

**HALIFAX COUNTY, NORTH CAROLINA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**Prepared by:**  
**Office of Budget and Finance**

**Submitted by:**  
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**Finance Director**

**HALIFAX COUNTY, NORTH CAROLINA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

---

**TABLE OF CONTENTS**

	<b>Page Number</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	i-viii
GFOA Certificate of Achievement.....	ix
List of Principal Officials .....	x
Organizational Chart .....	xi
 <b>FINANCIAL SECTION</b>	
Independent Auditor’s Report.....	1 - 4
Management’s Discussion & Analysis.....	5 - 15
<b>Basic Financial Statements:</b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Position .....	16 and 17
Statement of Activities.....	18 and 19
<b>Fund Financial Statements</b>	
Balance Sheet – Governmental Funds.....	20
Reconciliation of the Balance Sheet of Governmental Funds to the	
Statement of Net Position .....	21
Statement of Revenues, Expenditures, and Changes in Fund	
Balances – Governmental Funds .....	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in	
Fund Balances of Governmental Funds to the Statement of Activities .....	23
General Fund – Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual (Non-GAAP).....	24
Statement of Net Position – Proprietary Funds .....	25
Statement of Revenues, Expenses, and Changes in Net	
Position – Proprietary Funds .....	26
Statement of Cash Flows – Proprietary Funds .....	27
Statement of Fiduciary Net Position – Fiduciary Fund .....	28
Statement of Changes in Fiduciary Net Position – Fiduciary Fund.....	29
Notes to Financial Statements .....	30 - 74
<b>Required Supplementary Information:</b>	
Schedule of Changes in the County’s Total OPEB Liability and Related Ratios –	
OPEB Retirement Plan.....	75 and 76
Schedule of County’s Proportionate Share of Net Pension Liability (Asset) – LGERS.....	77 and 78

**HALIFAX COUNTY, NORTH CAROLINA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

---

**TABLE OF CONTENTS (CONTINUED)**

	<b>Page Number</b>
<b>FINANCIAL SECTION (CONTINUED)</b>	
Required Supplementary Information (Continued):	
Schedule of County’s Contributions – LGERS .....	79 and 80
Notes to Required Supplementary Information – LGERS .....	81
Schedule of Changes in Total Pension Liability – LEOSSA .....	82 and 83
Schedule of Total Pension Liability as a Percentage of Covered Payroll – LEOSSA .....	84 and 85
Schedule of County’s Proportionate Share of Net Pension Liability (Asset) – RODSPF.....	86 and 87
Schedule of County’s Contributions – RODSPF.....	88 and 89
Notes to Required Supplementary Information – RODSPF .....	90
Combining and Individual Fund Statements and Schedules:	
Halifax County Capital Reserve Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	91
Halifax County Court Services Building Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	92
Combining Balance Sheet – Nonmajor Governmental Funds.....	93 - 96
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	97 - 100
General Fund – General Department – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual .....	101 - 107
General Fund – Public Health Department – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual .....	108 - 110
General Fund – Social Services Department – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual .....	111
General Fund – Emergency Management Services Department – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual .....	112
General Fund – Reassessment Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual.....	113
Emergency Telephone System – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	114
Our Community Hospital Center – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	115
Weldon School District Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	116
Local Fire Districts – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	117
Roanoke Rapids School Graded District Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	118
Halifax County School District Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	119

**HALIFAX COUNTY, NORTH CAROLINA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

---

**TABLE OF CONTENTS (CONTINUED)**

	<b>Page Number</b>
<b>FINANCIAL SECTION (CONTINUED)</b>	
<b>Combining and Individual Fund Statements and Schedules (Continued):</b>	
Opioid Settlement Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	120
Representative Payee Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	121
Property and Seizure Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	122
CDBG Neighborhood Revitalization Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	123
American Rescue Plan Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	124
Economic Development Fund – Industrial Building – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	125
RPO Peanut Belt Capital Project Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	126
4H Recreation Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	127
Halifax Corporate Park Demolition Project Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	128
OSMB Project Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	129
Roseburg Project Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	130
Weldon School 6 <sup>th</sup> – 12 <sup>th</sup> Construction Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	131
Halifax County Schools New PK-8 Construction Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	132
Halifax County Recovery Accountability Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	133
Choanoke Area Housing Consortium Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	134
Halifax County Storage Building Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	135

**HALIFAX COUNTY, NORTH CAROLINA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

---

**TABLE OF CONTENTS (CONTINUED)**

	<b>Page Number</b>
<b>FINANCIAL SECTION (CONTINUED)</b>	
<b>Combining and Individual Fund Statements and Schedules (Continued):</b>	
Halifax County Industrial Shell Building Project – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	136
Search Grant Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis) .....	137
Solid Waste Landfill – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	138
Solid Waste Landfill - Landfill Closure Capital Reserve Fund – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	139
Solid Waste Landfill - White Goods Handling Facility – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	140
Solid Waste Landfill - Electronic Management Fund – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	141
Solid Waste Landfill - Tire Disposal Fund – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	142
Water Fund – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	143
Water Fund - Water Debt Service Fund – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	144
Water Fund – Halifax County Public Utilities – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	145
Water Fund – Waste Water System AIA Grant – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	146
Combining Statement of Net Position – Internal Service Funds .....	147
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds .....	148
Combining Statement of Cash Flows – Internal Service Funds .....	149
Health Insurance Fund – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	150
Unemployment Insurance Fund – Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual (Non-GAAP Basis) .....	151
Schedule of Ad Valorem Taxes Receivable .....	152
Analysis of Current Tax Levy – County-wide Levy .....	153
Analysis of Current Tax Levy – Secondary Market Disclosure .....	154

