginning	70,951,191	68,309,897	97,774,013	96,454,549	82,691,606	80,754,203	77,480,771
Total OPEB liability - ending	<u>72,239,924</u>	<u>70,951,191</u>	<u>68,309,897</u>	<u>97,774,013</u>	<u>96,454,549</u>	<u>82,691,606</u>	<u>80,754,203</u>
PLAN FIDUCIARY NET POSITION							
Contributions - employer ³	\$ 6,306,211	5,300,375	5,243,164	4,375,016	5,991,311	5,971,688	5,625,629
Net investment income	4,303,970	(5,351,935)	7,985,876	1,174,573	1,635,661	1,616,544	2,398,737
Benefit payments ²	(4,706,211)	(3,700,375)	(3,643,164)	(2,775,016)	(4,366,227)	(4,371,688)	(4,025,629)
Plan administrative expenses	-	-	-	-	(25,084)	-	-
Net change in Plan fiduciary net position	5,903,970	(3,751,935)	9,585,876	2,774,573	3,235,661	3,216,544	3,998,737
Plan fiduciary net position - beginning	36,960,213	40,712,148	31,126,272	28,351,699	25,116,038	21,899,494	17,900,757
Plan fiduciary net position - ending	<u>42,864,183</u>	<u>36,960,213</u>	<u>40,712,148</u>	<u>31,126,272</u>	<u>28,351,699</u>	<u>25,116,038</u>	<u>21,899,494</u>
NET OPEB LIABILITY	\$ 29,375,741	33,990,978	27,597,749	66,647,741	68,102,850	57,575,568	58,854,709
Plan fiduciary net position as a percentage of the total OPEB liability	59.34%	52.09%	59.60%	31.83%	29.39%	30.37%	27.12%
Covered employee payroll ⁴	\$ 95,313,591	91,324,641	91,324,641	85,024,648	85,024,648	79,583,427	79,583,427
Net OPEB liability as a percentage of covered employee payroll	30.82%	37.22%	30.22%	78.39%	80.10%	72.35%	73.95%

¹ This data is presented for those years that information is available.

² Benefit payments are net of member contributions. Net benefit payments paid outside the Trust are also included.

³ Employer contributions include benefit payments paid outside the Trust.

⁴ For years following the valuation date (when no new valuation is performed), covered payroll has been set to equal the covered payroll from the most recent valuation.

HEALTHCARE PLAN

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FORSYTH COUNTY, NORTH CAROLINA

Last Eight Fiscal Years (data is presented for those years that information is available)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
TOTAL OPEB LIABILITY								
Actuarially Determined Contribution	\$ 5,096,713	5,096,713	7,277,688	7,277,688	7,144,036	7,144,036	5,627,638	5,321,271
Contributions in relation to the Actuarially Determined Contribution	6,306,211	5,300,375	5,243,164	4,375,016	5,991,311	5,971,688	5,625,629	6,926,372
Annual contribution excess (deficiency)	\$ <u>1,209,498</u>	<u>203,662</u>	<u>(2,034,524)</u>	<u>(2,902,672)</u>	<u>(1,152,725)</u>	<u>(1,172,348)</u>	<u>(2,009)</u>	<u>1,605,101</u>
Covered employee payroll ¹	\$ 95,313,591	91,324,641	91,324,641	85,024,648	85,024,648	79,583,427	79,583,427	79,583,427
Actual contributions as a percentage of covered employee payroll	6.62%	5.80%	5.74%	5.15%	7.05%	7.50%	7.07%	8.70%

¹ For years following the valuation date (when no new valuation is performed), covered payroll has been set to equal the covered payroll from the most recent valuation.

Notes to the Required Schedules: The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date		06/30/2022
Actuarial cost method		Entry Age Normal (Level Percentage of Pay)
Amortization method		Level dollar
Remaining amortization period		20 years
Asset valuation method		Market value of Assets
Actuarial assumptions:	Investment rate of return*	6.27%
	Medical cost trend rate	7.00% - 4.50%
	Year of ultimate trend rate	2030
	*Includes inflation at	2.50%

HEALTHCARE PLAN

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENT RETURNS

FORSYTH COUNTY, NORTH CAROLINA

Last Eight Fiscal Years (data is presented for those years that information is available)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual money-weighted rate of return, net of investment expenses	11.25%	-12.65%	24.63%	3.91%	6.32%	7.00%	12.67%	-0.93%

Major Governmental Funds

Budgetary Comparison Schedules

General Fund

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

Capital Project Funds

County Facilities Capital Projects Fund – This fund is used to account for the construction of and renovation to County facilities and the related acquisition of land, furnishings and equipment, funded by proceeds of general obligation bonds, limited obligation bonds, and general County revenues.

Education Facilities Capital Projects Fund – This fund is used to account for the construction of and renovation to school and community college facilities and the related acquisition of land, furnishings and equipment, financed by proceeds of general obligation bonds and general County revenues.

Special Revenue Fund

Pandemic Response Fund – This fund accounts for federal grant funds received from the Emergency Rental Assistance Program and Local Fiscal Recovery Fund under the American Rescue Plan Act for expenditures incurred in response to and in recovery from the Coronavirus Disease 2019 public health emergency.

GENERAL FUND

A-1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2023

Page 1 of 3

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property:				
Current year	\$ 295,023,935	295,023,935	299,859,843	4,835,908
Prior years	1,200,000	1,200,000	1,271,148	71,148
Interest and fees	850,000	850,000	1,048,942	198,942
Total property	<u>297,073,935</u>	<u>297,073,935</u>	<u>302,179,933</u>	<u>5,105,998</u>
Occupancy taxes	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,135,675</u>	<u>135,675</u>
Local option sales:				
Article 39 one cent	37,543,009	37,543,009	37,303,560	(239,449)
Article 40 one-half cent	22,004,145	22,004,145	24,408,995	2,404,850
Article 42 one-half cent	23,600,486	23,600,486	24,796,330	1,195,844
Article 44 one-half cent	-	-	1,302	1,302
Article 46 one-quarter cent	18,933,911	18,933,911	19,734,663	800,752
Total sales	<u>102,081,551</u>	<u>102,081,551</u>	<u>106,244,850</u>	<u>4,163,299</u>
Other taxes	<u>420,000</u>	<u>420,000</u>	<u>493,555</u>	<u>73,555</u>
Total taxes	400,575,486	400,575,486	410,054,013	9,478,527
Licenses and permits	751,350	751,350	882,939	131,589
Intergovernmental	54,670,898	66,139,887	54,799,595	(11,340,292)
Charges for services	29,739,646	29,739,646	31,052,716	1,313,070
Investment earnings	1,001,500	1,001,500	9,059,056	8,057,556
Other	12,145,947	12,568,663	11,274,506	(1,294,157)
Total revenues	<u>498,884,827</u>	<u>510,776,532</u>	<u>517,122,825</u>	<u>6,346,293</u>
Expenditures:				
Current:				
General government:				
Budget and management	636,520	654,405	517,644	136,761
Finance	3,592,737	3,900,069	3,072,778	827,291
General services	16,651,099	19,420,380	18,127,960	1,292,420
Human resources	1,654,525	1,743,541	1,775,824	(32,283)
Management information services	7,447,850	10,964,709	10,357,665	607,044
MapForsyth	978,939	1,007,611	986,463	21,148
Planning	1,572,500	1,572,500	1,247,925	324,575
Purchasing	152,040	152,040	134,393	17,647
Attorney	1,952,791	2,004,996	1,994,415	10,581
Board of elections	1,968,806	2,089,447	1,797,743	291,704
County commissioners and manager	1,899,372	1,686,304	1,694,214	(7,910)
Register of deeds	1,625,097	1,744,263	1,463,430	280,833
Tax administration	7,816,269	8,456,061	7,861,568	594,493
Communications	-	507,467	305,167	202,300
Non-departmental:				
Contingency	950,000	131,732	-	131,732
County-wide salary savings	(4,000,000)	(4,000,000)	-	(4,000,000)
Other services and adjustments	3,456,019	2,585,102	1,655,737	929,365
Employee salary adjustments	7,804,592	7,748,592	-	7,748,592
Prior year encumbrances	1,800,000	-	-	-
Special appropriations	368,337	356,622	339,558	17,064
Total general government	<u>58,327,493</u>	<u>62,725,841</u>	<u>53,332,484</u>	<u>9,393,357</u>

GENERAL FUND

A-1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2023

Page 2 of 3

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public safety:				
Animal services	\$ -	665,830	295,362	370,468
Emergency management	480,180	480,180	460,590	19,590
Emergency services	24,084,807	24,631,174	22,393,057	2,238,117
Interagency communications	1,029,800	1,042,650	940,927	101,723
Sheriff	69,326,721	72,357,610	69,277,091	3,080,519
Youth services	1,885,852	2,305,673	1,976,734	328,939
Family justice center	426,510	430,021	328,763	101,258
Nondepartmental other services and adjustments	1,837,913	1,837,913	1,837,913	-
Total public safety	<u>99,071,783</u>	<u>103,751,051</u>	<u>97,510,437</u>	<u>6,240,614</u>
Environmental protection:				
NC cooperative extension service - conservation of natural resources	231,592	314,946	189,614	125,332
Environmental assistance and protection	2,876,758	2,993,416	2,766,578	226,838
Inspections	618,650	618,650	560,780	57,870
Nondepartmental other services and adjustments	11,400	11,400	11,400	-
Total environmental protection	<u>3,738,400</u>	<u>3,938,412</u>	<u>3,528,372</u>	<u>410,040</u>
Human services:				
Health and human services	452,773	463,752	268,860	194,892
Social services	49,349,856	51,721,372	41,572,081	10,149,291
Aging services	436,500	885,782	629,500	256,282
Public health	32,691,615	41,360,548	25,961,756	15,398,792
Behavioral health services	3,420,176	3,323,687	3,033,368	290,319
Special appropriations	916,520	1,216,520	816,999	399,521
Nondepartmental other services and adjustments	842,508	842,508	842,508	-
Total human services	<u>88,109,948</u>	<u>99,814,169</u>	<u>73,125,072</u>	<u>26,689,097</u>
Culture and recreation:				
Library	8,938,908	9,031,835	8,142,377	889,458
Parks and recreation	9,055,113	9,612,243	8,750,441	861,802
Special appropriations	535,000	761,854	761,854	-
Nondepartmental other services and adjustments	219,385	219,385	219,385	-
Total culture and recreation	<u>18,748,406</u>	<u>19,625,317</u>	<u>17,874,057</u>	<u>1,751,260</u>
Community and economic development:				
Airport	3,270,609	2,089,307	1,988,097	101,210
Community and economic development	3,322,408	5,502,711	3,171,050	2,331,661
Nondepartmental other services and adjustments	12,121	12,121	12,121	-
Total community and economic development	<u>6,605,138</u>	<u>7,604,139</u>	<u>5,171,268</u>	<u>2,432,871</u>
Education:				
NC cooperative extension service	909,362	912,733	760,143	152,590
Nondepartmental other services and adjustments	16,134	16,134	16,134	-
Total education	<u>925,496</u>	<u>928,867</u>	<u>776,277</u>	<u>152,590</u>
Intergovernmental:				
Education:				
Forsyth Technical Community College:				
Current expense	11,038,588	11,038,588	11,038,588	-
Capital outlay	455,000	455,000	455,000	-
Total Forsyth Technical Community College	<u>11,493,588</u>	<u>11,493,588</u>	<u>11,493,588</u>	<u>-</u>

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Winston-Salem/Forsyth County Schools:				
Instructional programs	\$ 99,184,733	101,110,432	101,110,432	-
Support services	46,418,520	46,418,520	46,418,520	-
Community services	73,588	73,588	73,588	-
Charter schools	9,479,984	9,479,984	9,479,984	-
Capital outlay	3,966,456	3,966,456	3,966,456	-
Total Winston-Salem/Forsyth County Schools	<u>159,123,281</u>	<u>161,048,980</u>	<u>161,048,980</u>	<u>-</u>
Total intergovernmental education	<u>170,616,869</u>	<u>172,542,568</u>	<u>172,542,568</u>	<u>-</u>
Debt service:				
General obligation bonds:				
Principal	45,646,254	43,885,000	43,885,000	-
Interest and other charges	19,300,986	21,124,146	21,124,143	3
Contingency	2,642,919	2,642,919	-	2,642,919
Limited obligation bonds, installment purchases and certificates of participation:				
Principal	11,605,780	12,338,500	12,338,500	-
Interest and other charges	3,870,203	4,361,086	4,343,850	17,236
Total debt service	<u>83,066,142</u>	<u>84,351,651</u>	<u>81,691,493</u>	<u>2,660,158</u>
Total expenditures	<u>529,209,675</u>	<u>555,282,015</u>	<u>505,552,028</u>	<u>49,729,987</u>
Excess (deficiency) of revenues over expenditures	<u>(30,324,848)</u>	<u>(44,505,483)</u>	<u>11,570,797</u>	<u>56,076,280</u>
Other financing sources (uses):				
Lease liabilities issued	-	2,641,535	2,244,111	(397,424)
SBITA debt issued	-	5,880,000	5,778,513	(101,487)
Transfers in:				
Pandemic Response Fund	6,064,715	6,064,715	6,064,715	-
Fire Tax Districts Fund	3,562,995	3,562,995	3,733,329	170,334
Law Enforcement Equitable Distribution Fund	261,780	261,780	190,371	(71,409)
State Public School Building Capital Fund	3,650,000	3,650,000	4,013,376	363,376
Total transfers in	<u>13,539,490</u>	<u>13,539,490</u>	<u>14,001,791</u>	<u>462,301</u>
Transfers out:				
County Facilities Fund	(1,877,919)	(22,747,053)	(22,747,053)	-
Education Facilities Fund	(1,735,000)	(1,735,000)	(1,735,000)	-
Housing Rehabilitation Fund	(52,190)	(52,190)	(52,190)	-
Emergency Telephone System Fund	-	(10,915)	(10,915)	-
Total transfers out	<u>(3,665,109)</u>	<u>(24,545,158)</u>	<u>(24,545,158)</u>	<u>-</u>
Total other financing sources (uses)	<u>9,874,381</u>	<u>(2,484,133)</u>	<u>(2,520,743)</u>	<u>(36,610)</u>
Net change in fund balance	<u>\$ (20,450,467)</u>	<u>(46,989,616)</u>	<u>9,050,054</u>	<u>56,039,670</u>
Fund balance - June 30, 2022			210,142,822	
Fund balance - June 30, 2023			<u>\$ 219,192,876</u>	

COUNTY FACILITIES CAPITAL PROJECTS FUND

A-2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

Page 1 of 3

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 95,941,717	21,543,143	10,841,638	10,701,505
Investment earnings	452,797	6,370,265	4,576,779	1,793,486
Other	5,921,391	6,699,261	50,161	6,649,100
Total revenues	<u>102,315,905</u>	<u>34,612,669</u>	<u>15,468,578</u>	<u>19,144,091</u>
Expenditures:				
Current:				
General government:				
Debt service - interest and other charges	292,573	292,692	44,995	247,697
Total general government	<u>292,573</u>	<u>292,692</u>	<u>44,995</u>	<u>247,697</u>
Capital outlay:				
General government:				
ERP system	4,415,000	4,257,732	3,045,261	1,212,471
Non-emergency fleet	636,899	432,913	90,334	342,579
WSFCS maintenance colocation	3,719,000	1,235,885	505,389	730,496
Master address repository	250,000	78,102	54,302	23,800
Court facility	115,915,200	90,753,049	35,204,636	55,548,413
Access switch replacement	1,900,000	-	-	-
Photovoltaic solar and other projects	100,000	-	-	-
Electrification of fleet	485,320	-	-	-
Capital repair and maintenance	6,000,000	2,626,101	853,952	1,772,149
Total general government	<u>133,421,419</u>	<u>99,383,782</u>	<u>39,753,874</u>	<u>59,629,908</u>
Culture and recreation				
Library projects	46,246,589	39,648,671	44,550	39,604,121
Kaleideum museum	32,830,000	28,008,324	15,916,700	12,091,624
Tanglewood Park - golf	3,250,000	2,891,673	-	2,891,673
Tanglewood Park	3,382,000	2,670,007	-	2,670,007
Community parks	868,000	879,288	30,000	849,288
Tanglewood clubhouse	4,560,000	-	-	-
Parks and recreation - vehicles, motive equip.	403,692	172,523	172,523	-
Pickleball courts	341,106	187,658	187,658	-
Belews Lake Park	7,617,750	3,793,171	3,662,636	130,535
Horizon Park	2,000,000	36,519	36,519	-
Agricultural park complex	10,000,000	-	-	-
Tanglewood Park WiFi improvements	175,000	-	-	-
Tree risk mitigation	100,000	-	-	-
Capital repair and maintenance	5,800,000	1,577,996	337,954	1,240,042
Unallocated	1,458,894	-	-	-
Total culture and recreation	<u>119,033,031</u>	<u>79,865,830</u>	<u>20,388,540</u>	<u>59,477,290</u>

COUNTY FACILITIES CAPITAL PROJECTS FUND

A-2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

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	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Human services:				
Public health facility renovation	1,033,335	8,850	8,850	-
Highland Avenue beautification	2,500,000	-	-	-
Total human services	<u>3,533,335</u>	<u>8,850</u>	<u>8,850</u>	<u>-</u>
Community and economic development:				
Runway 15-33 Improvements	2,250,000	37,976	-	37,976
Terminal Ramp, Runway 4-22	205,600	204,204	-	204,204
Taxiway Lima and Ramp	14,550,000	291,866	-	291,866
Taxiway Quebec	649,080	457,546	2,329	455,217
Terminal Area Improvements	29,000,000	10,897,883	9,294,327	1,603,556
4001 Liberty Street Improvements	6,068,015	337,352	205,481	131,871
Terminal Fencing	70,220	62,221	-	62,221
15-33 Rehabilitation (Design)	8,500,000	7,781,580	885,197	6,896,383
Airfield Drainage Improvements Phase II	500,000	98,509	-	98,509
Taxiway Alpha	14,350,920	542,595	435,047	107,548
Airport capital repair and maintenance	2,284,436	694,217	618,899	75,318
MRO Hangar Development	14,900,000	-	-	-
Airport security upgrades	350,000	17,394	17,394	-
Airport S ramp and Q ramp - design study	250,000	-	-	-
Airfield lighting rehabilitation	4,000,000	-	-	-
South aircraft parking ramp improvements	2,000,000	-	-	-
Greenway feasibility study	300,000	-	-	-
Brushy Fork Creek restoration	400,000	600	600	-
Airport car wash - design	84,000	-	-	-
Airport - motive equipment	3,111	-	-	-
SRA-3820 N. Liberty Street improvements	100,000	-	-	-
SRA-4400 Lansing Drive improvements	2,000,000	-	-	-
SRA-Landfill environmental and site prep	1,400,000	-	-	-
SRA-South Ramp site demolition	200,000	-	-	-
SRA-Liberty Street land acquisition	300,000	-	-	-
Tanglewood Business Park	9,462,800	5,865,039	7,523	5,857,516
Forsyth Tech-Learn & Earn apprenticeships	110,000	-	-	-
Urgent repair program	190,000	-	-	-
Future employment center	250,000	-	-	-
Economic development projects	1,950,000	-	-	-
Unallocated - economic development	-	-	-	-
Total community and economic development	<u>116,678,182</u>	<u>27,288,982</u>	<u>11,466,797</u>	<u>15,822,185</u>

COUNTY FACILITIES CAPITAL PROJECTS FUND

A-2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

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	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Public safety:				
Animal services - vehicles	189,061	188,791	95,257	93,534
Emergency services - vehicles	3,517,527	2,364,271	943,787	1,420,484
Sheriff - vehicles	2,581,693	2,373,850	1,576,894	796,956
Radio system upgrade	18,188,455	5,575,154	5,502,073	73,081
EMS defibrillator replacement	642,775	642,775	-	642,775
Public safety center upfit/WSPD colocation	1,489,057	87,000	87,000	-
LEDC capital maintenance	2,500,000	-	-	-
Total public safety	<u>29,108,568</u>	<u>11,231,841</u>	<u>8,205,011</u>	<u>3,026,830</u>
Education:				
NC Cooperative Extension Service relocation	2,400,000	-	-	-
Total education	<u>2,400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unallocated	1,102,086	-	-	-
Total expenditures	<u>405,569,194</u>	<u>218,071,977</u>	<u>79,868,067</u>	<u>138,203,910</u>
Deficiency of revenues over expenditures	<u>(303,253,289)</u>	<u>(183,459,308)</u>	<u>(64,399,489)</u>	<u>(119,059,819)</u>
Other financing sources:				
General obligation bonds issued	182,915,200	63,712,228	4,000,000	59,712,228
Premium on general obligation bonds	2,933,787	5,287,086	45,611	5,241,475
Limited obligation bonds issued	29,758,912	106,311,710	-	106,311,710
Premium on limited obligation bonds	-	17,613,889	-	17,613,889
Premium on limited obligation bonds	-	7,776,941	-	7,776,941
Other long-term borrowing	4,473,300	4,920,300	-	4,920,300
Transfers from General Fund	83,172,090	81,025,707	22,747,053	58,278,654
Total other financing sources (uses)	<u>303,253,289</u>	<u>286,647,861</u>	<u>26,792,664</u>	<u>259,855,197</u>
Net change in fund balance	<u>\$ -</u>	<u>103,188,553</u>	<u>(37,606,825)</u>	<u>140,795,378</u>
Fund balance - June 30, 2022			<u>140,795,378</u>	
Fund balance - June 30, 2023			<u>\$ 103,188,553</u>	