**HALIFAX COUNTY, NORTH CAROLINA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

---

**TABLE OF CONTENTS (CONTINUED)**

	<b>Page Number</b>
<b>STATISTICAL SECTION</b>	
Net Position by Component – Last Ten Fiscal Years .....	155
Changes in Net Position – Last Ten Fiscal Years .....	156 and 157
Fund Balances – Governmental Funds – Last Ten Fiscal Years.....	158
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years .....	159
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years .....	160
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years.....	161
Principal Property Taxpayers – Current Year and Nine Years Ago .....	162
Property Tax Levies and Collections – Last Ten Fiscal Years .....	163
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years.....	164
Direct and Overlapping Governmental Activities Debt .....	165
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years .....	166
Legal Debt Margin Information – Last Ten Fiscal Years .....	167
Demographic and Economic Statistics – Last Ten Fiscal Years.....	168
Principal Employers – Current Year and Nine Years Ago.....	169
Full-time Equivalent County Government Employees by Function – Last Ten Fiscal Years.....	170
Operating Indicators by Function – Last Ten Fiscal Years.....	171
Capital Asset Statistics by Function – Last Ten Fiscal Years .....	172
<b>COMPLIANCE SECTION</b>	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	173 and 174
Independent Auditor’s Report on Compliance For Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act .....	175 - 178
Independent Auditor’s Report on Compliance For Each Major State Program and Report on Internal Control over Compliance in Accordance with Applicable Sections of the OMB Uniform Guidance and the State Single Audit Implementation Act .....	179 - 182
Schedule of Expenditures of Federal and State Awards.....	183 - 185
Schedule of Findings and Questioned Costs.....	186 - 189
Summary Schedule of Prior Audit Findings .....	190
Management’s Corrective Action Plan.....	191

## INTRODUCTORY SECTION

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# County of Halifax State of North Carolina

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Dia H. Denton  
County Manager  
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December 12, 2024

Board of County Commissioners  
and the Citizens of Halifax County

We are pleased to present the annual comprehensive financial report (ACFR) of Halifax County, North Carolina, for the fiscal year ended June 30, 2024. The financial statements and supplemental schedules contained herein have been audited by the independent certified public accounting firm of Mauldin & Jenkins, CPAs. Their unmodified opinion is included in the basic financial statements. Halifax County, however, is responsible for the accuracy of the data as well as the completeness and fairness of its presentation including all disclosures. We believe that the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

Halifax County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, U. S. Office of Management and Budget Uniform Guidance, and the State Single Audit Implementation Act. Information related to this single audit, including the schedule of expenditures of federal and state awards, the auditors' report on the internal control structure and compliance with applicable laws and regulations are included in the compliance section of this report.

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

The Halifax County ABC Board and the Halifax County Tourism Development Authority are component units of Halifax County and are corporate bodies with powers outlined by North Carolina General Statute 18B-701. The Board of Commissioners appoints some members of the ABC, Tourism Authority and Airport Authority Boards.

The ABC Board is required by state statute to distribute its surpluses to the General Funds of the County, cities and towns in which it operates that represent a financial benefit to those entities. Since Halifax County receives 75% of the distributions and appoints the entire Board, the Halifax County ABC Board is reported as a discreetly presented component unit in the County's financial statements.

*Where the Spirit of Independence Was Born*

The Halifax County Tourism Development Authority is required by state law to spend the “net proceeds” of occupancy tax funds remitted to it to promote travel and tourism in Halifax County and to finance tourist related capital projects in Halifax County. The Halifax County Tourism Development Authority receives 97% of the occupancy tax collected in Halifax County and the Halifax County Board of Commissioners appoints its entire board. The Tourism Development Authority is reported as a discreetly presented component unit in the County’s financial statements.

### ***Description of the County***

Halifax County was chartered by the North Carolina General Assembly in 1758. The residents of the parish of Edgecombe petitioned for the formation of a new county composed of all the territory of Edgecombe County north of Fishing Creek and Rainbow Banks on the Roanoke River.

The County was named by Governor Dobbs for Charles Montague, Earl of Halifax. The Town of Halifax, the County seat, was founded in 1760. From 1776-1782 Halifax served as the center of the North Carolina State Government. On April 12, 1776, the Fourth Provincial Congress of North Carolina adopted the “Halifax Resolves” which was the first official declaration of independence by a colony.

Halifax County is located in northeastern North Carolina in the upper coastal plains, halfway between New York and Florida. It is the fourteenth largest county in North Carolina and covers an area of 731 square miles. Interstate 95 and US Highway 301, oriented north and south, split the county in the middle. US Highway 158 is near the northern boundary and orients east and west. US Highway 258 is oriented north and south through the county on the eastern side. CSX Railroad parallels the path of US Highway 301.

The most recent census reports Halifax County’s population at 46,342. There are seven municipalities in Halifax County, the largest being Roanoke Rapids with a population of 14,493.

The County also appropriates funding for certain boards, agencies and commissions to assist their efforts in serving citizens. Among these are the Halifax County Board of Education, the Weldon City Board of Education, the Roanoke Rapids Graded School District, Halifax Community College, and the Upper Coastal Plain Council of Governments. Because County allocations do not constitute a major portion of their revenues and the County has no authority to designate their management, none of these organizations have been included in this report.

### ***Economic Conditions and Outlook***

Halifax County’s strategic location along Interstate 95, supported by extensive rail infrastructure and proximity to key intermodal hubs and port facilities, continues to fuel significant economic development in the region. The local economy is anchored by

prominent sectors such as healthcare, tourism, manufacturing, and agriculture. Notably, Halifax County leads North Carolina in cotton production and ranks fifth in the state for peanut output.

The county's economy remains well diversified, with major employment sectors including agriculture, healthcare and social assistance, manufacturing, retail trade, accommodations and food services, and educational services. The manufacturing sector in Halifax County is diverse, encompassing industries such as plastics, forest products (including paper), food processing, and advanced manufacturing. Key healthcare providers, including ECU Health North Hospital and Rural Health Group, contribute significantly to improving the quality of life for residents.

In the past year, Halifax County has experienced steady economic growth, demonstrated by a decrease in unemployment, increased retail sales, and consistent building construction in both volume and value. New and expanding industrial investments, along with the development of new housing, further emphasize the county's dynamic growth trajectory.

For FY 23-24, the average unemployment rate in Halifax County improved to 5.1%, down from 5.4% in the previous fiscal year. Gross retail sales reached a record \$743,411,319, representing a 5.1% increase over FY 22-23. Annual visitor spending also saw a significant rise, with 2023 figures reaching \$134.4 million—an increase of 10.6% over 2022.

### ***Recent Initiatives***

Continued economic growth can be attributed to the expansion of new businesses and industries across Halifax County. Noteworthy projects include Heaton Construction's 20,000 square foot operations center at the Halifax Industrial Center on NC 903. Roseburg Forest Products commenced operations at the Roanoke Lumber Facility in Weldon, employing over 150 workers at wages significantly higher than the county's average manufacturing wage. Stella-Jones is also developing a utility pole production facility near Enfield, currently in the process of hiring key staff. Additionally, a Fairfield by Marriott Inn & Suites is nearing completion at I-95 Exit 173 in Weldon.

In 2023, the North Carolina Division of Environmental Quality approved a Brownfields Agreement for the former Westpoint Stevens textile mill site in Roanoke Rapids. This agreement has paved the way for the sale of the property to a private investor, who is initiating renovations for a food warehousing and distribution company, with further interest from other potential businesses.

New small businesses, including restaurants, breweries, and mercantile centers, are playing a key role in revitalizing communities across Halifax County. Significant state funding—totaling over \$112 million—has been allocated to Halifax County and Weldon City Schools for the construction of new facilities. These construction projects will generate positive economic impacts for the county. In addition, state and federal funding agencies are making targeted investments to address the critical need for broadband infrastructure in underserved areas.

Broadband continues to be a critical area for improvement. The county designated \$2 million of ARPA-enabled funds to the betterment of broadband service in Halifax County. Internet Service Provider (ISP) ZiTEL was awarded the initial GREAT Grant for the County requested to terminate its GREAT Grant agreements in North Carolina. Since then, another GREAT Grant award to ISP Fybe has been amended to serve additional locations that were once under the ZiTEL project. Halifax County is actively working with another ISP Brightspeed to pursue an additional GREAT Grant project. A portion of these ARPA-enabled funds will be used as matching funds for these projects.

Once the GREAT Grant projects are finalized, Halifax County will consider using remaining ARPA-enabled funds to pursue CAB and BEAD funding to cover any further broadband gaps.

Halifax County continues to work with ISP AccessOn in their efforts for fiber deployment in the Hollister community through the USDA ReConnect program. Fiber optic cable is being buried along 186 miles of roadway to serve approximately 2,000 residences and 100 businesses. It is projected that the first customers will be connected to internet service through AccessOn in 2025.

The County worked with two of our school systems to apply for and ultimately be awarded two Needs-Based Public School Capital Fund (NBPSCF) grants. Halifax County Schools is constructing a new Pre-K to 8<sup>th</sup> grade school at the site of the former Eastman Elementary School, and Weldon City Schools is building a combined middle and high school for grades 6-12 on the site of the current Weldon High School. Each project was also awarded additional funds due to cost escalation. The county provided matching funds for both projects. There is potential for another NBPSCF grant for our third school system, Roanoke Rapids Graded School District, for a new Pre-K Center at Manning Elementary School. The County will once again provide matching funds if the project is awarded.

The County's Information Technology Services (ITS) department invited the National Guard to conduct a cybersecurity assessment of our network in 2023. A National Guard team visited the county and conducted tests and scans of all computers. The County received the report from the National Guard identifying gaps in our cybersecurity efforts for the majority of county departments; however, the county is still awaiting the final assessment for some remaining departments in order to prioritize funds to address these issues. The County is proud of the diligence of our ITS department and the implementation of Multi-Factor Authentication (MFA) and regular simulated phishing attempts to train staff to protect us from cyber criminals.

The opioid settlement process continues to move forward, bringing additional settlement dollars to the County. Halifax County continues to, with internal departments, municipalities, and other vested entities, create an action plan for the most impactful use of opioid settlement funds to potentially include but not be limited to a co-responder team through the Halifax County Sheriff's Office, Medication-Assisted Treatment (MAT) in the detention center, employment of a Community Care Paramedic, and partnership with treatment facilities to

ensure all citizens with OUD have access to care without the barriers of either money or transportation.

As lead entity of the five-county Choanoke Area Housing Consortium, Halifax County selected the Upper Coastal Plain Council of Governments (UCPCOG) as the grant administrator for the HOME funding. The UCPCOG developed the second annual action plan for the Consortium for FY2024. Halifax County was notified of FY 2024 funding in the amount of \$632,179 and will continue working with each of the Consortium counties and municipalities to identify affordable housing projects that qualify for HOME funding.

The Water/Wastewater division has been able to begin an infrastructure project to install a fixed base meter reading system that will allow a reduction in the time spent reading meters for billing purposes from 10-12 days down to 2-3 days. This system will also allow the detection of customer leaks and notify customers of potential issues within 24-36 hours as compared to the current one month plus detection and notification with the current reading system. This leak detection improvement will reduce the cost to both the customer and the County by reducing wasted/lost water.

This division has also initiated an aggressive meter replacement program in preparation for the new network. This program is identifying malfunctioning meters and correcting any errors and/or issues, resulting in a more accurate measurement of water consumption and slightly increasing revenues.

Application for grant funds for a Water Asset Inventory and Assessment will be submitted in fiscal year 24-25. If awarded, this project will help identify deficiencies in the distribution system and develop a more focused Capital Improvement Plan.

The Solid Waste Division was able to purchase a mobile shredder that we are currently using for scrap tires, mattresses, and yard debris. This equipment should significantly reduce our expenses for scrap tire disposal and help to come closer to being able to operate the program within the tax appropriations provided by the State of NC.

The Solid Waste Division continues to operate the Transfer Station for transfer of municipal solid waste to a landfill in Waverly, VA. Asbestos and C&D material that would damage the Transfer Station facility are being disposed of in our C&D landfill. A significant amount of material from the Eastman School project was disposed of in the C&D landfill this past fiscal year.

Looking forward to FY24-25 we are continuing to develop and plan projects for the Water and Sewer System with the goal of improved system reliability and operational efficiency. In the Solid Waste Division, we plan to replace several roll off boxes used at the Convenience Centers and create a mulching program to open a new outlet for processed yard debris.

The Halifax-Northampton Regional Airport, a partnership between Halifax County, Northampton County, and the City of Roanoke Rapids, continues to increase in use by the U.S. military as a training ground and by pilots as a resting point. Fuel sales increased as the airport

has grown into a stopping point for long-distance pilots.