2011 LIBRARY BOND CAPITAL PROJECT ORDINANCE

A-2.1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Investment earnings	\$ 212,037	698,571	26,438	672,133
Other revenues	446,589	560,418	-	560,418
Total revenues	<u>658,626</u>	<u>1,258,989</u>	<u>26,438</u>	<u>1,232,551</u>
Expenditures:				
Debt service - interest and other charges	143,000	130,036	-	130,036
Capital outlay - culture and recreation				
Library planning	240,000	235,420	-	235,420
Library projects	46,006,589	39,413,251	44,550	39,368,701
Total expenditures	<u>46,389,589</u>	<u>39,778,707</u>	<u>44,550</u>	<u>39,734,157</u>
Deficiency of revenues over expenditures	<u>(45,730,963)</u>	<u>(38,519,718)</u>	<u>(18,112)</u>	<u>(38,501,606)</u>
Other financing sources (uses):				
General obligation bonds issued	40,000,000	34,000,000	-	34,000,000
Premium on general obligation bonds	2,920,098	2,920,099	-	2,920,099
Transfer from General Fund	1,171,451	1,171,451	-	1,171,451
Transfer from 2008 Pay-Go CPO	240,000	240,000	-	240,000
Transfer from 2016 Pay-Go CPO	1,611,451	1,611,451	-	1,611,451
Transfer to 2021 Pay-Go CPO	(212,037)	(212,037)	-	(212,037)
Total other financing sources (uses)	<u>45,730,963</u>	<u>39,730,964</u>	<u>-</u>	<u>39,730,964</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>1,211,246</u>	<u>(18,112)</u>	<u>1,229,358</u>

2016 KALEIDEUM MUSEUM CAPITAL PROJECT ORDINANCE

A-2.2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:	\$			
Intergovernmental	3,000,000	1,434,259	-	1,434,259
Investment earnings	100,000	563,665	275,342	288,323
Other revenue	3,050,000	3,900,104	-	3,900,104
Total revenues	<u>6,150,000</u>	<u>5,898,028</u>	<u>275,342</u>	<u>5,622,686</u>
Expenditures:				
Capital outlay - culture and recreation	32,830,000	28,008,324	15,916,700	12,091,624
Total expenditures	<u>32,830,000</u>	<u>28,008,324</u>	<u>15,916,700</u>	<u>12,091,624</u>
Excess (deficiency) of revenues over expenditures	<u>(26,680,000)</u>	<u>(22,110,296)</u>	<u>(15,641,358)</u>	<u>(6,468,938)</u>
Other financing sources:				
Limited obligation bonds issued	12,758,912	10,430,000	-	10,430,000
Premium on limited obligation bonds	-	2,120,152	-	2,120,152
Transfer from General Fund	13,921,088	13,921,088	-	13,921,088
Total other financing sources	<u>26,680,000</u>	<u>26,471,240</u>	<u>-</u>	<u>26,471,240</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ <u>-</u>	<u>4,360,944</u>	<u>(15,641,358)</u>	<u>20,002,302</u>

2016 PARKS AND RECREATION FACILITIES CAPITAL PROJECT ORDINANCE

A-2.3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ 34,884	502,338	328,717	173,621
Expenditures:				
Debt service - interest and other charges	34,884	17,867	-	17,867
Capital outlay:				
Tanglewood Park - golf	3,250,000	2,891,673	-	2,891,673
Tanglewood Park	3,382,000	2,670,007	-	2,670,007
Community parks	868,000	879,288	30,000	849,288
Horizon Park	2,000,000	36,519	36,519	-
Agricultural Park Complex	5,000,000	-	-	-
Unallocated	500,000	-	-	-
Total expenditures	<u>15,034,884</u>	<u>6,495,354</u>	<u>66,519</u>	<u>6,428,835</u>
Deficiency of revenues over expenditures	<u>(15,000,000)</u>	<u>(5,993,016)</u>	<u>262,198</u>	<u>(6,255,214)</u>
Other financing sources:				
General obligation bonds issued	15,000,000	13,801,757	-	13,801,757
Premium on general obligation bonds	-	1,212,598	-	1,212,598
Total other financing sources	<u>15,000,000</u>	<u>15,014,355</u>	<u>-</u>	<u>15,014,355</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>9,021,339</u>	<u>262,198</u>	<u>8,759,141</u>

2017 COURT FACILITIES CAPITAL PROJECT ORDINANCE

A-2.4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ 101,000	1,746,862	1,472,065	274,797
Expenditures:				
Debt service - interest and other charges	101,000	99,794	-	99,794
Capital outlay - general government	115,915,200	90,753,049	35,204,636	55,548,413
Total expenditures	<u>116,016,200</u>	<u>90,852,843</u>	<u>35,204,636</u>	<u>55,648,207</u>
Deficiency of revenues over expenditures	<u>(115,915,200)</u>	<u>(89,105,981)</u>	<u>(33,732,571)</u>	<u>(55,373,410)</u>
Other financing sources:				
General obligation bonds issued	115,915,200	4,709,862	-	4,709,862
Premium on general obligation bonds	-	290,465	-	290,465
Limited obligation bonds issued	-	78,881,710	-	78,881,710
Premium on limited obligation bonds	-	15,493,737	-	15,493,737
Installment purchase borrowing	-	7,776,941	-	7,776,941
Total other financing sources	<u>115,915,200</u>	<u>107,152,715</u>	<u>-</u>	<u>107,152,715</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>18,046,734</u>	<u>(33,732,571)</u>	<u>51,779,305</u>

2017 TANGLEWOOD BUSINESS PARK CAPITAL PROJECT ORDINANCE

A-2.5

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:	\$			
Intergovernmental	3,090,000	690,000	-	690,000
Investment earnings	-	144,356	38,900	105,456
Other revenue	499,500	399,500	-	399,500
Total revenues	<u>3,589,500</u>	<u>1,233,856</u>	<u>38,900</u>	<u>1,194,956</u>
Expenditures:				
Capital outlay -				
Community and economic development	9,462,800	5,865,039	7,523	5,857,516
Total expenditures	<u>9,462,800</u>	<u>5,865,039</u>	<u>7,523</u>	<u>5,857,516</u>
Deficiency of revenues over expenditures	<u>(5,873,300)</u>	<u>(4,631,183)</u>	<u>31,377</u>	<u>(4,662,560)</u>
Other financing sources:				
Transfer from General Fund	1,400,000	1,400,000	-	1,400,000
Other long-term borrowing	4,473,300	4,920,300	-	4,920,300
Total other financing sources	<u>5,873,300</u>	<u>6,320,300</u>	<u>-</u>	<u>6,320,300</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>1,689,117</u>	<u>31,377</u>	<u>1,657,740</u>

2018 2/3rds BONDS CAPITAL PROJECT ORDINANCE

A-2.6

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	127,325	44,608	82,717
Expenditures:				
Capital outlay:				
General government	2,000,000	1,974,019	402,097	1,571,922
Culture and recreation	2,000,000	1,368,521	250,844	1,117,677
Total expenditures	<u>4,000,000</u>	<u>3,342,540</u>	<u>652,941</u>	<u>2,689,599</u>
Deficiency of revenues over expenditures	<u>(4,000,000)</u>	<u>(3,215,215)</u>	<u>(608,333)</u>	<u>(2,606,882)</u>
Other financing sources (uses):				
General obligation bonds issued	4,000,000	3,669,528	-	3,669,528
Premium on general obligation bonds	-	348,222	-	348,222
Total other financing sources (uses)	<u>4,000,000</u>	<u>4,017,750</u>	<u>-</u>	<u>4,017,750</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>802,535</u>	<u>(608,333)</u>	<u>1,410,868</u>

2018 SMITH REYNOLDS AIRPORT CAPITAL PROJECT ORDINANCE

A-2.7

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 76,508,917	15,525,697	7,433,641	8,092,056
Investment earnings	-	1,120,536	1,067,889	52,647
Other revenue	1,550,679	1,550,679	-	1,550,679
Total revenues	<u>78,059,596</u>	<u>18,196,912</u>	<u>8,501,530</u>	<u>9,695,382</u>
Expenditures:				
Capital Outlay:				
Community and economic development:				
Runway 15-33 Improvements	2,250,000	37,976	-	37,976
Terminal Ramp, Runway 4-22	205,600	204,204	-	204,204
Taxiway Lima and Ramp	14,550,000	291,866	-	291,866
Taxiway Quebec	649,080	457,546	2,329	455,217
Terminal Area Improvements	29,000,000	10,897,883	9,294,327	1,603,556
4001 Liberty Street Improvements	6,068,015	337,352	205,481	131,871
Terminal Fencing	70,220	62,221	-	62,221
15-33 Rehabilitation (Design)	8,500,000	7,781,580	885,197	6,896,383
Airfield Drainage Improvements Phase II	500,000	98,509	-	98,509
Taxiway Alpha	14,350,920	542,595	435,047	107,548
Capital repair and maintenance	2,284,436	694,217	618,899	75,318
MRO Hangar Development	14,900,000	-	-	-
Security upgrades	350,000	17,394	17,394	-
S ramp and Q ramp - design study	250,000	-	-	-
Airfield lighting rehabilitation	4,000,000	-	-	-
South aircraft parking ramp improvements	2,000,000	-	-	-
Brushy Fork Creek restoration	400,000	600	600	-
Smith Reynolds Greenway feasibility study	300,000	-	-	-
Airport car wash - design	84,000	-	-	-
Total expenditures	<u>100,712,271</u>	<u>21,423,943</u>	<u>11,459,274</u>	<u>9,964,669</u>
Excess (deficiency) of revenues over expenditures	<u>(22,652,675)</u>	<u>(3,227,031)</u>	<u>(2,957,744)</u>	<u>(269,287)</u>
Other financing sources (uses):				
Limited obligation bonds issued	17,000,000	17,000,000	-	17,000,000
Transfer from General Fund	3,301,580	1,150,000	824,000	326,000
Transfer from 2018 Pay-Go CPO	425,680	425,680	-	425,680
Transfer from 2019 Pay-Go CPO	1,925,415	1,925,415	-	1,925,415
Total other financing sources (uses)	<u>22,652,675</u>	<u>20,501,095</u>	<u>824,000</u>	<u>19,677,095</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>17,274,064</u>	<u>(2,133,744)</u>	<u>19,407,808</u>

2019 PAY-GO CAPITAL PROJECT ORDINANCE

A-2.8

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	208,271	143,495	64,776
Expenditures:				
Capital outlay:				
General government:				
ERP system	4,415,000	4,257,732	3,045,261	1,212,471
Culture and recreation:				
Tanglewood clubhouse	4,560,000	-	-	-
Total expenditures	<u>8,975,000</u>	<u>4,257,732</u>	<u>3,045,261</u>	<u>1,212,471</u>
Deficiency of revenues over expenditures	<u>(8,975,000)</u>	<u>(4,049,461)</u>	<u>(2,901,766)</u>	<u>(1,147,695)</u>
Other financing sources (uses):				
Transfer from General Fund	5,756,610	5,756,610	-	5,756,610
Transfer from 2016 Pay-Go CPO	839,450	839,450	-	839,450
Transfer from 2018 Pay-Go CPO	839,132	839,132	-	839,132
Transfer from 2020 Pay-Go CPO	3,465,223	3,465,223	-	3,465,223
Transfer to 2018 Smith Reynolds Airport CPO	(1,925,415)	(1,925,415)	-	(1,925,415)
Total other financing sources	<u>8,975,000</u>	<u>8,975,000</u>	<u>-</u>	<u>8,975,000</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>4,925,539</u>	<u>(2,901,766)</u>	<u>7,827,305</u>

2020 MOBILE EQUIPMENT REPLACEMENT CAPITAL PROJECT ORDINANCE

A-2.9

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 192,800	470,643	115,988	354,655
Investment earnings	-	64,501	56,687	7,814
Other revenue	374,623	288,560	50,161	238,399
Total revenues	<u>567,423</u>	<u>823,704</u>	<u>222,836</u>	<u>600,868</u>
Expenditures:				
Capital outlay:				
General government - Non-emergency fleet	636,899	432,913	90,334	342,579
Public safety:				
Animal services	189,061	188,791	95,257	93,534
Emergency services	3,517,527	2,364,271	943,787	1,420,484
Sheriff	2,581,693	2,373,850	1,576,894	796,956
Culture and recreation - Parks and recreation	403,692	172,523	172,523	-
Community and economic development	3,111	-	-	-
Undesignated	60,000	-	-	-
Total expenditures	<u>7,391,983</u>	<u>5,532,348</u>	<u>2,878,795</u>	<u>2,653,553</u>
Deficiency of revenues over expenditures	<u>(6,824,560)</u>	<u>(4,708,644)</u>	<u>(2,655,959)</u>	<u>(2,052,685)</u>
Other financing sources:				
Transfer from General Fund	5,524,912	5,524,912	1,884,814	3,640,098
Transfer from 2018 Motive Equipment CPO	419,648	419,648	-	419,648
Transfer from 2020 Pay-Go CPO	630,000	630,000	-	630,000
Transfer from 2022 Pay-Go CPO	250,000	250,000	250,000	-
Total other financing sources	<u>6,824,560</u>	<u>6,824,560</u>	<u>2,134,814</u>	<u>4,689,746</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>2,115,916</u>	<u>(521,145)</u>	<u>2,637,061</u>

2020 2/3rds BONDS CAPITAL PROJECT ORDINANCE

A-2.10

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	129,268	123,139	6,129
Expenditures:				
Capital outlay:				
General government	2,000,000	652,082	451,855	200,227
Culture and recreation	1,800,000	209,475	87,110	122,365
Total expenditures	<u>3,800,000</u>	<u>861,557</u>	<u>538,965</u>	<u>322,592</u>
Excess (deficiency) of revenues over expenditures	<u>(3,800,000)</u>	<u>(732,289)</u>	<u>(415,826)</u>	<u>(316,463)</u>
Other financing sources (uses):				
General obligation bonds issued	4,000,000	3,531,081	-	3,531,081
Premium on general obligation bonds	-	470,091	-	470,091
Transfer to 2022 Belews Lake Park CPO	(200,000)	(200,000)	-	(200,000)
Total other financing sources (uses)	<u>3,800,000</u>	<u>3,801,172</u>	<u>-</u>	<u>3,801,172</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>3,068,883</u>	<u>(415,826)</u>	<u>3,484,709</u>

2020 RADIO SYSTEM UPGRADE CAPITAL PROJECT ORDINANCE

A-2.11

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:	\$			
Intergovernmental	9,000,000	-	-	-
Investment earnings	-	153,406	123,910	29,496
Total revenues	<u>9,000,000</u>	<u>153,406</u>	<u>123,910</u>	<u>29,496</u>
Expenditures:				
Capital outlay - Public Safety	18,188,455	5,575,154	5,502,073	73,081
Total expenditures	<u>18,188,455</u>	<u>5,575,154</u>	<u>5,502,073</u>	<u>73,081</u>
Deficiency of revenues over expenditures	<u>(9,188,455)</u>	<u>(5,421,748)</u>	<u>(5,378,163)</u>	<u>(43,585)</u>
Other financing sources (uses):				
Transfer from General Fund	2,905,823	2,919,942	27,919	2,892,023
Transfer from 2018 Pay-Go CPO	6,282,632	6,282,632	-	6,282,632
Total other financing sources (uses)	<u>9,188,455</u>	<u>9,202,574</u>	<u>27,919</u>	<u>9,174,655</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>3,780,826</u>	<u>(5,350,244)</u>	<u>9,131,070</u>

2020 PAY-GO CAPITAL PROJECT ORDINANCE

A-2.12

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	173,573	148,316	25,257
Expenditures:				
Capital outlay:				
General government - WSFCS colocation	3,719,000	1,235,885	505,389	730,496
Public safety				
EMS defibrillator replacement	642,775	642,775	-	642,775
Public safety center upfit/WSPD colocation	1,489,057	87,000	87,000	-
Human services	1,000,000	8,850	8,850	-
Unallocated	550,461	-	-	-
Total expenditures	<u>7,401,293</u>	<u>1,974,510</u>	<u>601,239</u>	<u>1,373,271</u>
Excess (deficiency) of revenues over expenditures	<u>(7,401,293)</u>	<u>(1,800,937)</u>	<u>(452,923)</u>	<u>(1,348,014)</u>
Other financing sources (uses):				
Transfer from General Fund	15,724,917	15,724,917	-	15,724,917
Transfer from 2022 Pay-Go CPO	389,057	389,057	389,057	-
Transfer to 2019 Pay-Go CPO	(3,465,223)	(3,465,223)	-	(3,465,223)
Transfer to 2020 Mobile Equip Replacement CPO	(630,000)	(630,000)	-	(630,000)
Transfer to 2021 Pay-Go CPO	(2,617,458)	(2,617,458)	-	(2,617,458)
Transfer to 2022 Belews Lake Park CPO	(2,000,000)	(2,000,000)	-	(2,000,000)
Total other financing sources	<u>7,401,293</u>	<u>7,401,293</u>	<u>389,057</u>	<u>7,012,236</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>5,600,356</u>	<u>(63,866)</u>	<u>5,664,222</u>

2021 PAY-GO CAPITAL PROJECT ORDINANCE

A-2.13

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 550,000	-	-	-
Investment earnings	4,876	109,511	104,905	4,606
Total revenues	<u>554,876</u>	<u>109,511</u>	<u>104,905</u>	<u>4,606</u>
Expenditures:				
Capital outlay:				
General government - MapForsyth	250,000	78,102	54,302	23,800
Education - Cooperative Extension relocation	2,400,000	-	-	-
Human services - Public Health facility upfits	33,335	-	-	-
Culture and recreation:				
Pickleball courts	341,106	187,658	187,658	-
Unallocated	958,894	-	-	-
Unallocated	380,682	-	-	-
Total expenditures	<u>4,364,017</u>	<u>265,760</u>	<u>241,960</u>	<u>23,800</u>
Deficiency of revenues over expenditures	<u>(3,809,141)</u>	<u>(156,249)</u>	<u>(137,055)</u>	<u>(19,194)</u>
Other financing sources (uses):				
Transfer from General Fund	1,936,497	1,936,497	-	1,936,497
Transfer from 2018 Pay-Go CPO	104,525	104,525	-	104,525
Transfer from 2020 Pay-Go CPO	2,617,458	2,617,458	-	2,617,458
Transfer from 2018 First and Chestnut Parking CPO	697,425	697,425	-	697,425
Transfer from 2016 2/3s Bonds CPO	58,949	50,027	-	50,027
Transfer from 2011 Library Bond CPO	212,037	212,037	-	212,037
Transfer to 2012 Belews Lake CPO	(1,817,750)	(1,817,750)	(1,817,750)	-
Total other financing sources (uses)	<u>3,809,141</u>	<u>3,800,219</u>	<u>(1,817,750)</u>	<u>5,617,969</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	<u><u>3,643,970</u></u>	<u><u>(1,954,805)</u></u>	<u><u>5,598,775</u></u>

2022 BELEWS LAKE PARK CAPITAL PROJECT ORDINANCE

A-2.14

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 3,600,000	3,422,544	3,292,009	130,535
Investment earnings	-	185,679	179,965	5,714
Total revenues	<u>3,600,000</u>	<u>3,608,223</u>	<u>3,471,974</u>	<u>136,249</u>
Expenditures:				
Capital outlay - culture and recreation	<u>7,617,750</u>	<u>3,793,171</u>	<u>3,662,636</u>	<u>130,535</u>
Total expenditures	<u>7,617,750</u>	<u>3,793,171</u>	<u>3,662,636</u>	<u>130,535</u>
Excess (deficiency) of revenues over expenditures	<u>(4,017,750)</u>	<u>(184,948)</u>	<u>(190,662)</u>	<u>5,714</u>
Other financing sources (uses):				
Transfer from 2020 Pay-Go CPO	2,000,000	2,000,000	-	2,000,000
Transfer from 2020 2/3s Bonds CPO	200,000	200,000	-	200,000
Transfer from 2021 Pay-Go CPO	<u>1,817,750</u>	<u>1,817,750</u>	<u>1,817,750</u>	<u>-</u>
Total other financing sources	<u>4,017,750</u>	<u>4,017,750</u>	<u>1,817,750</u>	<u>2,200,000</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>3,832,802</u>	<u>1,627,088</u>	<u>2,205,714</u>