The County provided the three public school systems with \$5,862,950 in current expenses and \$1,457,606 in capital outlay funds. Halifax Community College received \$1,187,851 in operating funds and \$942,227 in capital outlay funds. In addition, debt service payments were made on QSCB projects for the Roanoke Rapids Graded School District and the Weldon City School District.

### ***Future Initiatives***

Halifax County continues to collaborate with the North Carolina Department of Transportation and the Town of Weldon to prioritize the Weldon Passenger Rail project for the upcoming State Transportation Improvement Program (STIP). A key focus of this project is establishing a Raleigh-to-Weldon connection, which will help meet transportation needs and improve access to healthcare, education, and commerce for county residents.

The US 301 Industrial Site, a 250-acre industrial site owned by Halifax County, has been named one of 15 Select sites for North Carolina. This designation means the US 301 Industrial Site, located on US Highway 301 north of Enfield, will be targeted for major advanced manufacturing projects and receive increased development and marketing support from the state and the EDPNC.

### ***Financial Information***

In government, much more than in business, the budget is an integral part of a unit's accounting system and daily operations. An annual or project budget ordinance, as amended by the governing body, creates a legal limit on spending authorizations. For Halifax County, appropriations in all funds are formally budgeted at the departmental level or project level. However, for internal accounting purposes, budgetary control is maintained by object class (line account). Purchase orders that would create an over-encumbrance at that level are not written until additional appropriations are available. Encumbrances are liquidated at year end; however, encumbrances generally are re-appropriated as part of the following year's budget and are reported as reservations of fund balance.

The County, because of its population, is required by North Carolina General Statute 159-26(d) to use an encumbrance system.

In accordance with state law, the County's budget is prepared on a modified accrual basis; its accounting records also are maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a fund liability is incurred, except for un-matured principal and interest on long-term debt and certain compensated absences.

Governmental Fund types, such as the County's General Fund, Special Revenue Funds, Capital Project Funds, and Agency Funds are reported on the modified accrual basis in the financial statements. The County's Enterprise Funds are reported on a full accrual basis in the financial statements, under which revenues are recorded when earned and expenses are recorded when incurred.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute, assurance regarding the following: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles and maintaining accountability for assets; and (3) compliance with applicable laws and regulations related to federal and state financial assistance programs. The concept of reasonable assurance recognizes the following: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. As a part of the County's single audit (discussed in more detail in a later paragraph), the independent auditor considered the County's internal control structure. The procedures performed by the independent auditor did not indicate any material internal control weaknesses or reportable conditions.

The Management's Discussion and Analysis, located in the Financial Section, contains highlights of the County's financial status as well as descriptions of the various fund types and financial statements.

### ***Single Audit***

As a recipient of federal and state financial assistance, the County is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the County's single audit, described above, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the County complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended June 30, 2024, provided no instances of material weaknesses in internal control structure or significant violations of applicable laws and regulations.

## ***Enterprise Operations***

The Water/Wastewater Division is responsible for providing safe drinking water to approximately 20,250 rural county residents, and for the collection and disposal of wastewater from approximately 1,100 rural county residents. The Water Division is funded through water and wastewater charges. Rates are adjusted annually to ensure that funds are available for repayment of debt and for daily operations and maintenance. Team members have been encouraged to seek Operator Certification in Water and Wastewater and are taking advantage of those opportunities. Continuing Education opportunities will be utilized to allow our staff to become more proficient in the operation and maintenance of the system.

The Solid Waste Division is responsible for collection and disposal of household garbage and recyclables for approximately 14,300 households through a contract with Unity of the Carolinas. The Solid Waste Division operates one county owned centrally located C&D landfill, a transfer station for MSW, and seven manned convenience sites located strategically throughout the County for use by residents to dispose of furniture, yard waste, appliances, electronics, and tires. The Division, which also processes White Goods disposals and scrap tires, is funded through annual solid waste fees and tipping fees which are adjusted annually. Tipping fees are charged to each commercial client at the landfill and County transfer station.

Halifax County's enterprise operations are comprised of one department with two separate and distinct divisions: Water/Wastewater Division and Solid Waste Division. Except for administrative staff, each division has a separate staff and budget and operates independently from the other.

## **OTHER INFORMATION**

### ***Independent Audit***

North Carolina General Statutes require each unit of local government to have its accounts audited annually by an independent certified public accountant. The accounting firm of Mauldin & Jenkins, CPA located in Columbia, South Carolina was selected by the Board of Commissioners after audit request for proposals were submitted.

In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act of 1984 and related OMB Uniform Guidance along with the State Single Audit Implementation Act. The auditors' report on the General-Purpose Financial Statements is included in the Financial Section of this report. The auditors' reports related specifically to the single audit are included in the Compliance Section.

## *Annual Comprehensive Financial Report*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Halifax County for its comprehensive annual financial report for the fiscal year ended June 30, 2023. This was the 25th consecutive year Halifax County has achieved this prestigious award. To be awarded a Certificate of Achievement, a government 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.

## *Acknowledgments*

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Due credit also should be given to the Board of Commissioners for their interest and support in planning and conducting the operations of the government in a responsible and progressive manner.

Respectfully submitted,



Dia H. Denton  
County Manager



Mary W. Duncan  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Halifax County  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

***Halifax County, North Carolina***

**LIST OF PRINCIPAL OFFICIALS**

June 30, 2024

**Board of Commissioners**

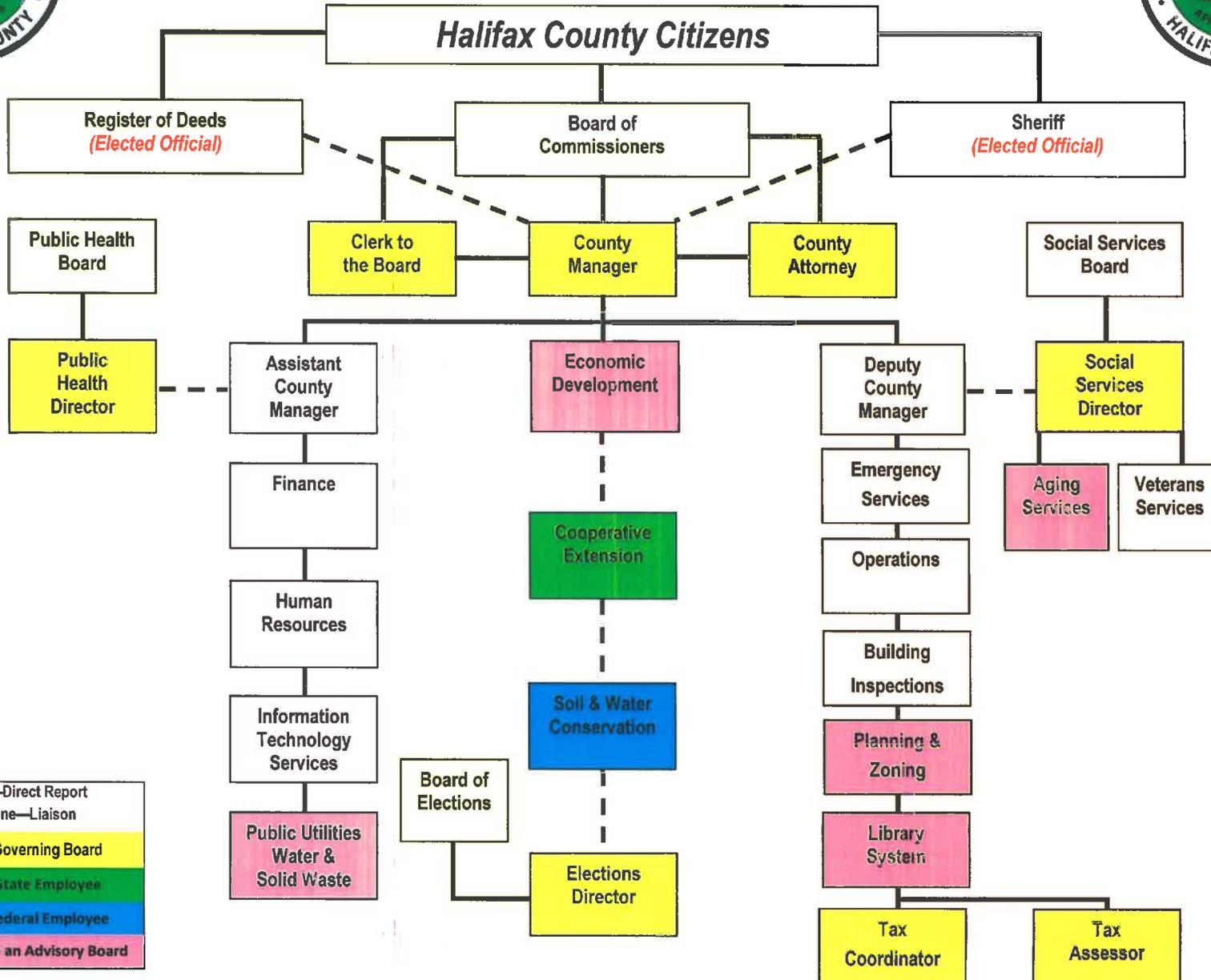
Vernon J. Bryant, Chairman  
Linda A. Brewer, Vice-Chairman  
Carolyn C. Johnson  
John Smith  
Chenoa Richardson Davis  
Sammy D. Webb

**Administrative Officials**

Dia H. Denton, County Manager  
Christina P. Wells, Deputy County Manager  
Thomas E. Everett, Assistant County Manager  
Mary W. Duncan, Finance Director  
M. Glynn Rollins, Jr., County Attorney  
Christie C. Avens, Register of Deeds  
Tyree Davis, Sheriff  
Cheyenna James, Director of Health Services  
Felicia Exum, Director of Social Services  
Brenda Faithful, Director of Library Services



# Organizational Chart Halifax County, North Carolina



Solid Line—Direct Report  
Dashed Line—Liaison

Reports to a Governing Board

Director is a State Employee

Director is a Federal Employee

Coordinates with an Advisory Board

## FINANCIAL SECTION

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Commissioners  
Halifax County  
Halifax, North Carolina

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Halifax County, North Carolina** (the "County") as of and for the year ended June 30, 2024, 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, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison statement for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Halifax County ABC Board (the "ABC Board"), which represents 66%, 61% and 84% of the assets, net position, and revenues, respectively of the aggregate discretely presented component units. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the ABC Board, is based solely on the report of the other auditor.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the ABC Board were not audited in accordance with *Government Auditing Standards*. 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 that 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 Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *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 GAAS 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.

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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 and the schedules related to the County's pensions and other post-employment benefits plans, 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, 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 combining and individual fund statements and schedules, as listed in the table of contents, and the schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State of North Carolina Single Audit Implementation Act (collectively, "the supplementary information") 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 supplementary 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the title pages, introductory section, and statistical section, 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 December 12, 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 County's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Raleigh, North Carolina  
December 12, 2024

## **MANAGEMENT’S DISCUSSION AND ANALYSIS**

Our discussion and analysis is designed to provide an objective and easy to read analysis of Halifax County, North Carolina’s (the “County”), financial activities for the fiscal year ended June 30, 2024. It is intended to provide a broad overview using a short-term and long-term analysis of the County’s activities based on information presented in the financial report and fiscal policies that have been adopted by the Board of County Commissioners.

### **FINANCIAL HIGHLIGHTS**

The assets and deferred outflows of Halifax County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$71,851,563. The County’s net position of governmental activities exhibited an increase of \$8,409,124 with the business-type activities showing an increase of \$1,009,809 resulting in the government’s total net position increasing by \$9,418,933.

As of the close of the current fiscal year, Halifax County’s governmental funds reported combined ending fund balances of \$73,383,370 after a net increase of \$8,555,553. Approximately 62% of this total amount, or \$45,616,377 is restricted or non-spendable.