2022 PAY-GO CAPITAL PROJECT ORDINANCE

A-2.15

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	432,253	432,253	-
Expenditures:				
Capital outlay:				
General government:		-	-	-
Access switch replacement	1,900,000	-	-	-
Photovoltaic solar and other projects	100,000	-	-	-
Electrification of fleet	485,320	-	-	-
Culture and recreation:				
Agricultural park complex	5,000,000	-	-	-
Tanglewood Park WiFi improvements	175,000	-	-	-
Tree risk mitigation	100,000	-	-	-
Public safety:				
LEDC capital maintenance	2,500,000	-	-	-
Human services:				
Highland Avenue beautification	2,500,000	-	-	-
Community and economic development:				
Economic Development Projects	1,950,000	-	-	-
Forsyth Tech-Learn & Earn apprenticeships	110,000	-	-	-
Urgent repair program	190,000	-	-	-
Future employment center	250,000	-	-	-
SRA-3820 N. Liberty Street improvements	100,000	-	-	-
SRA-4400 Lansing Drive improvements	2,000,000	-	-	-
SRA-Landfill environmental and site prep	1,400,000	-	-	-
SRA-South Ramp site demolition	200,000	-	-	-
SRA-Liberty St land acquisition	300,000	-	-	-
Unallocated	-	-	-	-
Unallocated	110,943	-	-	-
Total expenditures	<u>19,371,263</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues over expenditures	<u>(19,371,263)</u>	<u>432,253</u>	<u>432,253</u>	<u>-</u>
Other financing sources (uses):				
Transfer from General Fund	20,010,320	20,010,320	20,010,320	-
Transfer to 2020 Pay-Go CPO	(389,057)	(389,057)	(389,057)	-
Transfer to 2020 Mobile Equip Replacement CPO	(250,000)	(250,000)	(250,000)	-
Total other financing sources	<u>19,371,263</u>	<u>19,371,263</u>	<u>19,371,263</u>	<u>-</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>19,803,516</u>	<u>19,803,516</u>	<u>-</u>

2022 2/3rds BONDS CAPITAL PROJECT ORDINANCE

A-2.16

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	10,150	10,150	-
Expenditures:				
Debt service - interest and other charges	13,689	44,995	44,995	-
Capital outlay:				
General government	2,000,000	-	-	-
Culture and recreation	2,000,000	-	-	-
Total expenditures	<u>4,013,689</u>	<u>44,995</u>	<u>44,995</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(4,013,689)</u>	<u>(34,845)</u>	<u>(34,845)</u>	<u>-</u>
Other financing sources (uses):				
General obligation bonds issued	4,000,000	4,000,000	4,000,000	-
Premium on general obligation bonds	13,689	45,611	45,611	-
Total other financing sources (uses)	<u>4,013,689</u>	<u>4,045,611</u>	<u>4,045,611</u>	<u>-</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>4,010,766</u>	<u>4,010,766</u>	<u>-</u>

EDUCATION FACILITIES CAPITAL PROJECTS FUND

A-3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 1,200,000	892,313	892,313	-
Investment earnings	965,116	8,995,518	3,983,207	5,012,311
Total revenues	<u>2,165,116</u>	<u>9,887,831</u>	<u>4,875,520</u>	<u>5,012,311</u>
Expenditures:				
Current:				
Debt service - interest and other charges	1,051,427	1,383,595	781,079	602,516
Intergovernmental - education:				
Forsyth Technical Community College	71,900,000	27,392,765	7,412,924	19,979,841
Winston-Salem/Forsyth County Schools	397,763,371	267,243,657	41,608,499	225,635,158
Total expenditures	<u>470,714,798</u>	<u>296,020,017</u>	<u>49,802,502</u>	<u>246,217,515</u>
Excess (deficiency) of revenues over expenditures	<u>(468,549,682)</u>	<u>(286,132,186)</u>	<u>(44,926,982)</u>	<u>(241,205,204)</u>
Other financing sources:				
General obligation bonds issued	455,900,000	454,166,653	123,520,000	330,646,653
Premium on general obligation bonds	86,311	40,615,273	12,597,704	28,017,569
Transfers in	12,645,000	12,145,000	1,735,000	10,410,000
Transfers out	(81,629)	(80,601)	-	(80,601)
Total other financing sources (uses)	<u>468,549,682</u>	<u>506,846,325</u>	<u>137,852,704</u>	<u>368,993,621</u>
Net change in fund balance	<u>\$ -</u>	<u>220,714,139</u>	<u>92,925,722</u>	<u>127,788,417</u>
Fund balance - June 30, 2022			127,788,417	
Fund balance - June 30, 2023			<u>\$ 220,714,139</u>	

**2016 WINSTON-SALEM/FORSYTH COUNTY SCHOOLS CAPITAL MAINTENANCE
CAPITAL PROJECT ORDINANCE**

A-3.1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	224,068	5,258	218,810
Expenditures:				
Current - intergovernmental - education	11,888,371	11,876,084	191,128	11,684,956
Total expenditures	<u>11,888,371</u>	<u>11,876,084</u>	<u>191,128</u>	<u>11,684,956</u>
Deficiency of revenues over expenditures	<u>(11,888,371)</u>	<u>(11,652,016)</u>	<u>(185,870)</u>	<u>(11,466,146)</u>
Other financing sources (uses):				
General obligation bonds issued	8,500,000	8,006,766		8,006,766
Premium on general obligation bonds	-	493,790		493,790
Transfer from General Fund	3,470,000	3,470,000		3,470,000
Transfer to Public School Building Capital Fund	(81,629)	(80,601)		(80,601)
Total other financing sources	<u>11,888,371</u>	<u>11,889,955</u>	<u>-</u>	<u>11,889,955</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>237,939</u>	<u>(185,870)</u>	<u>423,809</u>

2016 SCHOOLS FACILITIES CAPITAL PROJECT ORDINANCE

A-3.2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:	\$			
Intergovernmental	1,200,000	892,313	892,313	-
Investment earnings	813,953	5,787,692	2,365,440	3,422,252
Total revenues	<u>2,013,953</u>	<u>6,680,005</u>	<u>3,257,753</u>	<u>3,422,252</u>
Expenditures:				
Debt service - interest and other charges	813,953	964,794	439,701	525,093
Current - intergovernmental - education	351,200,000	234,537,204	36,059,628	198,477,576
Total expenditures	<u>352,013,953</u>	<u>235,501,998</u>	<u>36,499,329</u>	<u>199,002,669</u>
Deficiency of revenues over expenditures	<u>(350,000,000)</u>	<u>(228,821,993)</u>	<u>(33,241,576)</u>	<u>(195,580,417)</u>
Other financing sources:				
General obligation bonds issued	350,000,000	341,606,056	86,900,000	254,706,056
Premium on general obligation bonds	-	29,835,115	8,590,717	21,244,398
Total other financing sources	<u>350,000,000</u>	<u>371,441,171</u>	<u>95,490,717</u>	<u>275,950,454</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>142,619,178</u>	<u>62,249,141</u>	<u>80,370,037</u>

**2016 FORSYTH TECHNICAL COMMUNITY COLLEGE FACILITIES
CAPITAL PROJECT ORDINANCE**

A-3.3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ 151,163	2,487,187	1,361,249	1,125,938
Expenditures:				
Debt service - interest and other charges	151,163	135,106	57,683	77,423
Current - intergovernmental - education	65,000,000	23,241,931	6,746,419	16,495,512
Total expenditures	<u>65,151,163</u>	<u>23,377,037</u>	<u>6,804,102</u>	<u>16,572,935</u>
Deficiency of revenues over expenditures	<u>(65,000,000)</u>	<u>(20,889,850)</u>	<u>(5,442,853)</u>	<u>(15,446,997)</u>
Other financing sources:				
General obligation bonds issued	65,000,000	59,892,186	11,400,000	48,492,186
Premium on general obligation bonds	-	5,196,912	1,126,976	4,069,936
Total other financing sources	<u>65,000,000</u>	<u>65,089,098</u>	<u>12,526,976</u>	<u>52,562,122</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	<u><u>44,199,248</u></u>	<u><u>7,084,123</u></u>	<u><u>37,115,125</u></u>

**2018 WINSTON-SALEM/FORSYTH COUNTY SCHOOLS CAPITAL MAINTENANCE
CAPITAL PROJECT ORDINANCE**

A-3.4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	201,436	13,850	187,586
Expenditures:				
Current - intergovernmental - education	11,970,000	11,727,029	1,034,698	10,692,331
Total expenditures	<u>11,970,000</u>	<u>11,727,029</u>	<u>1,034,698</u>	<u>10,692,331</u>
Deficiency of revenues over expenditures	<u>(11,970,000)</u>	<u>(11,525,593)</u>	<u>(1,020,848)</u>	<u>(10,504,745)</u>
Other financing sources (uses):				
General obligation bonds issued	8,500,000	7,797,747	-	7,797,747
Premium on general obligation bonds	-	739,972	-	739,972
Transfer from General Fund	3,470,000	3,470,000	-	3,470,000
Total other financing sources	<u>11,970,000</u>	<u>12,007,719</u>	<u>-</u>	<u>12,007,719</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	<u><u>482,126</u></u>	<u><u>(1,020,848)</u></u>	<u><u>1,502,974</u></u>

**2018 FORSYTH TECHNICAL COMMUNITY COLLEGE CAPITAL MAINTENANCE
CAPITAL PROJECT ORDINANCE**

A-3.5

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	47,348	6,804	40,544
Expenditures:				
Current - intergovernmental - education	2,300,000	2,285,471	115,566	2,169,905
Total expenditures	<u>2,300,000</u>	<u>2,285,471</u>	<u>115,566</u>	<u>2,169,905</u>
Deficiency of revenues over expenditures	<u>(2,300,000)</u>	<u>(2,238,123)</u>	<u>(108,762)</u>	<u>(2,129,361)</u>
Other financing sources:				
General obligation bonds issued	2,300,000	2,109,978		2,109,978
Premium on general obligation bonds	-	200,228		200,228
Total other financing sources	<u>2,300,000</u>	<u>2,310,206</u>	<u>-</u>	<u>2,310,206</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>72,083</u>	<u>(108,762)</u>	<u>180,845</u>

**2020 WINSTON-SALEM/FORSYTH COUNTY SCHOOLS CAPITAL MAINTENANCE
CAPITAL PROJECT ORDINANCE**

A-3.6

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	125,830	111,051	14,779
Expenditures:				
Current - intergovernmental - education	12,470,000	9,057,539	4,277,244	4,780,295
Total expenditures	<u>12,470,000</u>	<u>9,057,539</u>	<u>4,277,244</u>	<u>4,780,295</u>
Deficiency of revenues over expenditures	<u>(12,470,000)</u>	<u>(8,931,709)</u>	<u>(4,166,193)</u>	<u>(4,765,516)</u>
Other financing sources (uses):				
General obligation bonds issued	8,500,000	7,503,548		7,503,548
Premium on general obligation bonds	-	998,943		998,943
Transfer from General Fund	3,470,000	3,470,000		3,470,000
Transfer from 2020 Pay-Go CPO	500,000	-		-
Total other financing sources	<u>12,470,000</u>	<u>11,972,491</u>	<u>-</u>	<u>11,972,491</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>3,040,782</u>	<u>(4,166,193)</u>	<u>7,206,975</u>

**2020 FORSYTH TECHNICAL COMMUNITY COLLEGE CAPITAL MAINTENANCE
CAPITAL PROJECT ORDINANCE**

A-3.7

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	24,007	21,605	2,402
Expenditures:				
Current - intergovernmental - education	2,300,000	1,804,562	490,138	1,314,424
Total expenditures	<u>2,300,000</u>	<u>1,804,562</u>	<u>490,138</u>	<u>1,314,424</u>
Deficiency of revenues over expenditures	<u>(2,300,000)</u>	<u>(1,780,555)</u>	<u>(468,533)</u>	<u>(1,312,022)</u>
Other financing sources:				
General obligation bonds issued	2,300,000	2,030,372		2,030,372
Premium on general obligation bonds	-	270,302		270,302
Total other financing sources	<u>2,300,000</u>	<u>2,300,674</u>	<u>-</u>	<u>2,300,674</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ <u>-</u>	<u>520,119</u>	<u>(468,533)</u>	<u>988,652</u>

**2022 WINSTON-SALEM/FORSYTH COUNTY SCHOOLS CAPITAL MAINTENANCE
CAPITAL PROJECT ORDINANCE**

A-3.8

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	92,114	92,114	-
Expenditures:				
Debt service - interest and other charges	78,440	257,823	257,823	-
Current - intergovernmental - education	10,235,000	45,801	45,801	-
Total expenditures	<u>10,313,440</u>	<u>303,624</u>	<u>303,624</u>	<u>-</u>
Deficiency of revenues over expenditures	<u>(10,313,440)</u>	<u>(211,510)</u>	<u>(211,510)</u>	<u>-</u>
Other financing sources (uses):				
General obligation bonds issued	8,500,000	22,920,000	22,920,000	-
Premium on general obligation bonds	78,440	2,853,785	2,853,785	-
Transfer from General Fund	1,735,000	1,735,000	1,735,000	-
Total other financing sources	<u>10,313,440</u>	<u>27,508,785</u>	<u>27,508,785</u>	<u>-</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ <u>-</u>	<u>27,297,275</u>	<u>27,297,275</u>	<u>-</u>

**2022 FORSYTH TECHNICAL COMMUNITY COLLEGE CAPITAL MAINTENANCE
CAPITAL PROJECT ORDINANCE**

A-3.9

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues - investment earnings	\$ -	5,836	5,836	-
Expenditures:				
Debt service - interest and other charges	7,871	25,872	25,872	-
Current - intergovernmental - education	2,300,000	60,801	60,801	-
Total expenditures	<u>2,307,871</u>	<u>86,673</u>	<u>86,673</u>	-
Deficiency of revenues over expenditures	<u>(2,307,871)</u>	<u>(80,837)</u>	<u>(80,837)</u>	-
Other financing sources:				
General obligation bonds issued	2,300,000	2,300,000	2,300,000	-
Premium on general obligation bonds	7,871	26,226	26,226	-
Total other financing sources	<u>2,307,871</u>	<u>2,326,226</u>	<u>2,326,226</u>	-
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>2,245,389</u>	<u>2,245,389</u>	-
Fund balance - June 30, 2022			-	
Fund balance - June 30, 2023			<u>\$ 2,245,389</u>	

PANDEMIC RESPONSE FUND

A-4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental:				
Emergency Rental Assistance Program - County	\$ 4,052,179	4,046,365	-	4,046,365
Emergency Rental Assistance Program 2 - County	3,206,300	3,180,839	209,746	2,971,093
Emergency Rental Assistance Program 1 - State	16,059,465	16,025,965	146,422	15,879,543
Emergency Rental Assistance Program 2 - State	12,618,151	12,424,523	12,344,960	79,563
Emergency Rental Assistance Program - City	6,730,523	6,360,872	-	6,360,872
Coronavirus Local Fiscal Recovery Funds	74,256,322	32,753,867	23,204,724	9,549,143
Coronavirus Local Fiscal Recovery Funds-State	12,500,000	31,000	31,000	-
Low Income Energy Assistance Program	2,560,630	2,214,014	-	2,214,014
Food and Nutrition (SNAP) Program	298,018	-	-	-
Investment earnings	-	1,723,823	1,855,830	(132,007)
Total revenues	<u>132,281,588</u>	<u>78,761,268</u>	<u>37,792,682</u>	<u>40,968,586</u>
Expenditures:				
Current - human services:				
Emergency Rental Assistance Program - County	4,052,179	4,046,365	-	4,046,365
Emergency Rental Assistance Program 2 - County	3,206,300	3,182,634	209,746	2,972,888
Emergency Rental Assistance Program 1 - State	16,059,465	16,025,965	146,422	15,879,543
Emergency Rental Assistance Program 2 - State	12,618,151	12,424,522	12,344,960	79,562
Emergency Rental Assistance Program - City	6,730,523	6,359,495	-	6,359,495
Coronavirus Local Fiscal Recovery Funds	49,880,534	20,270,310	17,000,300	3,270,010
Coronavirus Local Fiscal Recovery Funds-State	12,500,000	31,000	31,000	-
Low Income Energy Assistance Program	2,560,630	2,214,014	-	2,214,014
Food and Nutrition (SNAP) Program	298,018	72,396	72,396	-
Capital outlay - public safety	229,240	202,482	23,399	179,083
Capital outlay - human services	4,102,500	116,310	116,310	-
Capital outlay - culture and recreation	1,849,903	-	-	-
Total expenditures	<u>114,087,443</u>	<u>64,945,493</u>	<u>29,944,533</u>	<u>35,000,960</u>
Excess (deficiency) of revenues over expenditures	<u>18,194,145</u>	<u>13,815,775</u>	<u>7,848,149</u>	<u>5,967,626</u>
Other financing uses - transfer to general fund	<u>(18,194,145)</u>	<u>(12,129,430)</u>	<u>(6,064,715)</u>	<u>(6,064,715)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,686,345</u>	<u>1,783,434</u>	<u>(97,089)</u>
Fund balance - June 30, 2022			<u>(97,089)</u>	
Fund balance - June 30, 2023			<u>\$ 1,686,345</u>	

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Fire Tax Districts Fund – This fund is used to account for property tax collections and other revenue sources for distribution to the County’s twenty-three fire tax districts and one service district.

Law Enforcement Equitable Distribution Fund – This fund is used to account for the expenditure of funds distributed to the County through the federal Equitable Sharing Program and from the North Carolina unauthorized substance tax. Expenditures are restricted to law enforcement purposes.

Emergency Telephone System Fund – The Emergency Telephone System Fund accounts for distributions to the County from the 911 Fund administered by the State 911 Board. Use of the funds is restricted to allowable expenditures in support of the County 911 system, as specified by State statute.

Moser Bequest for Care of Elderly – This fund accounts for the bequest of Odis Moser to the Forsyth County Social Services Department, the use of which is restricted for the care of the elderly.

State Public School Building Capital Fund – This fund is used to account for capital expenditures by the Winston-Salem/Forsyth County Schools, financed by grant monies from the State Public School Building Capital Fund, transfers from the Schools Facilities Funds, and lottery proceeds, and for transfers to the General Fund of lottery proceeds approved to fund debt service.

Community Development Projects Fund – This fund accounts for the use of state and federal grants for rehabilitation and reconstruction of substandard dwellings in Forsyth County, down-payment assistance for Forsyth County citizens who meet eligibility requirements, and other housing rehabilitation and first-time home buyer related purposes.

Justice Assistance Fund – This fund accounts for Edward Byrne Memorial Justice Assistance grants and the 2020 Coronavirus Emergency Supplemental Program grant from the U.S Department of Justice, Bureau of Justice Assistance.

Opioid Settlement Fund – Along with numerous local governments across the nation, the County filed a lawsuit against opioid manufacturers and pharmaceutical distribution companies to hold them accountable for the opioid epidemic. This fund accounts for the County’s share of settlement proceeds from such lawsuits which are to be used for opioid-related remediation efforts.

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

B-1

FORSYTH COUNTY, NORTH CAROLINA

June 30, 2023

	<u>Fire Tax Districts</u>	<u>Law Enforcement Equitable Distribution</u>	<u>Emergency Telephone System</u>	<u>Moser Bequest for Care of Elderly</u>	<u>Community Development Projects</u>	<u>Justice Assistance</u>	<u>Opioid Settlement</u>	<u>Total</u>
ASSETS								
Cash and investments - restricted	\$ 744,913	1,129,017	1,772,933	299,521	818,733	127,400	2,612,748	7,505,265
Receivables (net):								
Property taxes	63,534	-	-	-	-	-	-	63,534
Accounts	-	-	-	-	1,682	-	-	1,682
Accrued interest	4,792	6,936	9,459	1,600	3,776	679	14,064	41,306
Due from other governments	893,776	1,642	1,606	-	-	-	-	897,024
Total assets	<u>\$ 1,707,015</u>	<u>1,137,595</u>	<u>1,783,998</u>	<u>301,121</u>	<u>824,191</u>	<u>128,079</u>	<u>2,626,812</u>	<u>8,508,811</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 63,734	-	1,947	2,800	1,876	85,480	-	155,837
Unearned revenue	-	-	-	-	-	-	2,561,946	2,561,946
Total liabilities	<u>63,734</u>	<u>-</u>	<u>1,947</u>	<u>2,800</u>	<u>1,876</u>	<u>85,480</u>	<u>2,561,946</u>	<u>2,717,783</u>
Deferred Inflows of Resources:								
Unavailable taxes	63,534	-	-	-	-	-	-	63,534
Total deferred inflows of resources	<u>63,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,534</u>
Fund balances:								
Restricted for:								
Stabilization by state statute	898,568	8,578	368,826	1,600	46,454	679	14,064	1,338,769
Public safety	681,179	1,129,017	1,413,225	-	-	41,920	-	3,265,341
Human services	-	-	-	296,721	-	-	50,802	347,523
Community and economic development	-	-	-	-	775,861	-	-	775,861
Total fund balances	<u>1,579,747</u>	<u>1,137,595</u>	<u>1,782,051</u>	<u>298,321</u>	<u>822,315</u>	<u>42,599</u>	<u>64,866</u>	<u>5,727,494</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,707,015</u>	<u>1,137,595</u>	<u>1,783,998</u>	<u>301,121</u>	<u>824,191</u>	<u>128,079</u>	<u>2,626,812</u>	<u>8,508,811</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

B-2

NONMAJOR SPECIAL REVENUE FUNDS

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2023

	<u>Fire Tax Districts</u>	<u>Law Enforcement Equitable Distribution</u>	<u>Emergency Telephone System</u>	<u>Moser Bequest for Care of Elderly</u>	<u>State Public School Building Capital</u>	<u>Community Development Projects</u>	<u>Justice Assistance</u>	<u>Opioid Settlement</u>	<u>Total</u>
Revenues:									
Taxes:									
Property	\$ 11,551,705	-	-	-	-	-	-	-	11,551,705
Local option sales taxes	3,232,588	-	-	-	-	-	-	-	3,232,588
Intergovernmental	-	283,823	-	-	4,013,376	155,065	(4,264)	-	4,448,000
Investment earnings	55,816	35,260	52,966	8,802	-	18,397	4,094	64,169	239,504
Other	-	-	-	-	-	184,700	-	-	184,700
Total revenues	<u>14,840,109</u>	<u>319,083</u>	<u>52,966</u>	<u>8,802</u>	<u>4,013,376</u>	<u>358,162</u>	<u>(170)</u>	<u>64,169</u>	<u>19,656,497</u>
Expenditures:									
Current:									
Public safety	11,075,060	-	86,614	-	-	-	228,208	-	11,389,882
Human services	-	-	-	10,584	-	-	-	-	10,584
Community and economic development	-	-	-	-	-	208,581	-	-	208,581
Capital outlay - public safety	-	-	259,835	-	-	-	113,620	-	373,455
Total expenditures	<u>11,075,060</u>	<u>-</u>	<u>346,449</u>	<u>10,584</u>	<u>-</u>	<u>208,581</u>	<u>341,828</u>	<u>-</u>	<u>11,982,502</u>
Excess (deficiency) of revenues over expenditures	<u>3,765,049</u>	<u>319,083</u>	<u>(293,483)</u>	<u>(1,782)</u>	<u>4,013,376</u>	<u>149,581</u>	<u>(341,998)</u>	<u>64,169</u>	<u>7,673,995</u>
Other financing sources (uses):									
SBITA debt issued	-	-	-	-	-	-	113,620	-	113,620
Transfers in - general fund	-	-	10,915	-	-	52,190	-	-	63,105
Transfers out - general fund	(3,733,329)	(190,371)	-	-	(4,013,376)	-	-	-	(7,937,076)
Total other financing sources (uses)	<u>(3,733,329)</u>	<u>(190,371)</u>	<u>10,915</u>	<u>-</u>	<u>(4,013,376)</u>	<u>52,190</u>	<u>113,620</u>	<u>-</u>	<u>(7,760,351)</u>
Net change in fund balances	31,720	128,712	(282,568)	(1,782)	-	201,771	(228,378)	64,169	(86,356)
Fund balance - June 30, 2022	1,548,027	1,008,883	2,064,619	300,103	-	620,544	270,977	697	5,813,850
Fund balance - June 30, 2023	<u>\$ 1,579,747</u>	<u>1,137,595</u>	<u>1,782,051</u>	<u>298,321</u>	<u>-</u>	<u>822,315</u>	<u>42,599</u>	<u>64,866</u>	<u>5,727,494</u>

FIRE TAX DISTRICTS FUND

B-3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property	\$ 11,271,917	11,271,917	11,551,705	279,788
Local option sales taxes	3,106,715	3,390,715	3,232,588	(158,127)
Total taxes	14,378,632	14,662,632	14,784,293	121,661
Investment earnings	-	-	55,816	55,816
Total revenues	14,378,632	14,662,632	14,840,109	177,477
Expenditures - current - public safety:				
Beeson's Cross Roads	389,715	389,715	389,715	-
Beeson's Cross Roads Service	40,793	40,793	40,793	-
Belews Creek	494,129	494,129	494,129	-
City View	49,390	49,390	49,390	-
Clemmons	1,991,993	1,991,993	1,991,993	-
Forest Hill	13,393	13,393	13,393	-
Griffith	189,290	189,290	189,290	-
Gumtree	109,345	109,345	109,345	-
Horneytown	388,496	388,496	388,496	-
King (Forsyth County)	605,868	605,868	605,868	-
Lewisville	1,902,124	1,902,124	1,902,124	-
Mineral Springs	253,064	253,064	253,064	-
Mineral Springs Service	9,923	9,923	9,923	-
Mount Tabor	96,690	96,690	96,690	-
Old Richmond	547,025	547,025	547,025	-
Piney Grove	1,049,412	1,049,412	1,049,412	-
Rural Hall	592,722	592,722	592,722	-
Salem Chapel	148,108	148,108	147,259	849
South Fork	6,186	6,186	6,055	131
Talley's Crossing	240,242	240,242	240,242	-
Triangle	138,352	138,352	138,352	-
Union Cross	454,130	454,130	454,130	-
Vienna	819,004	819,004	819,004	-
Walkertown	476,183	476,183	476,183	-
West Bend	71,517	71,517	70,463	1,054
Total expenditures	11,077,094	11,077,094	11,075,060	2,034
Excess of revenues over expenditures	3,301,538	3,585,538	3,765,049	179,511

FIRE TAX DISTRICTS FUND

B-3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2023

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Other financing uses - transfers out-				
General Fund:				
Countywide Fire Service	(626,024)	(660,024)	(658,873)	1,151
Beeson's Cross Roads	(104,428)	(108,428)	(107,154)	1,274
Beeson's Cross Roads Service	(11,223)	(12,223)	(11,546)	677
Belews Creek	(133,048)	(139,048)	(137,371)	1,677
City View	(13,241)	(14,241)	(13,932)	309
Clemmons	(546,136)	(567,136)	(564,236)	2,900
Forest Hill	(3,885)	(4,385)	(4,045)	340
Griffith	(50,397)	(52,397)	(51,897)	500
Gumtree	(24,872)	(25,872)	(25,287)	585
Hornetown	(108,313)	(112,313)	(111,118)	1,195
King of Forsyth County	(175,058)	(186,058)	(184,307)	1,751
Lewisville	(489,695)	(509,695)	(507,009)	2,686
Mineral Springs	(71,494)	(74,494)	(73,155)	1,339
Mineral Springs Service	(2,759)	(3,359)	(3,220)	139
Mount Tabor	(26,909)	(28,909)	(28,286)	623
Old Richmond	(148,659)	(154,659)	(153,008)	1,651
Piney Grove	(287,591)	(297,591)	(295,950)	1,641
Rural Hall	(159,156)	(168,156)	(166,338)	1,818
Salem Chapel	(32,418)	(35,418)	(34,341)	1,077
South Fork	(1,727)	(1,927)	(1,800)	127
Talley's Crossing	(65,976)	(68,976)	(68,048)	928
Triangle	(37,780)	(39,780)	(39,039)	741
Union Cross	(110,400)	(115,400)	(114,376)	1,024
Vienna	(220,556)	(228,556)	(226,947)	1,609
Walkertown	(130,567)	(135,567)	(134,125)	1,442
West Bend	(17,445)	(18,145)	(17,921)	224
Total other financing uses	<u>(3,599,757)</u>	<u>(3,762,757)</u>	<u>(3,733,329)</u>	<u>29,428</u>
Net change in fund balance	\$ <u>(298,219)</u>	<u>(177,219)</u>	31,720	<u>208,939</u>
Fund balance - June 30, 2022			<u>1,548,027</u>	
Fund balance - June 30, 2023			\$ <u>1,579,747</u>	

LAW ENFORCEMENT EQUITABLE DISTRIBUTION FUND

B-4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 20,000	20,000	283,823	263,823
Investment earnings	2,000	2,000	35,260	33,260
Total revenues	<u>22,000</u>	<u>22,000</u>	319,083	297,083
Other financing uses:				
Transfer to General Fund	<u>(261,780)</u>	<u>(261,780)</u>	(190,371)	71,409
Net change in fund balance	<u><u>\$ (239,780)</u></u>	<u><u>(239,780)</u></u>	128,712	<u><u>368,492</u></u>
Fund balance - June 30, 2022			1,008,883	
Fund balance - June 30, 2023			<u><u>\$ 1,137,595</u></u>	

EMERGENCY TELEPHONE SYSTEM FUND

B-5

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	-	-	-
Investment earnings	-	-	52,966	52,966
Total revenues	<u>-</u>	<u>-</u>	52,966	52,966
Expenditures:				
Current - Public Safety	116,600	127,515	86,614	40,901
Capital outlay - Public Safety	<u>1,700,000</u>	<u>1,700,000</u>	259,835	1,440,165
Total expenditures	<u>1,816,600</u>	<u>1,827,515</u>	346,449	1,481,066
Excess (deficiency) of revenues over expenditures	(1,816,600)	(1,827,515)	(293,483)	(1,428,100)
Other financing sources - transfer from General Fund	<u>-</u>	<u>10,915</u>	10,915	-
Net change in fund balance	<u><u>\$ (1,816,600)</u></u>	<u><u>(1,816,600)</u></u>	(282,568)	<u><u>(1,428,100)</u></u>
Fund balance - June 30, 2022			2,064,619	
Fund balance - June 30, 2023			<u><u>\$ 1,782,051</u></u>	

MOSER BEQUEST FOR CARE OF ELDERLY FUND

B-6

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues - investment earnings	\$ 500	500	8,802	8,302
Expenditures - Human Services	<u>50,000</u>	<u>50,000</u>	<u>10,584</u>	<u>39,416</u>
Net change in fund balance	<u>\$ (49,500)</u>	<u>(49,500)</u>	(1,782)	<u>47,718</u>
Fund balance - June 30, 2022			<u>300,103</u>	
Fund balance - June 30, 2023			<u>\$ 298,321</u>	

STATE PUBLIC SCHOOL BUILDING CAPITAL FUND

B-7

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 114,406,946	111,191,764	4,013,376	107,178,388
Investment earnings	<u>162,074</u>	<u>162,074</u>	-	<u>162,074</u>
Total revenues	114,569,020	111,353,838	4,013,376	107,340,462
Expenditures - current - intergovernmental - education	<u>51,666,898</u>	<u>48,860,719</u>	-	<u>48,860,719</u>
Excess (deficiency) of revenues over expenditures	<u>62,902,122</u>	<u>62,493,119</u>	<u>4,013,376</u>	<u>58,479,743</u>
Other financing sources (uses):				
Transfers in:				
Schools Fund	-	1,330,321	-	1,330,321
1990 Schools Facilities Fund	4,170,049	4,169,875	-	4,169,875
1995 School Facilities Fund	65,288	65,288	-	65,288
1996 Schools Facilities Fund	1,933,499	1,933,499	-	1,933,499
2002 Schools Fund	4,161,834	4,161,834	-	4,161,834
2007 School Facilities Fund	250,000	250,000	-	250,000
2016 WSFCS Capital Maintenance Fund	81,629	80,601	-	80,601
Transfers out:				
General Fund	(66,847,027)	(62,772,606)	(4,013,376)	(58,759,230)
Debt Service Fund	<u>(8,047,544)</u>	<u>(11,711,931)</u>	-	<u>(11,711,931)</u>
Total other financing sources (uses)	<u>(64,232,272)</u>	<u>(62,493,119)</u>	<u>(4,013,376)</u>	<u>(58,479,743)</u>
Net change in fund balance	<u>\$ (1,330,150)</u>	<u>-</u>	-	<u>-</u>
Fund balance - June 30, 2022			-	
Fund balance - June 30, 2023			<u>\$ -</u>	

COMMUNITY DEVELOPMENT PROJECTS FUND

B-8

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental:				
WSFC HOME program	\$ 1,358,400	767,777	45,065	722,712
HOME Single Family Rehabilitation	190,000	-	-	-
Essential Single Family Rehabilitation	162,000	-	-	-
CDBG Neighborhood Stabilization program	176,249	119,298	-	119,298
NCHFA Urgent Repair Program	569,000	653,145	100,000	553,145
Local government grants	52,000	54,000	10,000	44,000
Total intergovernmental	<u>2,507,649</u>	<u>1,594,220</u>	<u>155,065</u>	<u>1,439,155</u>
Investment earnings	-	25,899	18,397	7,502
Mortgage repayments	1,387,078	875,159	184,700	690,459
Total revenues	<u>3,894,727</u>	<u>2,495,278</u>	<u>358,162</u>	<u>2,137,116</u>
Expenditures - current - community and economic development:				
WSFC HOME	1,358,400	775,274	48,470	726,804
WSFC HOME - local match	180,296	96,915	6,800	90,115
HOME Program Income	1,625,000	387,278	34,494	352,784
NCHFA Single Family Rehabilitation	507,000	205,199	-	205,199
Forsyth County IDA	28,182	15,000	4,000	11,000
Forsyth County - local match	123,346	98,275	18,080	80,195
CDBG NSP program income	550,000	169,101	-	169,101
NCHFA Urgent Repair Program	414,000	389,024	96,737	292,287
Total expenditures	<u>4,786,223</u>	<u>2,136,066</u>	<u>208,581</u>	<u>1,927,485</u>
Excess (deficiency) of revenues over expenditures	<u>(891,496)</u>	<u>359,212</u>	<u>149,581</u>	<u>209,631</u>
Other financing sources - transfers in	<u>891,496</u>	<u>463,103</u>	<u>52,190</u>	<u>410,913</u>
Net change in fund balance	<u>\$ -</u>	<u>822,315</u>	<u>201,771</u>	<u>620,544</u>
Fund balance - June 30, 2022			620,544	
Fund balance - June 30, 2023			<u>\$ 822,315</u>	

2019 HOUSING GRANT PROJECT ORDINANCE

B-8.1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental:				
2018 WSFC HOME program	\$ 262,000	261,953	-	261,953
CDBG NSP	176,249	119,298	-	119,298
2018 NCHFA Urgent Repair Program	100,000	91,237	-	91,237
Local government grants	10,000	12,000	-	12,000
Total intergovernmental	<u>548,249</u>	<u>484,488</u>	<u>-</u>	<u>484,488</u>
Investment earnings	-	17,829	10,675	7,154
Mortgage repayments	700,000	758,523	89,304	669,219
Total revenues	<u>1,248,249</u>	<u>1,260,840</u>	<u>99,979</u>	<u>1,160,861</u>
Expenditures - current - community and economic development:				
2018 WSFC HOME	262,000	261,935	-	261,935
2018 WSFC HOME - local match	56,950	51,779	-	51,779
HOME Program Income	825,000	386,592	33,808	352,784
CDBG NSP Program Income	200,000	169,101	-	169,101
2018 NCHFA Urgent Repair Program	100,000	90,787	-	90,787
Total expenditures	<u>1,443,950</u>	<u>960,194</u>	<u>33,808</u>	<u>926,386</u>
Excess (deficiency) of revenues over expenditures	<u>(195,701)</u>	<u>300,646</u>	<u>66,171</u>	<u>234,475</u>
Other financing sources (uses):				
General Fund	46,950	46,950	-	46,950
2015 Housing Fund	148,751	103,773	-	103,773
2023 Housing Fund	-	-	-	-
Total other financing sources	<u>195,701</u>	<u>150,723</u>	<u>-</u>	<u>150,723</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>451,369</u>	<u>66,171</u>	<u>385,198</u>

2020 HOUSING GRANT PROJECT ORDINANCE

B-8.2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental:				
2019 WSFC HOME Program	\$ 241,500	233,699	6,614	227,085
2019 Single Family Rehabilitation Program	190,000	-	-	-
2019 NCHFA Urgent Repair Program	255,000	361,908	-	361,908
Local government grants	12,000	12,000	-	12,000
Total intergovernmental	<u>698,500</u>	<u>607,607</u>	<u>6,614</u>	<u>600,993</u>
Investment earnings	-	1,736	1,475	261
Total revenues	<u>698,500</u>	<u>609,343</u>	<u>8,089</u>	<u>601,254</u>
Expenditures - current - community and economic development:				
2019 WSFC HOME	241,500	233,828	6,614	227,214
2019 WSFC HOME - local match	27,169	16,182	-	16,182
2019 Forsyth County - local match	27,169	27,169	-	27,169
2019 Single Family Rehabilitation Program	345,000	205,199	-	205,199
2019 NCHFA Urgent Repair Program	100,000	100,000	-	100,000
Total expenditures	<u>740,838</u>	<u>582,378</u>	<u>6,614</u>	<u>575,764</u>
Excess (deficiency) of revenues over expenditures	<u>(42,338)</u>	<u>26,965</u>	<u>1,475</u>	<u>25,490</u>
Other financing sources - transfer in general fund	<u>42,338</u>	<u>42,338</u>	<u>-</u>	<u>42,338</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>69,303</u>	<u>1,475</u>	<u>67,828</u>

2021 HOUSING GRANT PROJECT ORDINANCE

B-8.3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental:				
2020 WSFC HOME Program	\$ 264,700	227,410	34,036	193,374
2020 NCHFA Urgent Repair Program	100,000	100,000	-	100,000
Local government grants	10,000	10,000	-	10,000
Total intergovernmental	<u>374,700</u>	<u>337,410</u>	<u>34,036</u>	<u>303,374</u>
Investment earnings	-	2,746	2,738	8
Mortgage repayments	62,078	21,240	-	21,240
Total revenues	<u>436,778</u>	<u>361,396</u>	<u>36,774</u>	<u>324,622</u>
Expenditures - current - community and economic development:				
2020 WSFC HOME	264,700	233,636	36,281	197,355
2020 WSFC HOME - local match	29,779	20,154	-	20,154
2020 Forsyth County - local match	29,779	29,779	1,722	28,057
Forsyth County IDA	28,182	15,000	4,000	11,000
CDBG NSP Program Income	150,000	-	-	-
2020 NCHFA Urgent Repair Program	100,000	100,000	-	100,000
Total expenditures	<u>602,440</u>	<u>398,569</u>	<u>42,003</u>	<u>356,566</u>
Deficiency of revenues over expenditures	<u>(165,662)</u>	<u>(37,173)</u>	<u>(5,229)</u>	<u>(31,944)</u>
Other financing sources - transfers in:				
General Fund	49,558	49,558	-	49,558
2018 Housing Fund	116,104	116,104	-	116,104
Total other financing sources	<u>165,662</u>	<u>165,662</u>	<u>-</u>	<u>165,662</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>128,489</u>	<u>(5,229)</u>	<u>133,718</u>

2022 HOUSING GRANT PROJECT ORDINANCE

B-8.4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental:				
2021 WSFC HOME Program	\$ 276,400	42,430	2,130	40,300
2021 NCHFA Urgent Repair Program	114,000	100,000	100,000	-
Local government grants	10,000	10,000	-	10,000
Total intergovernmental	<u>400,400</u>	<u>152,430</u>	<u>102,130</u>	<u>50,300</u>
Investment earnings	-	815	736	79
Total revenues	<u>400,400</u>	<u>153,245</u>	<u>102,866</u>	<u>50,379</u>
Expenditures - current - community and economic development:				
2021 WSFC HOME	276,400	45,265	4,965	40,300
2021 WSFC HOME - local match	31,095	2,000	-	2,000
2021 Forsyth County - local match	31,095	28,361	3,392	24,969
2021 NCHFA Urgent Repair Program	114,000	98,237	96,737	1,500
Total expenditures	<u>452,590</u>	<u>173,863</u>	<u>105,094</u>	<u>68,769</u>
Deficiency of revenues over expenditures	<u>(52,190)</u>	<u>(20,618)</u>	<u>(2,228)</u>	<u>(18,390)</u>
Other financing sources - transfer in general fund	<u>52,190</u>	<u>52,190</u>	<u>-</u>	<u>52,190</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>31,572</u>	<u>(2,228)</u>	<u>33,800</u>

2023 HOUSING GRANT PROJECT ORDINANCE

B-8.5

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental:				
2022 WSFC HOME Program	\$ 313,800	2,285	2,285	-
2022 Essential Single Family Rehabilitation	162,000	-	-	-
Local government grants	10,000	10,000	10,000	-
Total intergovernmental	<u>485,800</u>	<u>12,285</u>	<u>12,285</u>	-
Investment earnings	-	2,773	2,773	-
Mortgage repayments	625,000	95,396	95,396	-
Total revenues	<u>1,110,800</u>	<u>110,454</u>	<u>110,454</u>	-
Expenditures - current - community and economic development:				
2022 WSFC HOME Program	313,800	610	610	-
2022 WSFC HOME - local match	35,303	6,800	6,800	-
2022 Forsyth County - local match	35,303	12,966	12,966	-
HOME Program Income	800,000	686	686	-
CDBG NSP Program Income	200,000	-	-	-
2022 Essential Single Family Rehabilitation	162,000	-	-	-
Total expenditures	<u>1,546,405</u>	<u>21,062</u>	<u>21,062</u>	-
Deficiency of revenues over expenditures	<u>(435,605)</u>	<u>89,392</u>	<u>89,392</u>	-
Other financing sources:				
Transfer from General Fund	60,605	52,190	52,190	-
Transfer from 2019 Housing	375,000	-	-	-
Total other financing sources	<u>435,605</u>	<u>52,190</u>	<u>52,190</u>	-
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>141,582</u>	<u>141,582</u>	-

JUSTICE ASSISTANCE FUND

B-9

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental - Justice Assistance	\$ 801,148	668,368	(4,264)	672,632
Investment earnings	4,044	9,451	4,094	5,357
Total revenues	<u>805,192</u>	<u>677,819</u>	<u>(170)</u>	<u>677,989</u>
Expenditures:				
Current:				
Sheriff	464,943	328,237	114,013	214,224
City of Winston-Salem police	298,541	265,275	114,195	151,080
Capital outlay: Sheriff	<u>155,328</u>	<u>155,328</u>	<u>113,620</u>	<u>41,708</u>
Total expenditures	<u>918,812</u>	<u>748,840</u>	<u>341,828</u>	<u>407,012</u>
Other financing sources:				
SBITA debt issued	<u>113,620</u>	<u>113,620</u>	<u>113,620</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>42,599</u>	<u>(228,378)</u>	<u>270,977</u>
Fund balance - June 30, 2022			<u>270,977</u>	
Fund balance - June 30, 2023			<u>\$ 42,599</u>	