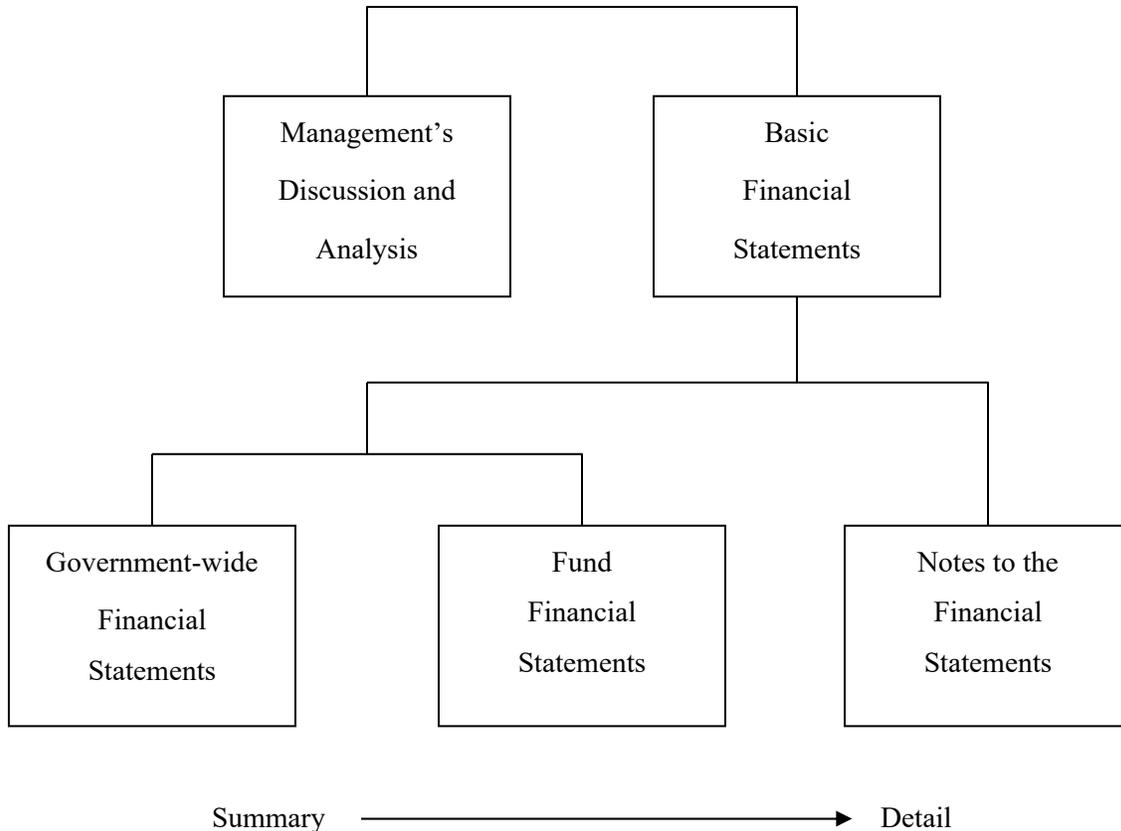
The County’s unassigned fund balance for the General Fund was \$23,221,066, or 29.4%, of net General Fund expenditures and transfers at the close of the current fiscal year.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The Management’s Discussion and Analysis is intended to serve as an introduction to the County’s basic financial statements. The County’s basic financial statements include three components: government-wide financial statements, fund financial statements, and notes to the financial statements. The report also contains the statistical section, single audit, and other supplementary information in addition to the basic financial statements; these will assist the reader’s understanding of the fiscal condition of the County.

## Required Components of Annual Financial Report

Figure 1



### BASIC FINANCIAL STATEMENTS

The first section of the basic financial statements is the **Government-wide Financial Statements**, which provide both short and long-term information concerning the County's financial status.

The following section is the **Fund Financial Statements**. These focus on the activities of the individual parts of the County's government, providing more detail than the government-wide statements. There are four parts to the fund financial statements: governmental funds, budgetary comparison, proprietary fund, and fiduciary fund statements.

The next section is the **Notes to the Financial Statements**. The notes explain in detail some of the data contained in the statements. Following the notes, **Supplemental Information** provides details of the County's non-major governmental funds and internal service funds, which are combined in one column on the basic financial statements. Budgetary information required by the State of North Carolina General Statutes can also be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. These statements include a **Statement of Net Position** and a **Statement of Activities** which 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 the County's assets and deferred outflows of resources and the total liabilities and deferred inflows, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying economic event occurs, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the statement will have cash flows in future fiscal periods. For example, taxes are shown as revenue although cash receipts will occur early in the following fiscal year; an increase in unused vacation leave is recorded as an expense although the related cash flow will occur in the future.

Both of the government-wide financial statements show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, public education, economic development, human services, and general administration. The business-type activities are public utilities, which are comprised of water systems and solid waste (landfill) systems.

The government-wide financial statements include not only the County itself (primary government), but also the ABC Board and the Tourism Development Authority. The Halifax County ABC Board is legally separate from the County; however, the County is financially accountable for the Board by appointing its members. Also, the ABC Board is required to distribute its profits to the County. Financial information for these component units is reported separately from the financial information presented for primary government.

## 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, which have been segregated for specific activities or objectives. The County, like other State and local governments in North Carolina, uses fund accounting to ensure and demonstrate compliance (or non-compliance) with legal, legislative, contractual, and other finance-related provisions. The fund statements focus on the major funds of the County. All of the County's funds may be divided into three categories: governmental, proprietary and fiduciary.

### Governmental Funds

Governmental funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements with the major difference being how the funds can be readily converted into cash flow in and out and what monies are left at year-end that will be available for spending in the next fiscal year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which provides a current financial resource focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps 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 a reconciliation that is a part of the fund financial statements.

The County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board of Commissioners about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budget basis of accounting and is presented using the same format, language and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual revenue or expenditures.

### **Proprietary Funds**

The County maintains two types of proprietary funds: enterprise and internal service. Enterprise funds are used to report in greater detail the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its utility system and solid waste system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various departments. The County uses internal service funds to account for Health Insurance Fund and Unemployment Insurance Fund. Because this operation benefits predominately governmental rather than business-type activities, the internal service funds have been included within the governmental activities in the governmental-wide financial statements.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefits of parties outside the government. The County has one fiduciary fund: Agency Fund. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets held by the County as an agent on the behalf of others.