2017 JUSTICE ASSISTANCE GRANT PROJECT ORDINANCE

B-9.1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental - Justice Assistance	\$ 356,771	356,086	-	356,086
Investment earnings	4,044	4,729	-	4,729
Total revenues	<u>360,815</u>	<u>360,815</u>	<u>-</u>	<u>360,815</u>
Expenditures:				
Current:				
Sheriff	170,185	170,185	-	170,185
City of Winston-Salem police	179,795	179,795	28,715	151,080
Capital outlay: Sheriff	10,835	10,835	-	10,835
Total expenditures	<u>360,815</u>	<u>360,815</u>	<u>28,715</u>	<u>332,100</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	-	(28,715)	28,715

**JUSTICE ASSISTANCE CORONAVIRUS EMERGENCY SUPPLEMENTAL
GRANT PROJECT ORDINANCE**

B-9.2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental - Justice Assistance	\$ 79,054	74,790	(4,264)	79,054
Investment earnings	-	122	16	106
Total revenues	<u>79,054</u>	<u>74,912</u>	<u>(4,248)</u>	<u>79,160</u>
Expenditures:				
Current: Sheriff				
Sheriff	48,181	44,039	-	44,039
Capital outlay: Sheriff	30,873	30,873	-	30,873
Total expenditures	<u>79,054</u>	<u>74,912</u>	<u>-</u>	<u>74,912</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	-	(4,248)	4,248

2021 JUSTICE ASSISTANCE GRANT PROJECT ORDINANCE

B-9.3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental - Justice Assistance	\$ 237,492	237,492	-	237,492
Investment earnings	-	4,600	4,078	522
Total revenues	<u>237,492</u>	<u>242,092</u>	<u>4,078</u>	<u>238,014</u>
Expenditures:				
Current:				
Sheriff	118,746	114,013	114,013	-
City of Winston-Salem police	118,746	85,480	85,480	-
Capital outlay: Sheriff	<u>113,620</u>	<u>113,620</u>	<u>113,620</u>	<u>-</u>
Total expenditures	<u>351,112</u>	<u>313,113</u>	<u>313,113</u>	<u>-</u>
Other financing sources:				
SBITA debt issued	113,620	113,620	113,620	-
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>42,599</u>	<u>(195,415)</u>	<u>238,014</u>

2022 JUSTICE ASSISTANCE GRANT PROJECT ORDINANCE

B-9.4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenue: Intergovernmental - Justice Assistance	\$ 127,831	-	-	-
Expenditures: Current - Sheriff	<u>127,831</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

OPIOID SETTLEMENT FUND

B-10

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2023

	<u>Budget</u>	<u>Cumulative Total to June 30, 2023</u>	<u>Activity Year Ended June 30, 2023</u>	<u>Cumulative Total to June 30, 2022</u>
Revenues:				
Intergovernmental	\$ 19,761,328	-	-	-
Investment earnings	-	64,866	64,169	697
Total revenues	<u>19,761,328</u>	<u>64,866</u>	<u>64,169</u>	<u>697</u>
Expenditures - current - human services	<u>19,761,328</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>64,866</u>	64,169	<u>697</u>
Fund balance - June 30, 2022			<u>697</u>	
Fund balance - June 30, 2023			<u>\$ 64,866</u>	

Fiduciary Funds

Custodial Funds

Custodial funds are used to account for assets held by the County in a custodial capacity for individuals, private organizations, or other governments.

Municipal Tax Fund – This fund is used to account for collections of various taxes by the County Tax Collector that are remitted to other funds and to other local governments and authorities.

Sheriff Fund – This fund is used to account for funds held by the Sheriff’s Office as a result of gathering evidence or executing court orders.

COMBINING STATEMENT OF FIDUCIARY NET POSITION

E-1

CUSTODIAL FUNDS

FORSYTH COUNTY, NORTH CAROLINA

June 30, 2023

	Municipal Tax <u>Fund</u>	Sheriff <u>Fund</u>	Total Custodial <u>Funds</u>
ASSETS			
Cash and cash equivalents / investments	\$ 3,124,018	777,079	3,901,097
Property taxes receivable for other governments, net	3,214,037	-	3,214,037
Total assets	\$ 6,338,055	777,079	7,115,134
LIABILITIES			
Accounts payable and accrued liabilities	\$ -	330,006	330,006
Due to other governments	3,124,018	-	3,124,018
Total liabilities	\$ 3,124,018	330,006	3,454,024
NET POSITION			
Restricted for:			
Individuals, organizations and other governments	3,214,037	447,073	3,661,110
Total net position	\$ 3,214,037	447,073	3,661,110

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

E-2

CUSTODIAL FUNDS

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2023

	Municipal Tax <u>Fund</u>	Sheriff <u>Fund</u>	Total Custodial <u>Funds</u>
ADDITIONS			
Ad valorem taxes collected for other governments	194,487,688	-	194,487,688
Collections pursuant to court orders	-	211,372	211,372
Total additions	194,487,688	211,372	194,699,060
DEDUCTIONS			
Tax distributions to other governments	194,269,878		194,269,878
Payments pursuant to court orders	-	119,484	119,484
Total deductions	194,269,878	119,484	194,389,362
Change in net position	217,810	91,888	309,698
Net position - beginning	2,996,227	355,185	3,351,412
Net position, ending	\$ 3,214,037	447,073	3,661,110

Other Schedules

This section contains additional information on property taxes.

[Schedule of Ad Valorem Taxes Receivable – General Fund](#)

[Analysis of Current Tax Levy – Countywide Levy](#)

SCHEDULE OF AD VALOREM TAXES RECEIVABLE

F-1

GENERAL FUND

FORSYTH COUNTY, NORTH CAROLINA

June 30, 2023

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2022</u>	<u>Additions Net of Releases</u>	<u>Collections And Credits</u>	<u>Writeoffs</u>	<u>Uncollected Balance June 30, 2023</u>
2022 - 2023	\$ -	302,086,595	300,185,470	-	1,901,125
2021 - 2022	1,817,868	(87,862)	1,060,951	-	669,055
2020 - 2021	771,857	(118,487)	110,496	-	542,874
2019 - 2020	517,882	(83,419)	17,287	16	417,160
2018 - 2019	378,766	(79,037)	(23,507)	-	323,236
2017 - 2018	258,683	(79,235)	(38,903)	-	218,351
2016 - 2017	289,771	(730)	29,517	-	259,524
2015 - 2016	204,568	(1,211)	22,680	-	180,677
2014 - 2015	185,601	(1,474)	15,208	-	168,919
2013 - 2014	191,728	8,979	14,034	186,673	-
	<u>\$ 4,616,724</u>	<u>301,644,119</u>	<u>301,393,233</u>	<u>186,689</u>	<u>4,680,921</u>

Less: allowance for uncollectible accounts:
General Fund

(2,908,150)

Ad valorem taxes receivable - net:
General Fund

\$ 1,772,771

Reconciliation with revenues:

Property taxes - General Fund	\$	302,179,933
Penalties collected on ad valorem taxes - Fines and Forfeitures Fund		253,092
Reconciling items:		
Interest and fees collected	\$	(1,048,942)
Refunds		77,125
Collection of taxes previously written off		<u>(67,975)</u>
Total reconciling items		<u>(1,039,792)</u>
Total collections and credits	\$	<u>301,393,233</u>

ANALYSIS OF CURRENT TAX LEVY

F-2

COUNTYWIDE LEVY

FORSYTH COUNTY, NORTH CAROLINA
For the Fiscal Year Ended June 30, 2023

	Countywide			Total levy	
	Property Valuation	Rate (1)	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Gross levy:					
Property taxed at current year's rate	\$ 43,310,707,313	\$.6778	\$ 295,362,658	\$ 274,244,902	\$ 21,117,756
Motor vehicles taxed at prior year's rate: FY 20-21	12,051,626	.7535	90,809	-	90,809
FY 21-22	956,661,700	.6778	6,484,253	-	6,484,253
Penalties	-		275,106	275,106	-
Total	<u>44,279,420,639</u>		<u>302,212,826</u>	<u>274,520,008</u>	<u>27,692,818</u>
Releases	(18,623,605)		(126,231)	(126,231)	-
Total property valuation	<u>\$ 44,260,797,034</u>				
Net levy			302,086,595	274,393,777	27,692,818
Uncollected taxes at June 30, 2022			1,901,125	1,901,125	-
Current year's taxes collected			<u>\$ 300,185,470</u>	<u>\$ 272,492,652</u>	<u>\$ 27,692,818</u>
Current levy collection percentage			<u>99.37%</u>	<u>99.31%</u>	<u>100.000%</u>

Secondary Market Disclosures:

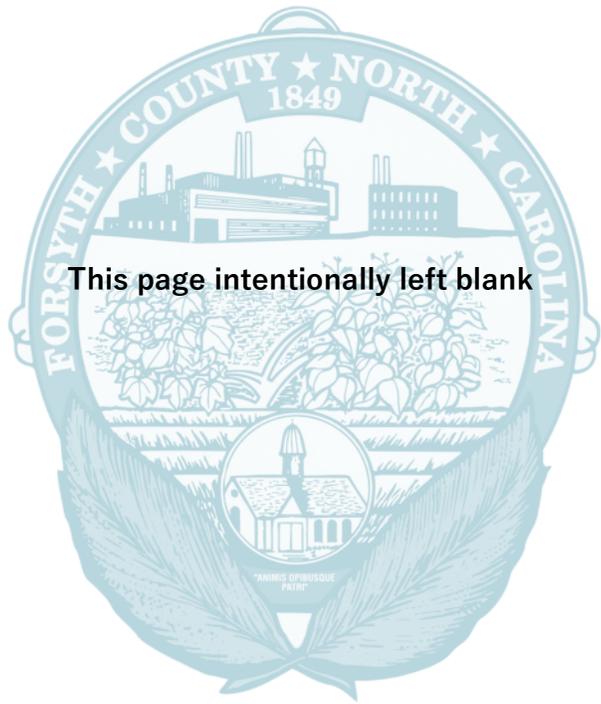
Assessed Valuation:

Assessment Ratio (2)	100%
Real Property	\$ 34,957,174,220
Personal Property	8,343,358,655
Public Service Companies (3)	960,264,159
Total Assessed Valuation	<u>44,260,797,034</u>
Tax Rate per \$100	<u>0.6778</u>
Levy (includes discoveries, releases and abatements)	<u>\$ 302,086,595</u>

(1) The Assessed value times the tax rate will not equal the amount of levy because the levy includes discoveries and releases at prior years' rates.

(2) Percentage of appraised value has been established by statute.

(3) Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.



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This part of the Forsyth County comprehensive annual financial report presents detail 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 – These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time. 112

Revenue Capacity – These schedules contain information to help the reader assess the factors affecting the County’s ability to generate its property taxes. 118

Debt Capacity – These schedules 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. 123

Demographic and Economic Information – These schedules 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. 126

Operating Information – These schedules 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. 128

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

NET POSITION BY COMPONENT
FORSYTH COUNTY, NORTH CAROLINA

Schedule 1

Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	Fiscal Year <u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 - restated</u>	<u>2022</u>	<u>2023</u>
Governmental activities:										
Net investment in capital assets	\$ 76,582,427	80,960,647	91,997,431	93,927,835	108,155,157	136,846,089	141,204,543	151,261,560	194,391,826	211,657,845
Restricted	46,204,270	38,012,456	55,613,795	43,255,799	59,161,078	58,440,613	62,092,255	142,478,585	147,893,636	130,993,945
Unrestricted	<u>(330,405,550)</u>	<u>(302,041,917)</u>	<u>(291,327,469)</u>	<u>(259,186,803)</u>	<u>(312,304,937)</u>	<u>(319,864,643)</u>	<u>(318,998,667)</u>	<u>(390,522,024)</u>	<u>(376,204,756)</u>	<u>(314,748,347)</u>
Total governmental activities net position (deficit)	\$ <u>(207,618,853)</u>	<u>(183,068,814)</u>	<u>(143,716,243)</u>	<u>(122,003,169)</u>	<u>(144,988,702)</u>	<u>(124,577,941)</u>	<u>(115,701,869)</u>	<u>(96,781,879)</u>	<u>(33,919,294)</u>	<u>27,903,443</u>

CHANGES IN NET POSITION
FORSYTH COUNTY, NORTH CAROLINA

Schedule 2

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 -</u> <u>restated</u>	<u>2022</u>	<u>2023</u>
Expenses - Governmental activities:										
General government	\$ 41,283,224	37,104,610	39,710,432	41,691,056	42,248,827	43,824,204	45,353,013	44,665,735	44,899,011	59,336,945
Public safety	73,826,748	73,502,755	77,733,569	80,973,981	82,537,195	89,481,482	91,710,314	93,280,119	98,515,795	109,807,538
Environmental protection	2,229,539	2,504,903	2,777,088	2,435,366	2,819,059	2,988,102	3,169,444	3,017,914	3,380,634	3,465,816
Human services	75,195,871	74,304,852	78,666,572	76,711,222	63,583,037	65,441,721	75,044,951	77,789,756	99,330,693	102,345,711
Culture and recreation	14,556,355	16,535,727	15,951,292	16,641,402	18,485,376	18,477,223	18,744,724	17,985,372	18,081,134	17,673,605
Community and econ. development	4,209,903	2,936,334	4,211,266	3,840,814	9,452,469	6,822,318	9,569,704	7,907,657	10,587,507	6,504,022
Education	144,359,143	134,732,270	135,927,424	143,258,413	169,888,388	191,146,150	190,237,126	215,467,699	214,269,063	222,312,377
Interest on long-term debt	19,259,551	18,129,062	16,179,523	17,161,545	18,557,050	18,720,561	20,159,476	16,711,312	17,652,260	12,138,658
Total expenses	374,920,334	359,750,513	371,157,166	382,713,799	407,571,401	436,901,761	453,988,752	476,825,564	506,716,097	533,584,672
Program revenues - Governmental activities:										
Charges for services:										
General government	3,617,005	3,248,381	3,528,423	3,648,384	3,756,993	3,768,511	3,955,880	4,415,907	4,821,816	4,783,847
Public safety	17,361,145	17,605,671	17,143,278	16,137,539	15,827,574	17,531,635	18,477,813	15,645,791	23,469,031	19,841,360
Environmental protection	228,599	618,162	532,922	172,683	742,063	960,498	652,170	840,614	974,237	658,221
Human services	6,479,949	8,677,070	7,142,225	5,247,617	8,673,055	4,572,125	5,402,693	4,697,688	4,359,475	4,572,363
Culture and recreation	3,944,701	4,251,360	4,197,334	4,162,505	4,074,068	3,772,485	4,060,238	4,310,019	5,045,230	4,983,991
Community and econ. development	160,528	91,515	126,263	103,560	121,073	1,532,214	2,457,051	4,739,263	3,719,203	4,194,371
Education	62,076	57,565	48,249	49,146	50,195	43,034	42,509	35,837	39,240	35,731
Operating grants and contributions:										
General government	831,442	587,768	651,129	581,454	871,649	966,906	956,622	1,878,315	1,470,615	1,643,566
Public safety	5,436,967	5,225,898	4,325,041	4,270,996	4,538,285	4,433,121	4,412,459	5,215,441	5,199,785	5,052,180
Environmental protection	837,273	717,751	870,607	815,512	1,615,512	453,138	685,541	716,128	1,257,041	542,543
Human services	41,633,018	43,276,151	44,316,342	44,429,639	30,397,209	29,518,375	39,206,572	40,827,451	75,123,604	74,902,773
Culture and recreation	1,037,768	1,783,651	1,145,752	1,904,836	780,014	919,383	833,288	1,246,620	1,006,281	742,476
Community and econ. development	339,875	422,464	476,516	329,492	1,045,211	1,687,001	1,127,187	348,318	1,040,484	224,876
Education	4,517,993	3,700,660	3,922,145	3,874,893	3,880,874	3,983,814	3,889,537	4,242,463	3,688,272	4,951,570
Capital grants and contributions:										
Human services	-	-	-	-	12,233,423	-	-	-	-	-
Community and econ. development	-	-	-	-	-	24,110,823	408,031	489,052	7,389,605	10,725,650
Total program revenues	86,488,339	90,264,067	88,426,226	85,728,256	88,607,198	98,253,063	86,567,591	89,648,907	138,603,919	137,855,518
Net expense	(288,431,995)	(269,486,446)	(282,730,940)	(296,985,543)	(318,964,203)	(338,648,698)	(367,421,161)	(387,176,657)	(368,112,178)	(395,729,154)

(continued)

CHANGES IN NET POSITION
FORSYTH COUNTY, NORTH CAROLINA

Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	Fiscal Year <u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 - restated</u>	<u>2022</u>	<u>2023</u>
General revenues and other changes in net position - Governmental activities:										
Taxes:										
Property taxes	\$ 241,781,572	237,494,550	248,996,613	253,812,982	267,549,276	275,276,564	291,511,563	297,343,536	304,906,716	313,776,668
Local option sales taxes	52,905,448	59,852,643	61,889,139	63,841,660	65,500,369	68,839,822	70,352,709	97,253,545	107,725,307	109,477,438
Occupancy taxes	619,138	673,224	747,342	787,567	843,065	907,089	719,675	586,773	990,022	1,135,675
Gross receipts tax	363,830	408,843	430,692	475,501	459,794	492,137	441,334	483,922	579,661	493,554
Excise stamp tax	1,254,797	1,702,744	1,696,261	1,919,012	2,051,214	2,519,811	2,798,033	3,102,090	4,059,993	3,183,453
Grants and contributions not restricted to specific programs	3,985,233	3,784,090	3,744,478	4,028,266	4,030,893	4,120,474	5,372,214	6,556,826	7,097,566	10,159,198
Investment earnings	715,063	487,307	874,524	1,548,280	3,688,357	6,481,035	5,061,816	349,866	134,284	17,693,257
Miscellaneous	3,080,953	530,167	3,172,690	116,609	1,760,522	422,527	1,413,402	420,089	5,481,214	1,632,648
Total general revenues	<u>304,706,034</u>	<u>304,933,568</u>	<u>321,551,739</u>	<u>326,529,877</u>	<u>345,883,490</u>	<u>359,059,459</u>	<u>377,670,746</u>	<u>406,096,647</u>	<u>430,974,763</u>	<u>457,551,891</u>
Change in net position - governmental activities	\$ <u>16,274,039</u>	<u>35,447,122</u>	<u>38,820,799</u>	<u>29,544,334</u>	<u>26,919,287</u>	<u>20,410,761</u>	<u>10,249,585</u>	<u>18,919,990</u>	<u>62,862,585</u>	<u>61,822,737</u>

FUND BALANCES OF GOVERNMENTAL FUNDS
FORSYTH COUNTY, NORTH CAROLINA

Schedule 3

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 - restated</u>	<u>2022</u>	<u>2023</u>
General Fund										
Nonspendable	\$ 122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250
Restricted	34,471,195	30,627,178	31,674,812	32,644,300	35,654,436	36,356,366	37,617,142	44,963,186	54,850,450	50,259,463
Committed	33,141,288	29,078,705	37,544,316	34,743,602	28,022,228	33,369,023	2,981,418	15,471,626	44,512,575	47,642,535
Assigned	10,031,500	27,673,036	18,603,884	19,017,695	25,877,050	19,344,636	30,455,363	26,581,728	36,097,735	41,388,191
Unassigned	<u>64,817,179</u>	<u>58,038,886</u>	<u>59,187,664</u>	<u>59,556,713</u>	<u>59,683,982</u>	<u>64,217,261</u>	<u>62,561,176</u>	<u>70,009,874</u>	<u>74,559,812</u>	<u>79,780,437</u>
Total General Fund	<u>\$ 142,583,412</u>	<u>145,540,055</u>	<u>147,132,926</u>	<u>146,084,560</u>	<u>149,359,946</u>	<u>153,409,536</u>	<u>133,737,349</u>	<u>157,148,664</u>	<u>210,142,822</u>	<u>219,192,876</u>
All other governmental funds										
Nonspendable	\$ -	-	-	-	-	-	-	-	-	-
Restricted	30,604,023	61,255,209	46,325,132	147,066,899	110,965,483	161,445,708	131,075,730	319,619,945	240,007,926	295,150,838
Committed	4,166,932	8,599,219	8,127,167	7,415,455	11,003,946	9,060,673	49,553,858	72,932,667	35,232,495	59,699,602
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	<u>(5,169,337)</u>	<u>(746,862)</u>	<u>(1,883,107)</u>	<u>(93,996)</u>	<u>(7,526,246)</u>	<u>29,744,017</u>	<u>(3,014,302)</u>	<u>(210,586)</u>	<u>(939,865)</u>	<u>(23,533,909)</u>
Total all other governmental funds	<u>\$ 29,601,618</u>	<u>69,107,566</u>	<u>52,569,192</u>	<u>154,388,358</u>	<u>114,443,183</u>	<u>200,250,398</u>	<u>177,615,286</u>	<u>392,342,026</u>	<u>274,300,556</u>	<u>331,316,531</u>

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
FORSYTH COUNTY, NORTH CAROLINA

Schedule 4

Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2014	2015	2016	2017	Fiscal Year 2018	2019	2020	2021 restated	2022	2023
Revenues										
Property taxes	\$ 242,188,927	238,433,384	249,097,206	254,356,987	267,708,214	275,322,245	291,138,751	297,548,508	305,118,758	313,731,638
Occupancy taxes	619,138	673,224	747,342	787,567	843,065	907,089	719,675	586,773	990,022	1,135,675
Local option sales tax	52,905,448	59,852,643	61,889,139	63,841,660	65,500,369	68,839,822	70,352,709	97,253,545	107,725,307	109,477,438
Other taxes	363,830	408,843	430,692	475,501	459,794	492,137	441,334	483,922	579,661	493,555
Licenses and permits	790,379	840,176	885,379	837,632	888,557	847,930	950,621	1,101,224	964,200	882,939
Intergovernmental	58,735,531	59,319,667	58,522,653	59,841,104	46,209,318	46,976,546	56,333,247	61,245,137	103,820,832	106,918,398
Charges for services	23,733,229	23,624,514	23,129,592	22,105,829	22,306,846	24,005,139	24,201,585	26,376,464	31,341,027	31,052,716
Investment earnings	727,569	502,238	892,558	1,575,590	3,741,305	6,572,370	5,145,319	374,496	(9,483)	19,714,376
Other	10,014,487	10,780,239	10,599,508	8,630,891	13,920,565	9,271,542	12,797,968	10,730,182	13,482,669	11,509,367
Total revenues	390,078,538	394,434,928	406,194,069	412,452,761	421,578,033	433,234,820	462,081,209	495,700,251	564,012,993	594,916,102
Expenditures										
Current:										
General government	36,546,154	34,751,181	36,742,065	39,040,088	39,422,533	40,088,488	41,406,663	41,709,821	43,700,089	53,332,484
Public safety	69,651,727	71,415,681	75,399,678	78,879,635	79,004,885	82,827,983	83,035,269	86,541,683	95,727,671	108,900,319
Environmental protection	2,206,012	2,557,325	2,770,670	2,497,067	2,813,935	2,854,242	2,980,933	2,893,124	3,443,896	3,528,372
Human services	68,544,801	69,035,342	72,603,478	74,918,617	63,432,141	63,428,312	71,681,462	75,921,480	101,220,489	102,940,480
Culture and recreation	14,453,569	14,172,939	14,523,516	15,064,741	15,592,888	15,525,342	15,841,182	15,105,354	16,733,075	17,874,057
Comm. and econ. development	2,774,655	2,935,327	4,212,562	3,839,152	9,453,076	6,287,498	6,454,644	5,374,313	8,007,881	5,379,849
Education	604,563	969,082	789,485	807,656	801,446	733,935	719,385	665,601	707,748	776,277
Intergovernmental:										
Human services	5,740,312	5,861,305	5,811,072	1,948,784	-	-	-	-	-	-
Education	143,738,262	133,713,158	135,157,216	142,452,410	169,076,299	189,876,343	189,510,247	214,804,734	213,566,541	221,563,991
Debt service:										
Principal retirement	41,565,055	39,050,432	40,054,752	39,184,853	41,885,000	41,220,000	45,885,000	61,701,068	56,193,650	56,223,500
Interest and other charges	22,433,916	22,056,472	20,643,389	19,090,480	22,031,256	20,646,227	24,628,108	21,917,395	25,731,530	26,294,067
Capital outlay	8,029,369	7,626,935	13,083,061	23,260,508	14,734,363	11,202,508	27,653,351	21,902,049	66,683,835	80,336,236
Total expenditures	416,288,395	404,145,179	421,790,944	440,983,991	458,247,822	474,690,878	509,796,244	548,536,622	631,716,405	677,149,632
Deficiency of revenues over expenditures	(26,209,857)	(9,710,251)	(15,596,875)	(28,531,230)	(36,669,789)	(41,456,058)	(47,715,035)	(52,836,371)	(67,703,412)	(82,233,530)

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 FORSYTH COUNTY, NORTH CAROLINA**

Schedule 4

Last Ten Fiscal Years
 (modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	Fiscal Year <u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>restated</u>	<u>2022</u>	<u>2023</u>
Other financing sources (uses):										
General obligation bonds issuance	-	47,550,000	-	123,145,000	-	119,790,000	-	129,040,000	-	127,520,000
Premium on general obligation bonds	-	4,114,935	-	6,157,030	-	11,522,863	-	13,881,196	-	12,643,315
Limited obligation bonds issued	-	-	-	-	-	-	-	103,661,233	-	-
Premium on limited obligation bonds	-	-	-	-	-	-	-	17,613,889	-	-
Installment purchases	-	-	-	-	-	-	2,690,477	7,776,941	-	-
Lease liabilities issued	-	-	-	-	-	-	-	-	1,605,549	2,244,111
SBITA liabilities issued	-	-	-	-	-	-	-	-	-	5,892,133
Other long-term borrowing	-	-	-	-	-	-	2,247,974	1,621,775	1,050,551	-
Refunding bonds issued	8,230,000	72,245,000	29,720,000	-	-	-	66,810,000	19,850,000	-	-
Premium on refunding bonds	-	18,145,244	-	-	-	-	10,879,285	2,710,414	-	-
Refunding LOBs issuance	-	-	-	-	-	-	-	23,278,767	-	-
Premium on LOBs refunding bonds	-	-	-	-	-	-	-	3,481,327	-	-
Transfers in	13,687,885	16,176,832	15,574,472	18,622,313	16,187,298	25,444,016	179,579,649	165,817,505	147,411,007	38,546,949
Transfers out	(13,687,885)	(16,176,832)	(15,574,472)	(18,622,313)	(16,187,298)	(25,444,016)	(179,579,649)	(165,817,505)	(147,411,007)	(38,546,949)
Payment to refunded bond escrow agent	<u>(8,141,925)</u>	<u>(89,882,337)</u>	<u>(29,600,400)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(77,220,000)</u>	<u>(31,941,116)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>88,075</u>	<u>52,172,842</u>	<u>119,600</u>	<u>129,302,030</u>	<u>-</u>	<u>131,312,863</u>	<u>5,407,736</u>	<u>290,974,426</u>	<u>2,656,100</u>	<u>148,299,559</u>
Net change in fund balances	<u>\$ (26,121,782)</u>	<u>42,462,591</u>	<u>(15,477,275)</u>	<u>100,770,800</u>	<u>(36,669,789)</u>	<u>89,856,805</u>	<u>(42,307,299)</u>	<u>238,138,055</u>	<u>(65,047,312)</u>	<u>66,066,029</u>
Debt service as a percentage of noncapital expenditures	<u>15.6%</u>	<u>15.4%</u>	<u>14.9%</u>	<u>14.0%</u>	<u>14.4%</u>	<u>13.4%</u>	<u>14.6%</u>	<u>15.9%</u>	<u>14.5%</u>	<u>13.6%</u>

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
FORSYTH COUNTY, NORTH CAROLINA

Schedule 5

Last Ten Fiscal Years

Fiscal Year Ended	(1) Tax Year Ended	Real Property	Personal Property	Registered Vehicles	Corporate Excess	Total	(2) Ratio of	(3) Total
							Assessed Value to Estimated Actual Value	Direct Tax Rate
2014	2013	25,962,868,887	3,060,564,808	3,379,328,693	587,034,662	32,989,797,050	100%	0.7168
2015	2014	26,041,986,825	2,809,383,967	2,736,319,899	611,422,481	32,199,113,172	100%	0.7168
2016	2015	26,239,522,214	3,040,006,463	2,885,713,744	660,896,757	32,826,139,178	100%	0.7310
2017	2016	26,875,173,026	3,012,441,003	3,024,187,570	675,048,940	33,586,850,539	100%	0.7310
2018	2017	28,493,555,596	3,409,057,936	3,142,046,637	695,663,473	35,740,323,642	100%	0.7235
2019	2018	28,896,922,657	3,691,746,250	3,338,057,975	721,340,710	36,648,067,592	100%	0.7235
2020	2019	29,439,875,290	3,757,915,292	3,403,069,908	754,389,347	37,355,249,837	100%	0.7535
2021	2020	29,924,209,616	3,874,685,012	3,831,282,353	779,851,424	38,410,028,405	100%	0.7435
2022	2021	34,468,614,147	3,902,969,828	3,853,932,295	838,198,571	43,063,714,841	100%	0.6778
2023	2022	34,957,174,220	4,259,012,990	4,084,345,665	960,264,159	44,260,797,034	100%	0.6778

Source: Assessed Valuation amounts provided by the Forsyth County Tax Office.

Notes: (1) Tax year for registered vehicles is the same as fiscal year.

(2) Assessed value is established at estimated market value. Real property was revalued on January 1 of 2013, 2017 and 2021. As of January 1, 1993, assessed value for registered vehicles is established monthly. Assessed value for all other property is established annually.

(3) Tax Rates per \$100 Valuation. Direct Rate shown does not include Fire Tax District Rates. See Schedule 6 for complete Direct and Overlapping Tax Rates.

DIRECT AND OVERLAPPING PROPERTY TAX RATES
FORSYTH COUNTY, NORTH CAROLINA

Last Ten Fiscal Years

		Tax Rates per \$100 Valuation, Year Ended June 30,									
		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Forsyth County	\$	0.6778	0.6778	0.7435	0.7535	0.7235	0.7235	0.7310	0.7310	0.7168	0.7168
Municipalities: (1)											
City of Winston-Salem		0.6360	0.6124	0.6374	0.6374	0.5974	0.5974	0.5850	0.5650	0.5400	0.5300
Combined Rate		1.3138	1.2902	1.3809	1.3909	1.3209	1.3209	1.3160	1.2960	1.2568	1.2468
Town of Bethania		0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
Combined Rate		0.9778	0.9778	1.0435	1.0535	1.0235	1.0235	1.0310	1.0310	1.0168	1.0168
Village of Clemmons		0.1500	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150
Combined Rate		0.8278	0.7928	0.8585	0.8685	0.8385	0.8385	0.8460	0.8460	0.8318	0.8318
City of High Point		0.6175	0.6475	0.6475	0.6475	0.6475	0.6475	0.6475	0.6500	0.6640	0.6750
Combined Rate		1.2953	1.3253	1.3910	1.4010	1.3710	1.3710	1.3785	1.3810	1.3808	1.3918
Town of Kernersville		0.5590	0.5590	0.5700	0.5700	0.5700	0.5545	0.5700	0.5425	0.5425	0.5275
Combined Rate		1.2368	1.2368	1.3135	1.3235	1.2935	1.2780	1.3010	1.2735	1.2593	1.2443
City of King		0.4700	0.4700	0.4220	0.4220	0.4220	0.4220	0.4220	0.4220	0.4220	0.4220
Combined Rate		1.1478	1.1478	1.1655	1.1755	1.1455	1.1455	1.1530	1.1530	1.1388	1.1388
Town of Lewisville		0.1770	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770
Combined Rate		0.8548	0.8548	0.9205	0.9305	0.9005	0.9005	0.9080	0.9080	0.8938	0.8938
Town of Rural Hall		0.3100	0.3100	0.3100	0.3100	0.3100	0.3100	0.3100	0.3100	0.3000	0.2800
Combined Rate		0.9878	0.9878	1.0535	1.0635	1.0335	1.0335	1.0410	1.0410	1.0168	0.9968
Village of Tobaccoville		0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Combined Rate		0.7278	0.7278	0.7935	0.8035	0.7735	0.7735	0.7810	0.7810	0.7668	0.7668
Town of Walkertown		0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Combined Rate		0.8778	0.8778	0.9435	0.9535	0.9235	0.9235	0.9310	0.9310	0.9168	0.9168
Fire Tax Districts: (2)											
Countywide Fire Service District		0.0039	0.0039	0.0073	0.0073	-	-	-	-	-	-
Beesons Crossroads		0.0950	0.0950	0.0950	0.0950	0.0986	0.0880	0.0880	0.0880	0.0880	0.0800
Combined Direct Rate		0.7767	0.7767	0.8458	0.8558	0.8221	0.8190	0.8190	0.8190	0.8048	0.7968
Beesons Crossroads Service		0.0950	0.0950	0.0950	0.0950	0.0986	0.0880	0.0880	0.0880	0.0880	-
Combined Direct Rate		0.7767	0.7767	0.8458	0.8558	0.8221	0.8190	0.8190	0.8190	0.8048	-
Belews Creek		0.1100	0.1100	0.1100	0.1100	0.1136	0.1100	0.0750	0.0750	0.0750	0.0700
Combined Direct Rate		0.7917	0.7917	0.8608	0.8708	0.8371	0.8410	0.8060	0.8060	0.7918	0.7868
City View		0.1000	0.1000	0.1000	0.1050	0.1086	0.1050	0.0900	0.0800	0.0800	0.0800
Combined Direct Rate		0.7817	0.7817	0.8508	0.8658	0.8321	0.8360	0.8210	0.8110	0.7968	0.7968
Clemmons		0.0600	0.0600	0.0600	0.0600	0.0636	0.0600	0.0600	0.0500	0.0500	0.0500
Combined Direct Rate		0.7417	0.7417	0.8108	0.8208	0.7871	0.7910	0.7910	0.7810	0.7668	0.7668
Forest Hill		0.1150	0.1150	0.1150	0.1150	0.1086	0.1050	0.0900	0.0850	0.0850	0.0750
Combined Direct Rate		0.7967	0.7967	0.8658	0.8758	0.8321	0.8360	0.8210	0.8160	0.8018	0.7918
Griffith		0.0650	0.0650	0.0650	0.0650	0.0586	0.0550	0.0550	0.0550	0.0550	0.0550
Combined Direct Rate		0.7467	0.7467	0.8158	0.8258	0.7821	0.7860	0.7860	0.7860	0.7718	0.7718
Gumtree		0.1225	0.1000	0.1000	0.1000	0.1036	0.1000	0.1000	0.1000	0.1000	0.0950
Combined Direct Rate		0.8042	0.7817	0.8508	0.8608	0.8271	0.8310	0.8310	0.8310	0.8168	0.8118

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
FORSYTH COUNTY, NORTH CAROLINA**

Last Ten Fiscal Years

		Tax Rates per \$100 Valuation, Year Ended June 30,									
		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fire Tax Districts (cont.): (2)											
Hornetown	\$	0.1500	0.1500	0.1500	0.1500	0.1336	0.1220	0.1100	0.1100	0.1100	0.1100
Combined Direct Rate		0.8317	0.8317	0.9008	0.9108	0.8571	0.8455	0.8410	0.8410	0.8268	0.8268
King		0.0838	0.0838	0.0750	0.0750	0.0786	0.0750	0.0750	0.0650	0.0650	0.0650
Combined Direct Rate		0.7655	0.7655	0.8258	0.8358	0.8021	0.7985	0.8060	0.7960	0.7818	0.7818
Lewisville		0.0850	0.0800	0.0800	0.0800	0.0836	0.0800	0.0800	0.0800	0.0780	0.0740
Combined Direct Rate		0.7667	0.7617	0.8308	0.8408	0.8071	0.8035	0.8110	0.8110	0.7948	0.7908
Mineral Springs		0.1150	0.1150	0.1150	0.1150	0.1086	0.1050	0.1050	0.0900	0.0850	0.0850
Combined Direct Rate		0.7967	0.7967	0.8658	0.8758	0.8321	0.8285	0.8360	0.8210	0.8018	0.8018
Mineral Springs Service		0.1150	0.1150	0.1150	0.1150	0.1086	0.1050	0.1050	0.0900	0.0850	0.0850
Combined Direct Rate		0.7967	0.7967	0.8658	0.8758	0.8321	0.8285	0.8360	0.8210	0.8018	0.8018
Mount Tabor		0.0850	0.0850	0.0850	0.0850	0.0786	0.0750	0.0750	0.0750	0.0750	0.0750
Combined Direct Rate		0.7667	0.7667	0.8358	0.8458	0.8021	0.7985	0.8060	0.8060	0.7918	0.7918
Old Richmond		0.0950	0.0950	0.0950	0.0950	0.0986	0.0950	0.0950	0.0950	0.0900	0.0900
Combined Direct Rate		0.7767	0.7767	0.8458	0.8558	0.8221	0.8185	0.8260	0.8260	0.8068	0.8068
Piney Grove		0.1400	0.1400	0.1400	0.1400	0.1436	0.1300	0.1300	0.1300	0.1150	0.1150
Combined Direct Rate		0.8217	0.8217	0.8908	0.9008	0.8671	0.8535	0.8610	0.8610	0.8318	0.8318
Salem Chapel		0.1400	0.1109	0.1200	0.1200	0.1236	0.1200	0.1200	0.1200	0.0900	0.0900
Combined Direct Rate		0.8217	0.7926	0.8708	0.8808	0.8471	0.8435	0.8510	0.8510	0.8068	0.8068
South Fork		0.0600	0.0600	0.0600	0.0600	0.0636	0.0600	0.0600	0.0600	0.0500	0.0500
Combined Direct Rate		0.7417	0.7417	0.8108	0.8208	0.7871	0.7835	0.7910	0.7910	0.7668	0.7668
Suburban (Rural Hall)		0.1050	0.1050	0.1100	0.1050	0.1086	0.1050	0.1050	0.1050	0.0960	0.0860
Combined Direct Rate		0.7867	0.7867	0.8608	0.8658	0.8321	0.8285	0.8360	0.8360	0.8128	0.8028
Talley's Crossing		0.1000	0.1000	0.1000	0.1050	0.1086	0.1050	0.1050	0.0900	0.0800	0.0800
Combined Direct Rate		0.7817	0.7817	0.8508	0.8658	0.8321	0.8285	0.8360	0.8210	0.7968	0.7968
Triangle		0.0920	0.0920	0.0920	0.0920	0.0956	0.0920	0.0920	0.0920	0.0920	0.0920
Combined Direct Rate		0.7737	0.7737	0.8428	0.8528	0.8191	0.8155	0.8230	0.8230	0.8088	0.8088
Union Cross		0.1350	0.1200	0.1200	0.1200	0.1236	0.1200	0.1200	0.1000	0.1000	0.1000
Combined Direct Rate		0.8167	0.8017	0.8708	0.8808	0.8471	0.8435	0.8510	0.8310	0.8168	0.8168
Vienna		0.0850	0.0850	0.0850	0.0850	0.0786	0.0750	0.0750	0.0750	0.0750	0.0750
Combined Direct Rate		0.7667	0.7667	0.8358	0.8458	0.8021	0.7985	0.8060	0.8060	0.7918	0.7918
Walkertown (Northeast)		0.1000	0.1000	0.1000	0.1000	0.1036	0.1000	0.1000	0.0950	0.0950	0.0870
Combined Direct Rate		0.7817	0.7817	0.8508	0.8608	0.8271	0.8235	0.8310	0.8260	0.8118	0.8038
West Bend		0.0850	0.0800	0.0800	0.0800	0.0836	0.0800	0.0800	0.0800	0.0780	0.0740
Combined Direct Rate		0.7667	0.7617	0.8308	0.8408	0.8071	0.8035	0.8110	0.8110	0.7948	0.7908

Source: Property Tax Rates provided by the Forsyth County Tax Office

- Notes:
- (1) Municipalities set their own direct rate. This rate, combined with the County Rate and any applicable Fire Tax District Rate, is the total Overlapping Tax Rate.
 - (2) The Forsyth County Board of Commissioners sets each Fire Tax District Rate.

PRINCIPAL PROPERTY TAX PAYERS
FORSYTH COUNTY, NORTH CAROLINA

Schedule 7

Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2022 Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>	<u>2013 Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
R. J. Reynolds Industries, Inc	Tobacco, Foods, Petroleum and Transportation	\$ 1,099,816,499	1	2.48%	\$ 821,499,450	1	2.39%
Duke Energy Corporation	Electric Utility	669,826,710	2	1.51%	306,888,130	3	0.89%
Wells Fargo Bank NA	Banking	364,852,822	3	0.82%	223,180,010	4	0.65%
Caterpillar Inc	Manufacturer	227,079,276	4	0.51%			
Lowes Data Center	Retail	205,618,684	5	0.46%	412,759,440	2	1.20%
Wexford Science & Technology, LLC	Real Estate Development	178,173,401	6	0.40%			
Firstkey Homes	Real Estate Management	177,260,316	7	0.40%			
Novant Health Inc	Medical	151,585,605	8	0.34%			
JG Winston-Salem	Real Estate Management	147,578,101	9	0.33%	187,556,700	5	0.55%
American Homes 4 Rent	Real Estate Management	145,597,313	10	0.33%			
Wal-Mart	Retail	-			122,015,620	8	0.36%
Branch Banking & Trust Co	Banking	-			123,897,840	7	0.36%
Wake Forest University Health	Medical	-			161,346,010	6	0.47%
Pidemont Natual Gas	Natural Gas Utility	-			98,757,000	9	0.29%
AT&T	Communications Utility	-			91,416,220	10	0.27%
		<u>\$ 3,367,388,727</u>		<u>7.58%</u>	<u>\$ 2,549,316,420</u>		<u>7.43%</u>

Source: Assessed Valuation amounts provided by the Forsyth County Tax Office.

Note: Lowes Data Center includes property previously reported under Lowes Home Center.