### **Notes to the Basic 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 begin on page 30 of this report.

### **Other Information**

Combining and individual statements and schedules referred to earlier, which present more detailed views of nonmajor funds, are found in the *Combining and Individual Fund Statements and Schedules* of the annual report. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the funding of employee pension obligations. Required supplementary information can be found on pages 75 through 90 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Halifax County's Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets:</b>						
Current and other assets	\$ 82,212,923	\$ 72,873,678	\$ 12,638,799	\$ 10,617,145	\$ 94,851,722	\$ 83,490,823
Restricted assets	2,053,520	1,885,696	105,649	101,059	2,159,169	1,986,755
Capital assets	16,104,706	16,381,267	24,343,566	24,482,891	40,448,272	40,864,158
Total Assets	100,371,149	91,140,641	37,088,014	35,201,095	137,459,163	126,341,736
<b>Deferred Outflows of Resources</b>						
	15,091,957	15,077,003	407,893	424,232	15,499,850	15,501,235
<b>Liabilities:</b>						
Current liabilities	10,188,517	8,724,739	2,145,456	2,163,858	12,333,973	10,888,597
Non-current liabilities	43,197,699	46,078,389	20,050,476	20,172,751	63,248,175	66,251,140
Total liabilities	53,386,216	54,803,128	22,195,932	22,336,609	75,582,148	77,139,737
<b>Deferred Inflows of Resources</b>						
	5,515,152	3,261,902	10,150	8,702	5,525,302	3,270,604
<b>Net Position:</b>						
Net investment in capital assets	14,148,095	15,998,770	10,084,631	9,856,429	24,232,726	25,855,199
Restricted	46,079,929	28,392,863	-	-	46,079,929	28,392,863
Unrestricted	(3,666,286)	3,760,981	5,205,194	4,423,587	1,538,908	8,184,568
Total net position	\$ 56,561,738	\$ 48,152,614	\$ 15,289,825	\$ 14,280,016	\$ 71,851,563	\$ 62,432,630

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by \$71,851,563 at fiscal year-end. Net position increased in the current fiscal year due to the increases in property tax collections, above average sales tax collections as well as the continuation of reduced departmental spending in light supply shortages. Revenue Replacement (ARPA funds) were transferred to the Enterprise Fund for purchasing equipment that will enable water leak detection and shredding of materials which would require transport to a landfill in a nearby state. \$24,232,726 (33.7%) reflects the County's investment in capital assets such as land, buildings, equipment, and construction in progress, less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the assets themselves cannot be used to liquidate these liabilities. The payment of maintenance and debt service costs on these capital assets will require future government resources.

\$46,079,929 of total net position represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position may be used to meet the ongoing obligations of citizens and creditors.

## Halifax County's Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 7,537,740	\$ 7,312,490	\$ 11,684,274	\$ 11,741,139	\$ 19,222,014	\$ 19,053,629
Operating Grants and Contributions	28,924,054	25,047,820	-	-	28,924,054	25,047,820
Capital Grants and Contributions	-	-	-	-	-	-
General Revenue:						
Property Taxes	40,230,420	39,071,997	-	-	40,230,420	39,071,997
Local Option Sales Tax	14,344,172	13,738,387	-	-	14,344,172	13,738,387
Other Taxes	914,759	871,892	-	-	914,759	871,892
Interest and Other	4,283,406	1,995,084	362,300	230,707	4,645,706	2,225,791
<b>Total Revenues</b>	<b>96,234,551</b>	<b>88,037,670</b>	<b>12,046,574</b>	<b>11,971,846</b>	<b>108,281,125</b>	<b>100,009,516</b>
<b>Expenses:</b>						
General Government	11,566,642	9,856,412	-	-	11,566,642	9,856,412
Public Safety	25,690,151	23,740,255	-	-	25,690,151	23,740,255
Economic and Physical						
Development	2,459,536	3,931,779	-	-	2,459,536	3,931,779
Human Services	21,897,826	21,707,585	-	-	21,897,826	21,707,585
Cultural and Recreational	946,032	836,462	-	-	946,032	836,462
Education	22,518,103	16,599,521	-	-	22,518,103	16,599,521
Interest and fees	452,734	507,273	-	-	452,734	507,273
Water and Sewer	-	-	7,260,260	7,086,756	7,260,260	7,086,756
Landfill/Solid Waste	-	-	6,070,908	4,402,048	6,070,908	4,402,048
<b>Total Expenses</b>	<b>85,531,024</b>	<b>77,179,287</b>	<b>13,331,168</b>	<b>11,488,804</b>	<b>98,862,192</b>	<b>88,668,091</b>
Revenue Over (Under)						
Expenses	10,703,527	10,858,383	(1,284,594)	483,042	9,418,933	11,341,425
Transfers	(2,294,403)	1,224	2,294,403	(1,224)	-	-
<b>Change in Net Position</b>	<b>8,409,124</b>	<b>10,859,607</b>	<b>1,009,809</b>	<b>481,818</b>	<b>9,418,933</b>	<b>11,341,425</b>
<b>Net Position:</b>						
Beginning of Year July 1	48,152,614	37,293,007	14,280,016	13,798,198	62,432,630	51,091,205
End of Year - June 30	<b>\$ 56,561,738</b>	<b>\$ 48,152,614</b>	<b>\$ 15,289,825</b>	<b>\$ 14,280,016</b>	<b>\$ 71,851,563</b>	<b>\$ 62,432,630</b>

### Governmental Activities

Of total net position, operating grants and contributions funded \$28,924,054 of the County's governmental activities. Only property taxes provided a higher source of income. During fiscal year 2024, interest revenues continued with high yields. Revenues remained fairly constant with fees from solar farms and single-family home construction, which had taken a downturn in the previous fiscal years increasing. The Commissioners continue to be aggressive in pursuing businesses through economic development incentives of building reuse grants and other infrastructure needs. The County's expenses increased slightly with the capital leases of sheriff department vehicles. Maintenance costs decreased with the new vehicles replacing those with high mileage. Education expenses increased with the 5% match required for the two needs-based grants awarded from NC Department of Public Instruction. Inflation continued to cause operational expenses, but availability has improved from prior years.