PROPERTY TAX LEVIES AND COLLECTIONS
FORSYTH COUNTY, NORTH CAROLINA

Schedule 8

Last Ten Fiscal Years

Fiscal Year Ended <u>June 30</u>	Total Tax Levy for <u>Fiscal Year</u>	Collected within the		Collections in Subsequent <u>Years</u>	<u>Total Collections to Date</u>	
		<u>Fiscal Year of the Levy</u>	Percentage		<u>Amount</u>	Percentage
		<u>Amount</u>	<u>of Levy</u>		<u>Amount</u>	<u>of Levy</u>
2014	234,215,900	230,760,638	98.52%	2,204,726	232,965,364	99.47%
2015	230,986,702	228,618,034	98.97%	1,681,794	230,299,828	99.70%
2016	241,192,603	239,063,497	99.12%	1,439,696	240,503,193	99.71%
2017	246,544,840	244,417,516	99.14%	1,293,863	245,711,379	99.66%
2018	259,184,864	257,172,253	99.22%	1,398,503	258,570,756	99.76%
2019	266,203,284	264,297,009	99.28%	1,176,586	265,473,595	99.73%
2020	281,867,417	279,198,788	99.05%	1,988,765	281,187,553	99.76%
2021	286,211,607	284,394,322	99.37%	903,197	285,297,519	99.68%
2022	293,652,311	291,834,443	99.38%	1,385,988	293,220,431	99.85%
2023	302,086,595	300,185,470	99.37%	1,207,763	301,393,233	99.77%

**RATIOS OF OUTSTANDING DEBT BY TYPE
 FORSYTH COUNTY, NORTH CAROLINA**

Schedule 9

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Bonded Debt as a	
		Percentage of Actual Taxable Value of Property ^a	Total Bonded Debt Per Capita ^b
2014	467,559,237	1.42%	1,296.45
2015	492,044,964	1.53%	1,351.00
2016	452,707,749	1.38%	1,234.46
2017	543,957,057	1.62%	1,467.34
2018	503,677,229	1.41%	1,344.25
2019	595,792,576	1.63%	1,575.76
2020	550,875,637	1.47%	1,447.15
2021	649,080,268	1.69%	1,690.91
2022	597,184,121	1.39%	1,540.31
2023	679,952,455	1.54%	1,741.05

Governmental Activities									
Fiscal Year	General Obligation Bonds	Certificates of Participation	Limited Obligation Bonds	Installment Purchase Obligations	Other Long Term Borrowing	Lease / Subscription Liabilities	Total Primary Government	Percentage of Personal Income ^b	Total Debt Per Capita ^b
2014	467,559,237	37,650,582	29,874,372	9,620,166	-	-	544,704,357	3.80%	1,510.36
2015	492,044,964	33,730,604	28,076,784	8,335,996	-	-	562,188,348	3.63%	1,543.60
2016	452,707,749	-	26,287,402	36,475,000	-	-	515,470,151	3.19%	1,405.60
2017	543,957,057	-	24,506,733	31,195,000	-	-	599,658,790	3.63%	1,617.60
2018	503,677,229	-	22,736,295	25,830,000	-	-	552,243,524	3.18%	1,473.87
2019	595,792,576	-	20,976,088	20,390,000	-	-	637,158,664	3.61%	1,685.17
2020	550,875,637	-	19,226,747	18,555,477	2,247,974	-	590,905,835	3.17%	1,552.31
2021	649,080,268	-	148,812,017	11,270,000	3,646,099	-	812,808,384	4.11%	2,117.44
2022	597,184,121	-	139,390,898	6,610,000	4,473,000	1,311,414	748,969,433	3.45%	1,931.81
2023	679,952,455	-	130,480,081	1,890,000	4,224,500	6,779,034	823,326,070	3.66%	2,108.17

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

^a See Schedule 5 for property value data.

^b See Schedule 12 for population and personal income data.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
FORSYTH COUNTY, NORTH CAROLINA

Schedule 10

FORSYTH COUNTY, NORTH CAROLINA

As of June 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Forsyth County^a</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
City of Winston-Salem	\$ 267,745,827	100.0%	\$ 267,745,827
Town of Kernersville	40,196,379	89.2%	35,847,131
Town of Lewisville	1,600,000	100.0%	1,600,000
Town of King	1,768,208	9.7%	171,516
City of High Point	122,637,071	0.7%	797,141
Village of Clemmons	47,491	100.0%	47,491
Other debt			
City of Winston-Salem	161,820,437	100.0%	161,820,437
City of High Point	169,753,000	0.7%	<u>1,103,395</u>
Subtotal, overlapping debt			469,132,937
County direct debt			<u>823,326,743</u>
Total direct and overlapping debt			\$ <u>1,292,459,680</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Forsyth County Tax Office or the governmental units. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Forsyth County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident - and therefore responsible for repaying the debt - of each overlapping government.

^a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value which is within the County's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used for the City of Winston-Salem's and City of High Point's Other Debt.

**LEGAL DEBT MARGIN INFORMATION
 FORSYTH COUNTY, NORTH CAROLINA**

Schedule 11

Last Ten Fiscal Years
 (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2023	
Assessed Value of Taxable Property	\$ 44,260,797
Debt Limit - Eight percent (8%) of assessed value	3,540,864
Debt applicable to limit:	
General obligation bonds	679,953
Limited obligation bonds	130,480
Installment purchase obligations	1,890
Other long term borrowing	4,225
Total debt applicable to legal debt limit	<u>816,548</u>
Legal debt margin	<u>\$ 2,724,316</u>

	Fiscal Year									
	<u>2014</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>
Debt Limit	\$ 2,639,184	2,575,929	2,626,091	2,686,948	2,859,226	2,931,845	2,988,420	3,072,802	3,445,097	3,540,864
Total net debt applicable to limit	544,704	562,188	515,470	599,659	552,244	637,159	590,906	812,808	747,658	816,548
Legal debt margin	\$ 2,094,479	2,013,741	2,110,621	2,087,289	2,306,982	2,294,687	2,397,514	2,259,994	2,697,439	2,724,316
Total net debt applicable to the limit as a percentage of debt limit	20.6%	21.8%	19.6%	22.3%	19.3%	21.7%	19.8%	26.5%	21.7%	23.1%

Note: Under state law, the County's outstanding general obligation debt should not exceed eight percent (8%) of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

DEMOGRAPHIC AND ECONOMIC STATISTICS
FORSYTH COUNTY, NORTH CAROLINA

Schedule 12

Last Ten Calendar Years

Calendar	Personal	Per Capita	Median	Dropout	Public	Private	Unemployment	
Year	Income	Personal	Age	Rates for	School	School	Rate	
	(000's)	Income		Grades 9-12	Enrollment	Enrollment		
	¹	²	³	⁴	⁴	^{5, a}	⁶	
2013	360,646	14,337,883	39,781	38.1	2.7%	53,107	4,579	7.3%
2014	364,207	15,489,599	42,531	37.9	2.3%	53,693	4,494	5.8%
2015	366,725	16,177,491	44,075	37.9	2.8%	53,908	4,458	5.4%
2016	370,709	16,523,347	44,558	38.0	2.4%	54,162	4,505	4.9%
2017	374,689	17,384,955	46,340	38.4	2.5%	54,094	4,511	4.4%
2018	378,098	17,671,702	46,713	38.5	2.5%	53,438	4,255	3.9%
2019	380,663	18,628,525	48,885	38.4	3.1%	53,277	4,461	3.7%
2020	383,864	19,796,963	51,667	38.4	3.1%	49,728	4,675	7.3%
2021	387,703	21,730,970	56,273	38.6	2.7%	50,937	4,953	5.0%
2022	390,541	22,485,752	57,781	38.8	3.6%	51,315	5,758	3.7%

Sources: ¹ Office of State Budget and Management. Subject to annual updates.

² U.S. Department of Commerce: Bureau of Economic Analysis. Population used in calculation may vary from OSBM population. Subject to annual updates.

³ U.S. Census Bureau. Subject to annual updates.

⁴ North Carolina Department of Public Instruction

⁵ State of North Carolina Division of Non-Public Education

⁶ North Carolina Department of Commerce

Notes:

^a Private School Enrollment does not include special schools or home schools.

PRINCIPAL EMPLOYERS
FORSYTH COUNTY, NORTH CAROLINA

Schedule 13

Current Year and Ten Years Ago

<u>Employer</u>	<u>2023</u>			<u>2014</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Atrium Health Wake Forest Baptist ^a	18,570	1	10.2%	13,398	1	8.0%
Novant Health	11,010	2	6.1%	8,145	2	4.9%
Winston-Salem/Forsyth County School System	5,500	3	3.0%	7,600	3	4.5%
Truist Bank ^b	4,000	4	2.2%	2,200	9	1.3%
Wells Fargo Bank	3,500	5	1.9%	2,800	4	1.7%
Reynolds American	2,500	6	1.4%	2,500	6	1.5%
Hanesbrands, Inc.	2,400	7	1.3%	2,230	8	1.3%
City of Winston-Salem	2,287	8	1.3%	2,660	5	1.6%
Wake Forest University	2,270	9	1.3%	2,401	7	1.4%
Forsyth County	2,062	10	1.1%	2,029	10	1.2%
Total	54,099		29.8%	45,963		27.5%

^a Formerly Wake Forest University Baptist Medical Center

^b Formerly BB&T

Sources: Direct from companies and institutions. Also provided by Greater Winston-Salem, Inc., as reported by individual companies and institutions. Data is now being collected regionally in some cases. County civilian labor force information used to calculate percentage of total employment provided by the North Carolina Department of Commerce.

**FULL-TIME-EQUIVALENT COUNTY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
FORSYTH COUNTY, NORTH CAROLINA**

Schedule 14

Last Ten Fiscal Years

<u>Function</u>	Full-time Equivalent Employees as of June 30,									
	<u>2014</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>
General government	320	314	314	325	308	305	311	299	293	303
Public safety	781	784	782	786	774	790	813	806	791	850
Human services	662	661	661	710	693	688	688	649	644	676
Environmental protection	22	23	24	23	23	22	22	22	23	22
Community and economic development	5	5	4	5	5	11	17	16	17	18
Education	4	5	5	6	6	5	4	3	3	4
Culture and recreation	198	191	184	192	192	198	196	188	183	189
Total	2,015	2,010	1,992	2,047	2,001	2,019	2,051	1,983	1,954	2,062

Source: Forsyth County Finance Department

Notes: The County has full-time employees scheduled to work 40-hour (2,080 hours per year), 42-hour (2,184 hours per year), 42.5-hour (2,210 hours per year), 42.88-hour (2,230 hours per year), or 56-hour (2,912 hours per year) work weeks.

Full-time-equivalent employment is calculated by dividing total labor hours employed by the standard scheduled hours.

OPERATING INDICATORS BY FUNCTION
FORSYTH COUNTY, NORTH CAROLINA

Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
General services										
Number of facilities	47	47	47	41	42	44	42	42	42	42
Square footage - active	2,257,302	2,277,389	2,150,982	2,099,727	2,158,870	2,229,705	2,212,809	2,212,809	2,212,809	2,223,609
Assigned fleet vehicles	577	577	577	562	583	572	617	696	652	654
Register of deeds										
Deeds recorded	10,875	11,399	11,335	12,108	12,753	13,131	13,954	13,713	15,218	15,803
Real estate copies	24,193	18,413	15,795	17,735	18,138	17,483	16,759	11,775	7,308	8,179
Birth certificates	8,499	5,575	8,134	9,691	9,328	8,308	8,291	8,194	7,961	8,049
Marriage certificates	2,038	2,092	2,329	2,483	2,444	2,341	2,313	2,145	2,196	2,432
Vital records copies	62,319	60,826	65,744	65,740	67,406	63,206	64,357	61,418	73,195	85,537
Tax administration										
Current year levy collection percentage	98.05%	98.43%	98.89%	99.04%	99.08%	99.17%	99.25%	99.00%	99.32%	99.35%
Public safety										
Emergency management										
Responders receiving specialized training	125	125	125	75	390	212	175	286	280	250
Emergency services										
Emergency dispatches	31,349	29,348	29,364	30,311	31,512	32,298	34,051	33,698	36,385	42,630
Non-emergency dispatches	2,968	8,095	9,484	10,236	12,273	13,743	13,700	12,425	11,683	12,003
Fire										
Fire alarms (total dispatches)	4,058	7,518	7,241	7,711	8,110	8,506	9,453	8,186	7,490	10,314
Volunteer rescue squad response	10,478	19,744	20,060	20,942	19,850	18,371	19,027	15,439	8,986	15,038
911 calls received	44,444	89,695	93,542	98,333	102,769	98,170	99,959	104,494	118,121	107,990
Telephone calls processed	97,758	204,839	209,199	215,479	216,701	209,031	193,765	207,322	259,308	203,098
Sheriff										
Patrol service calls	74,125	66,409	80,851	83,851	76,016	81,189	88,782	77,957	78,574	85,176
Detention - avg. daily inmate population	695	761	731	684	766	797	835	634	563	687
Detention - avg. length of stay (in days)	20	22	21	22	23	25	28	45	26	33
Calls received (Animal Services)	14,650	12,583	11,077	10,671	11,007	10,547	10,899	8,499	10,109	11,663
Economic development										
Housing										
Homes rehabilitated	24	23	16	16	24	16	22	22	18	26
First time home buyers	15	33	39	36	35	29	22	27	18	11

(continued)

OPERATING INDICATORS BY FUNCTION
FORSYTH COUNTY, NORTH CAROLINA

Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Human services										
Public health										
Communicable disease investigations	1,536	1,648	1,640	1,253	751	292	128	4,238	33,660	60,039
Environmental health improvement permits	371	449	471	525	535	650	590	866	898	736
Social services										
Adult guardianships	229	278	338	328	306	311	224	228	224	216
Adoptions finalized	22	24	25	29	45	31	16	31	13	34
Child protective services investigations	2,724	2,952	2,819	3,514	3,686	3,292	3,689	3,556	3,537	3,856
Environmental protection										
Environmental assistance & protection										
Permits processed within prescribed timeframe	91%	100%	100%	85%	85%	85%	90%	94%	95%	90%
Correct air quality forecasting	81%	78%	77%	81%	82%	80%	80%	84%	83%	76%
Culture and recreation										
NC cooperative extension service										
Educational meetings attendance	4,145	2,824	4,522	5,423	6,581	2,965	2,807	2,732	1,846	1,167
Economic value of volunteer service	\$523,119	\$613,391	\$663,391	\$1,093,246	\$903,533	\$504,961	\$1,287,522	\$765,489	\$104,414	\$426,088
Library										
Number of libraries	10	10	10	10	10	10	10	10	10	10
Program Attendance	104,377	81,141	102,577	108,526	117,978	120,882	132,098	104,696	21,458	28,874
Materials Circulated	1,887,526	1,819,410	1,613,189	1,560,638	1,478,637	1,525,622	1,499,950	1,270,919	1,117,880	1,089,992
Recreation and parks										
Number of parks	9	9	9	9	9	9	9	9	9	9
Park visitors	3,192,212	3,716,992	4,256,936	4,376,870	4,114,472	4,714,586	5,139,851	6,039,138	5,318,092	4,958,533
Golf rounds played	52,038	51,370	52,513	51,950	52,090	47,584	41,863	58,597	63,838	58,154
Festival of lights - visitors	262,818	245,808	280,842	281,016	294,942	294,894	266,292	309,036	384,342	347,550
Education										
Winston-Salem/Forsyth County Schools										
Number of schools	79	81	81	81	80	80	79	79	79	81
Number of teachers	3,878	3,749	3,826	3,758	3,763	3,782	3,837	3,767	3,793	3,608
Forsyth Technical Community College										
Enrollment	9,881	12,968	13,036	12,238	11,477	11,306	11,450	11,450	10,309	10,309

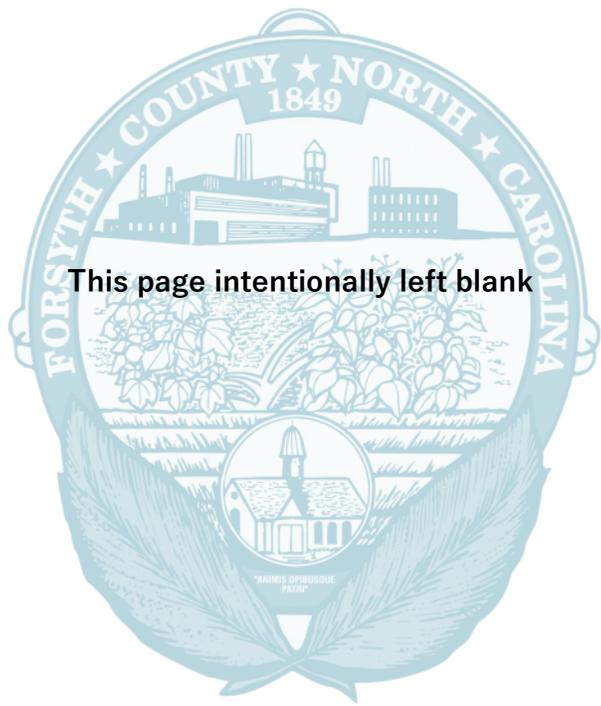
Sources: Forsyth County Departments. North Carolina Department of Public Instruction. Forsyth Technical Community College. Fiscal Year 2021 is the most recent actual data available.

CAPITAL ASSET STATISTICS BY FUNCTION
FORSYTH COUNTY, NORTH CAROLINA

Schedule 16

Last Ten Fiscal Years

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
General services										
Number of facilities ¹	48	44	41	41	43	44	43	42	44	43
Square footage - active ²	2,277,389	2,150,982	2,099,727	2,146,032	2,264,658	2,229,705	2,212,809	2,223,609	2,224,805	2,230,067
Fleet vehicles ³	569	562	577	571	574	617	632	666	638	674
Public safety³										
Emergency medical services										
Assigned vehicles	34	34	35	38	38	39	41	48	49	49
Fire										
Assigned vehicles	16	14	15	14	14	14	14	14	15	10
Sheriff										
Assigned vehicles	227	229	238	234	237	265	282	319	305	134



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Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Honorable Members of the Board of County Commissioners
Forsyth 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, each major fund, and the aggregate remaining fund information of Forsyth County, North Carolina (the "County") , as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 17, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Charlotte, North Carolina
May 17, 2024

Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

To the Honorable Members of the Board of County Commissioners
Forsyth County, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Forsyth County, North Carolina (the “County”)'s, compliance with the types of compliance requirements identified as subject to audit 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 County's major federal programs for the year ended June 30, 2023. The 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 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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, Uniform Guidance, and the State Single Audit Implementation Act 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 County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe 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 the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards*, Uniform Guidance, and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, Uniform Guidance, and the State Single Audit Implementation Act, we:

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 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 2023-001 and 2023-002 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 the County's response to internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

Cherry Bekaert LLP

Charlotte, North Carolina
May 17, 2024

Report of Independent Auditor on Compliance for Each Major State Program and on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

To the Honorable Members of the Board of County Commissioners
Forsyth County, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Forsyth County, North Carolina (the “County”)'s compliance with the types of compliance requirements identified as subject to audit in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major State programs for the year ended June 30, 2023. The 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, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2023.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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, Uniform Guidance and the State Single Audit Implementation Act 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 County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards*, Uniform Guidance, and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, Uniform Guidance, and the State Single Audit Implementation Act, we:

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-003. Our opinion on each major state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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

A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-003 to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Cherry Bekaert LLP

Charlotte, North Carolina
May 17, 2024

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

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
Federal Awards:					
<u>U.S. Dept. of Health and Human Services</u>					
<u>Administration for Children and Families</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Temporary Assistance for Needy Families:					
TANF Administration	93.558	-	\$ 227,923	\$ -	-
TANF Services	93.558	-	1,482,894	-	-
TANF Children Adoption Promotion	93.558	-	236,501	229,509	-
TANF Payments and Penalties	93.558	-	497,558	-	-
Total TANF Cluster			2,444,876	229,509	-
Refugee Assistance	93.566	-	118,473	-	-
Child Support Enforcement Administration	93.563	-	2,955,513	-	-
Child Support Incentive	93.563	-	298,778	-	-
Low Income Home Energy Assistance:					
Low Income Home Energy Assistance Administration	93.568	-	313,344	-	-
Low Income Home Energy Assistance Crisis Intervention	93.568	-	999,522	-	-
Low Income Home Energy Assistance Payments	93.568	-	142,444	-	-
Low Income Household Water Assistance Program	93.499	-	562,897	-	-
Child Welfare Services - State Grants:					
Child Welfare Services Permanency Special/Regular	93.645	-	98,770	-	-
Family Reunification	93.556	-	29,957	-	-
Foster Care Caseworker Visit	93.556	-	14,461	-	-
<u>Foster Care and Adoption Cluster: (Note 3)</u>					
Title IV-E Foster Care Administration	93.658	-	1,093,931	152,610	-
Title IV-E Foster Care	93.658	-	515,668	97,766	-
Title IV-E Foster Care Child Protective Services	93.658	-	172,711	143,113	-
Title IV-E Maximization	93.658	-	70,669	935,232	-
State Foster Care	-	-	138,596	52,722	-
Title IV-E Adoption	93.659	-	144,402	-	-
Total Foster Care and Adoption Cluster (Note 3)			7,670,135	1,381,443	-
Social Services Block Grant:					
Social Services Block Grant Administration	93.667	-	1,560,416	-	-
Social Services Block Grant In Home Services	93.667	-	25,488	-	-
Social Services Block Grant Adult Day Care	93.667	-	13,333	14,938	-
Social Services Block Grant Adult Protective Services	93.667	-	48,457	-	-
Social Services Block Grant CPS/TANF	93.667	-	240,610	-	-
Chafee Foster Care - Independent Living	93.674	-	78,987	13,130	-
<u>Subsidized Child Care (Note 3)</u>					
<u>Child Care and Development Fund Cluster</u>					
Division of Social Services:					
Child Care and Development Fund Administration	93.596	-	789,056	-	-
<u>Centers for Medicare and Medicaid Services</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
State Children's Insurance Program - N.C. Health Choice Administration	93.767	-	263,532	17,331	-
<u>Medicaid Cluster</u>					
Medical Assistance Program:					
Medical Assistance Administration	93.778	-	6,282,511	869,076	-
Adult Home Specialist	93.778	-	79,688	39,844	-
MAC CORD Transp	93.778	-	244,972	-	-
Medical Assistance Transportation Administration	93.778	-	324,844	-	-
State/County Special Assistance	93.778	-	126,092	16,669	-
Total Medicaid Cluster			7,058,107	925,589	-

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

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
<u>U.S. Dept. of Health and Human Services (cont)</u>					
<u>Administration on Aging</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Aging:					
Family Caregiver Support	93.052	-	152,827	22,614	175,441
Social Services Block Grant	93.667	-	114,223	71,456	149,402
<u>Aging Cluster:</u>					
Passed-through Piedmont Regional Council of Government:					
Access	93.044	-	340,934	20,055	360,989
HCCBG	93.044	-	340,934	14,200	268,395
Nutrition					
Congregate Nutrition	93.045	-	98,319	10,892	109,211
Home Delivery Nutrition	93.045	-	346,197	21,396	367,593
NSIP Supplement	93.053	-	172,819	-	172,819
Total Aging Cluster			1,299,203	66,543	1,279,007
Total Administration of Aging			1,566,253	160,613	1,603,850
<u>Centers for Disease Control and Prevention</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Project Grants and Cooperative Agreements for					
North Carolina's TB Elimination and Laboratory Project	93.116	-	16,493	-	-
Healthy Communities	93.991	-	17,499	-	-
Prevent Disease, Disability, & Death from Vaccine Prevention	93.268	-	41,449	-	-
Cooperative Agreements for State-Based Comprehensive:					
Cancer Prevention and Control for State	93.898	-	27,815	-	-
CDC COVID-19 Vaccination Program	93.268	-	174,921	-	-
North Carolina Overdose Data to Action	93.136	-	82,566	-	-
NC's Intergrated HIV Surveillance and Prevention Project	93.940	-	141,956	25,000	-
PHER Cities Readiness	93.069	-	55,515	-	-
<u>Health Resources and Services Administration</u>					
Passed-through Piedmont Health Services					
Healthy Start Initiative	93.926	-	97,625	-	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Eliminating Disparities in Perinatal Health	93.926	-	51,386	-	-
Care Management for at Risk Children	93.994	-	8,213	-	-
Infant Mortality Reduction	93.994	-	113,750	-	-
Healthy Mothers/Healthy Children Family Planning	93.994	-	17,868	13,402	-
Refugee Cash and Medical Assistance Program	93.566	-	6,300	-	-
Temporary Assistance for Needy Families	93.558	-	45,245	-	-
NC Statewide Family Planning Program	93.217	-	104,616	-	-
National Initiative to Address COVID-19 Health Disparities	93.391	-	6,300	-	-
COVID-19: ELC for Prevention and Control of Emerging Infectious Diseases	93.323	-	1,920,450	-	-
PHER Cities Readiness	93.354	-	66,673	-	-
Total U.S. Dept. of Health and Human Services			24,755,889	2,780,956	1,603,850
<u>U. S. Dept. of Housing and Urban Development</u>					
<u>Community Planning and Development</u>					
Passed-through N.C. Housing Finance Agency:					
NCHFA URP		URP2106	100,000	-	-

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

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
U. S. Dept. of Housing and Urban Development (cont)					
Community Planning and Development					
Passed through N. C. Department of Commerce:					
Passed through City of Winston-Salem:					
HOME Investment Partnerships Program:					
2019 Winston-Salem/Forsyth County HOME Consortium	14.239	M19-DC-37-0204	6,614	-	-
2020 Winston-Salem/Forsyth County HOME Consortium	14.239	M20-DC-37-0204	34,036	-	-
2021 Winston-Salem/Forsyth County HOME Consortium	14.239	M21-DC-37-0204	2,130	-	-
2023 Winston-Salem/Forsyth County HOME Consortium	14.239	M21-DC-37-0204	2,285	-	-
Total U. S. Dept. of Housing and Urban Development			145,065	-	-
U.S. Dept. of Agriculture					
<u>Food and Nutrition Service</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Supplemental Nutrition Assistance Program (SNAP) Cluster:					
State Administrative Matching Grants:					
SNAP Administration	10.561	-	3,575,425	-	-
SNAP Incentives	10.561	-	9,234	-	-
SNAP Fraud Administration	10.561	-	216,773	-	-
Total SNAP Cluster			3,801,432	-	-
Division of Public Health:					
Special Supplemental Nutrition Program for Women, Infants, & Children:					
Administration	10.557	-	1,761,602	-	-
Total U. S. Dept. of Agriculture			5,563,033	-	-
Environmental Protection Agency					
Direct Programs:					
Surveys, Studies, Investigations and Special Purpose Grants	66.034	-	56,694	-	-
Office of Air and Radiation:					
Air Pollution Control Program Support	66.001	-	239,534	-	-
Total Environmental Protection Agency			296,228	-	-
U.S. Dept. of Treasury					
Direct Programs:					
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	-	23,204,724	-	-
COVID-19: Behavioral Health	21.027	-	31,000	-	-
Total Coronavirus State and Local Fiscal Recovery Funds			23,235,724	-	-
Direct Programs:					
COVID-19: Emergency Assistance Program (ERAP)	21.023	-	209,746	-	-
Passed through State of North Carolina Pandemic Response Office:					
COVID-19: Emergency Assistance Program (ERAP)	21.023	ERA1-2021-0004, ERA2-2022-0004	12,491,382	-	-
Total Emergency Rental Assistance Program			12,701,128	-	-
Total U.S. Dept. of Treasury			35,936,852	-	-
U.S. Dept. of Justice					
<u>Direct programs:</u>					
<u>Office of Justice Programs</u>					
Bureau Of Justice Assistance					
2019 Justice Assistance Grant Program	16.738	2019-DJ-BX-0503	28,715	-	28,715
Total U.S. Dept. of Justice			28,715	-	28,715
Total federal awards			66,725,783	2,780,956	1,632,565

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

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
State Awards:					
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
State Adoption Fund	-	-	\$ -	\$ 466,010	\$ -
State Foster Home	-	-	-	411,594	-
Share the Warmth	-	-	-	175	-
Child WLFR STNHM SVC	-	-	-	313,801	-
ST COS Caseload Reduction	-	-	-	108,529	-
General Aid to Counties / PH Capacity Building	-	-	-	103,144	-
HIV/STD State	-	-	-	75,871	-
TB Control	-	-	-	54,525	-
Breast and Cervical Cancer State	-	-	-	17,685	-
Women's Health Service Funds	-	-	-	15,862	-
Healthy Communities	-	-	-	3,747	-
STD Drugs	-	-	-	3,489	-
Division of Child Development:					
Passed-through Forsyth Early Childhood Partnership:					
General Communicable Disease Control	-	-	-	8,773	-
High Risk Maternity Clinics	-	-	-	102,225	-
Child Health	-	-	-	151,270	-
Maternal Health	-	-	-	56,584	-
School Nurse Funding Initiative	-	-	-	81,233	-
Public Health Pest Management	-	-	-	13,597	-
Minority Diabetes Prevention Program	-	-	-	170,200	-
Healthy Beginnings	-	-	-	72,315	-
Family Planning - State	-	-	-	51,258	-
Nurse Family Partnership	-	-	-	434,622	-
Division of Aging:					
Passed-through Piedmont Regional Council of Government					
In-Home Services:					
Congregate Meals	-	-	-	11,789	11,789
State Funds	-	-	-	732,071	483,641
Home Delivery Nutrition	-	-	-	108,729	108,729
State Appropriation	-	-	-	5,892	3,892
Senior Services General Purpose	-	-	-	25,077	21,802
Access	-	-	-	165,381	165,381
Total N.C. Dept. of Health and Human Services			-	3,765,448	795,234
<u>N.C. Dept. of Natural and Cultural Resources</u>					
Division of State Library:					
State Aid to Libraries	-	-	-	341,777	-
Brushy Creek Restoration - Airport	-	-	-	600	-
Part F Development Grant - Belews Lake	-	-	-	500,000	-
Total N.C. Dept. of Cultural and Natural Resources			-	842,377	-
<u>State Office of Budget and Management</u>					
State Capital Infrastructure Fund - Belews Lake	-	-	-	2,742,009	-
Total State Office of Budget and Management			-	2,742,009	-
<u>N.C. Dept. of Environmental Quality</u>					
Air Quality Mobile Source Program	-	-	-	216,929	-
Food and Lodging Permit Distribution	-	-	-	36,637	-
SWC - Agricultural Cost Share Program	-	-	-	22,648	-
SWC - Administration and Technical Assistance	-	-	-	3,471	-
Total N.C. Dept. of Environmental Quality			-	279,685	-

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

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
State Awards:					
<u>N.C. Department of Information Technology</u>					
NC 911 Board					
911 Fund Grant		-	-	3,173	-
Total N.C. Dept. of Information Technology			-	3,173	-
<u>N.C. Department of Public Safety</u>					
Juvenile Justice and Delinquency Prevention		-	-	861,156	861,156
Total N.C. Dept. of Public Safety			-	861,156	861,156
<u>N.C. Dept. of Public Instruction</u>					
Public School Building Capital Fund		0-002-933	-	4,013,376	-
<u>N.C. Dept. of Transportation</u>					
Rural Operating Assistance Program:					
Elderly and Disabled Transportation Assistance		9.9050716	\$ -	\$ 11,152	\$ 11,152
State Aid to Airports:					
Runway 15-33 Rehabilitation		36244.37.8.1	-	1,337,250	-
Taxiway Q		36244.37.7.4	-	2,096	-
State Capital Infrastructure Fund			-	7,500,000	-
Total N.C. Dept. of Transportation			-	8,850,498	11,152
Total state awards			-	21,357,723	1,667,542
Total federal and state awards			\$ 66,725,783	\$ 24,138,678	\$ 3,300,107

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

(1) Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and state grant activity of Forsyth County, North Carolina (the "County") under the program of the federal government and the State of North Carolina for the year ended June 30, 2023. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of the County it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

(2) Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Forsyth County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

(3) Clusters

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

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes no

Noncompliance material to financial statements noted? _____ yes no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes _____ no

Noncompliance material to federal awards? _____ yes no

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 the 2 CFR 200.516 (a)? yes _____ no

Identification of major federal programs:

Federal Assistance Listing Number

10.551
 93.558
 93.778
 93.563
 93.568
 93.323

10.557
 21.027
 21.023

Names of Federal Program or Cluster

SNAP Cluster
 Temporary Assistance for Needy Families
 Medicaid Cluster
 Child Support Enforcement
 Low-Income Home Energy Assistance
 COVID-19: Epidemiology and Laboratory
 Capacity for Infectious Diseases
 WIC Special Supplemental Nutrition Program
 for Women, Infants, and Children
 COVID-19: Coronavirus State and Local
 Fiscal Recovery Funds
 COVID-19: Emergency Rental Assistance
 Program

Dollar threshold used to distinguish between Type A and Type B Programs:

\$2,001,705

Auditee qualified as low-risk auditee? _____ yes no

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2023

State Awards

Internal control over major state programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to state awards? yes no

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 *Audit Manual for Governmental Auditors in North Carolina*? yes no

Identification of major state programs:

Names of State Program or Cluster

DSS Crosscutting
Part F Development Grant – Belews Lake
State Capital Infrastructure Fund – Belews Lake
State Capital Infrastructure Fund - Airport
Juvenile Justice and Delinquency Prevention
Public School Building Capital Fund

Section II – Financial Statement Findings

None reported.

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2023

Section III – Federal Award Findings and Questioned Costs

U.S. Department of Health and Human Services

Pass-through Entity: North Carolina Department of Health and Human Services

Program Name: Medical Assistance

Federal Assistance Listing Number: 93.778

Significant Deficiency – Eligibility

Finding 2023-001

Criteria: In accordance with Section 200.303 of the Uniform 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.

Condition: The County did not follow up with individuals after reviews were completed and issues were noted in the review in accordance with its policies on a consistent basis.

Context: There were 13 instances out of 60 reviews tested in which the County did not remediate the errors identified timely.

Effect: The caseworkers that had errors identified in their eligibility determinations were not notified timely of the issues which could result in potential future issues.

Cause: The County has a policy in place but does not have a way to ensure the policy is being enforced.

Recommendation: We recommend the County assign individuals to ensure all reviews are taking place timely in accordance with its policy including timely follow up with case workers once the review is complete.

Views of Responsible Officials: Management agrees with the finding and is implementing procedures to correct this which is further discussed in the corrective action plan.

Corrective Action Plan: See Corrective Action Plan prepared by the County.

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2023

U.S. Department of Public Health

Federal Program Name: ELC

Assistance Listing Number 93.323

Significant Deficiency and Non-Material Non-Compliance – Activities Allowed & Allowable Costs

Finding 2023-002

Criteria: In accordance with Section 200.303 of the Uniform 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. Additionally, the County is required to adhere to the cost principles in Title 2 CFR Subpart E for allowable costs and activities.

Condition: The County requested reimbursement for the same expenditure twice.

Context: We tested 22 grant expenditures for allowable activities, noting one of the expenditures charged to the grant was a duplicate.

Questioned Costs: \$20,740; reported as likely questioned costs exceed \$25,000.

Effect: The County requested for reimbursement for the same expenditure twice resulting in questioned costs.

Cause: The report used to run grant expenditures used parameters that resulted in the same expenditure being reported twice when it was used to process the reimbursement request.

Recommendation: We recommend the County review the reports with the program team to ensure all expenditures charged to the grant are complete and accurate and do not include any duplicates.

Views of Responsible Officials: Management agrees with the finding and is implementing procedures to correct this, which is further discussed in the corrective action plan.

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2023

Section IV – State Award Findings and Questioned Costs

Office of State Budget and Management
State Capital Improvement Fund – Belews Lake
State Capital Improvement Fund - Airport
State Award Number: GOV-2
Significant Deficiency and Non-Material Non-Compliance – Reporting
Finding 2023-003

Criteria: In accordance with Section 200.303 of the Uniform 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. Additionally, the County is required to submit quarterly reports in accordance with the terms of each grant agreement.

Condition: We noted not all quarterly reports were submitted timely.

Context: We tested two quarterly reports for each program, noting three of the four were not submitted by the 10th day following quarter-end as required by the grant agreement. The reports were submitted a month following quarter-end.

Questioned Costs: None

Effect: By not submitting the quarterly reports timely, the County is not meeting the guidelines and requirements of the grant.

Cause: There was miscommunication on the need to submit the reports and information required to be reported.

Recommendation: We recommend the Department review all reporting requirements of each grant agreement and associated deadlines and plan around those deadlines to ensure all reports are submitted timely.

Views of Responsible Officials: Management agrees with the finding and is implementing procedures to correct this, which is further discussed in the corrective action plan.

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2023

Section V – Schedule of Prior Year Audit Findings

2022-001 – Corrected

2022-002 – Corrected

2022-003 – Repeated as finding 2023-001

2022-004 – Corrected

2022-005 - Corrected

Christa Smith, MPA
Director



Marissa Adams,
Deputy Director

Department of Social Services

Finding 2023-001, Significant Deficiency - Eligibility

Corrective Action Plan:

Goal: To ensure necessary Medicaid corrections are made by caseworkers in a timely manner and verified as completed by Medicaid management and/or Quality Assurance staff.

Plan: The County will include a due date to the auditing tool so that correction tasks request can be tracked and monitored for completion and accurateness. Eligibility, Internal Control and Procedural Errors will be given 5 business days to be corrected by workers.

Performance Improvement Strategies:

1. Training will be given to supervisors, lead workers, and QA staff on proper usage and monitoring of due date requirements added to the audit tool.
2. Copies of reports will be stored in the shared Teams Channel for Medicaid Services.
3. Supervisor will follow up with caseworkers on 6th business days to ensure corrections have been made.
4. Every month, program managers will select 10 examples from the Medicaid Audit Finding spreadsheet to make sure supervisor have handled the error corrections made by their team.

Responsible Parties: Medicaid Program Managers Amanda Burdge, Jennifer Hurdle and Alison Westbrook

Timeframes: A Medicaid Division Meeting will be held with all supervisors to discuss the expectation of monthly audits, corrections, and staying in compliance with State requirements. Also, explain the expectations of the Program Managers audit. Held no later than June 15, 2024.

Finding 2023-002, Significant Deficiency – Allowable Costs

Corrective Action Plan:

Goal: To ensure that duplicative expenses are not drawn down in state funding.

Plan: The County identified the duplicate transaction of \$20,740 reported for drawdown for Project AA 362 was due to an issue with the reporting mechanism. Specifically, the report used to extract project costing details included a commitment number column, which inadvertently resulted in the creation of duplicate records for each commitment associated with a single invoice.

Performance Improvement Strategies:

To address this issue and prevent its recurrence in the future, immediate steps have already been taken. County Finance has amended the report to exclude the commitment number parameter, thereby eliminating the possibility of duplicate records being generated.

Responsible Parties: Nursing Supervisor Brooke Hamby and Assistant Health Directors Nicole Priddy & Marie Stephens

Timeframes: Brooke Hamby will reach out to the Division of Public Health, Women & Children's Health/Children & Youth section, no later than June 15, 2024, to inform them of the Audit finding of this duplicate expense and request what the process is for returning the funds.

SMITH REYNOLD AIRPORT BOARD

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MARK R. DAVIDSON, A.A.E.
Airport Director

FORSYTH COUNTY, NORTH CAROLINA

Airport Department

Finding FYE 2023-003, Significant Deficiency – Reporting

Corrective Action Plan:

Goal: Submit Quarterly Reports for the State Capital and Infrastructure (SCIF) Grants to the North Carolina Department of Transportation – Division of Aviation (NCDOT-DOA) by the established deadlines.

Plan: The Airport Department with the assistance from the Finance Department, will gather the required data to develop a report to upload to the NCDOT-DOA Enterprise Business Systems (EBS) by the deadline. To clarify expectations, state fiscal year (SFY) quarterly reports are due on or before the 10th day following the end of each quarter: January (October - December), April (January - March), July (April - June) and October (July - September).

Performance Improvement Strategies:

1. Any new County employees associated with the quarterly reports will be given the NCDOT-DOA's training presentation that was provided to the County on 8/31/2022 (slide 15) and 2/8/2023 (slide 10).
2. The Finance Department will provide the Airport Department the interest earned on the bank accounts holding the SCIF funds no later 7 days from the end of the quarter without demand.
3. Prior to each quarterly deadline, the Airport Director will follow up with Airport Administrative Office Manager to ensure all the data is available to prepare the reports and work with Consultant to ensure reports are uploaded to EBS.

Responsible Parties: Airport Director, Mark Davidson, Airport Administrative Office Manager, Shanna Smith, Treasury Manager, Adam Fernbach, AVCON Office Administrator, Denise Merritt.

Timeframes: The Airport Department has already implemented plan and quarterly reports have been submitted in a timely manner.



Finding 2023-003, Significant Deficiency – Reporting

Corrective Action Plan:

Goal: To ensure that necessary reports are submitted to the Office of State Budget and Management in reference to SCIF grant (#20231).

Plan: The Department will ensure that any grant agreement applicable to the department moving forward is processed via the contract control system so that all relevant parties are aware of necessary compliance requirements.

Performance Improvement Strategies:

1. The Compliance Manager will provide a pre-check-in with the department to see if additional documentation is needed before submitting the report.
2. The Compliance Manager will provide a post-submission check-in to ensure the reports are submitted within the timeframe. If not, the Compliance Manager will communicate with the state/federal to ensure the report's submission.
3. The department will notify the compliance manager of all report's submissions.

Responsible Parties: Deputy County Manager, Assistant Director of Business Operations

Timeframes: Until project completion, updates will be provided to the Deputy County Manager on a quarterly basis regarding reports being submitted.

ACKNOWLEDGEMENTS

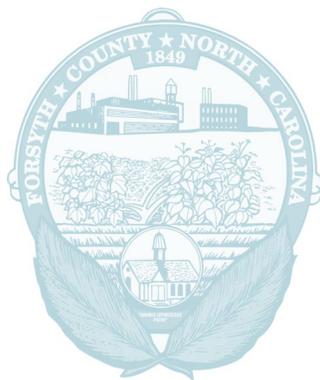
The preparation of the annual financial report was made possible by the dedicated service of the entire staff of the Forsyth County Finance Department. The year-end closing of the accounting system, report preparation and overall coordination was effectively managed by [Terri L. Goodman](#), Chief Financial Officer.

Also providing substantial support in report preparation and related accounting activities were:

[Lee H. Plunkett](#), Assistant Chief Financial Officer

[Miranda C. Stafford](#), Controller and Accounting Manager

[Scott R. Bolick](#), Financial Analyst



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