## **Business-type Activities**

Business-type activities increased the County's net position by \$1,009,809. Water and Sewer rates were changed to market prices after several years of absorbing increased costs and to improve debt covenant percentages per revenue bond guidelines. The ratios continue to improve from previous years.

## **FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

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

### **Governmental Funds**

The focus of Halifax County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. This difference in focus and purpose creates significant variances between the governmental fund financial statements of the government-wide financial statements. Such information is useful in assessing Halifax County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Halifax County. At the end of the current fiscal year, unassigned fund balance available in the General Fund was \$23,221,066, while total fund balance reached \$51,373,924. The County currently has an available fund balance of 29.4% (unassigned) of General Fund expenditures and transfers out, while total fund balance represents 65.1% of that same amount. The Board of Commissioners has determined that the County maintains a minimum of 18% of general fund expenditures in the case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County.

At June 30, 2024, the governmental funds of Halifax County reported a combined fund balance of \$73,383,370, a 13% increase from fiscal year 2023. This can be primarily attributed to the state grants awarded for the court services building improvements.

For the year ended June 30, 2024, the net change in fund balances per the governmental funds showed an increase of \$8,555,553 while the governmental activities column of the government-wide financial statements indicated an increase of \$8,409,124 in net position. A major contributing factor to this difference is due to the reporting of debt service and capital outlays as expenditures in the governmental funds, but as balance sheet/capital items (i.e., not expenses immediately, but rather over the life of the assets) on the government-wide statements.

Fund balance may serve as a useful measure of a government's net resources available for spending. Approximately \$23.2 million of the total governmental fund balances constitutes Unassigned fund balance, which is available for spending within the constraints of each particular fund.

Special revenue funds are used to account for specific revenue sources and their related expenditures. The aggregate fund balance of all special revenue funds was \$5,308,186 at year-end. All the fund balances for special revenue funds are considered restricted. The County was the recipient of several pass-through grants to municipalities for flood mitigation. Roanoke Rapids received \$1,000,000; Scotland Neck and Littleton each received \$250,000 and the Underground Railroad was awarded \$50,000 towards the establishment of a museum. Opioid funds have been received in the amount of \$1,509,892 as of June 30, 2024, with more disbursements anticipated along with additional settlements being reached. Community meetings have been held to discuss the best use of these opioid funds.

Economic Development Funds (Capital project funds) reported expenditures of \$16,800,535 for the current fiscal year. Projects, which become assets of the County, excluding school expenses, have their yearly expenses added to the County's construction in progress until the project is completed and then depreciated over their useful lives. OSBM grants were completed with two new school construction projects breaking ground.

### **Proprietary Funds**

Proprietary funds provide the same type of information found in the government-wide finance statements, but in more detail. Net position of solid waste at year-end totaled \$922,498 and the Water Fund totaled \$14,442,327 for a cumulative total of \$15,364,825. Other factors concerning the finances of the proprietary funds have previously been addressed during the discussion of the County's business-type activities.

### **Internal Service Funds**

Internal service funds are designed to recover the internal costs of general services provided to the other fund groups. At June 30, 2024, total net position amounted to \$3,127,053 which is an increase of \$464,004 from the previous fiscal year.

### **General Fund Budgetary Highlights**

During the year, the County revised the budget on several occasions. Generally, the budget amendments fall into 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, which become necessary to maintain services. The majority of amendments, which increased revenues are attributable to restricted intergovernmental revenues and annual grants, which are not included until final authorizations are signed. A comparison of actual results versus the final budget reveals a net decrease in the General Fund's fund balance by \$6,402,356; the major portion of this decrease can be tied to the transfer of ARPA Revenue Replacement funds for the creation of a Capital Reserve Fund.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$40,448,272 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, water lines, and solid waste convenience sites. The decrease in the County's capital assets for the current fiscal year was approximately 3.4%.

## Halifax County's Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and Improvements	\$ 4,131,740	\$ 4,131,740	\$ 463,850	\$ 463,850	\$ 4,595,590	\$ 4,595,590
Buildings	29,789,207	30,074,290	57,136,762	57,136,762	86,925,969	87,211,052
Equipment	7,143,252	6,327,242	5,530,128	4,850,604	12,673,380	11,177,846
Vehicles	5,819,519	5,401,236	1,393,984	1,321,950	7,213,503	6,723,186
Leased Assets - Vehicles	2,132,583	1,619,773	-	-	2,132,583	1,619,773
Construction in Progress	90,600	1,055,191	-	-	90,600	1,055,191
Sub-total	49,106,901	48,609,472	64,524,724	63,773,166	113,631,625	112,382,638
Less: Accumulated						
Depreciation/amortization	(33,002,195)	(32,228,205)	(40,181,158)	(38,290,275)	(73,183,353)	(70,518,480)
Total	\$ 16,104,706	\$ 16,381,267	\$ 24,343,566	\$ 25,482,891	\$ 40,448,272	\$ 41,864,158

Our financial statements present capital assets in two groups: those assets subject to depreciation, such as equipment or operational facilities, and those assets not subject to depreciation, such as land and construction in progress.

Prior to implementation of GASB No. 34, accumulated depreciation and depreciation expenses were required to be reported only in the enterprise funds and internal service funds. With the implementation of GASB 34, accumulated depreciation was reported in the Statement of Net Position for capital assets, which were not held by the enterprise or internal service funds. In addition, the corresponding depreciation expenses were reported in the Statement of Activities. Please refer to the notes to financial statements beginning on page 45 for further details regarding capital assets.

### Long-term Debt

A significant component of the County's debt is the general obligation bonds, at \$10,971,121 representing bonds backed by the full faith and credit of the County.

This outstanding general obligation indebtedness is only a portion of the legal debt limit of approximately \$345.5 million. This legal debt limit is determined by the Municipal Finance Law of North Carolina, which restricts the amount of net bonded debt a county may have outstanding to 8% of the appraised value subject to taxation.

### Halifax County's Outstanding Debt General Obligation and Revenue Bonds

	Business-type Activities	
	2024	2023
General Obligation Bonds	\$ 10,971,121	\$ 12,110,237
Revenue Bonds	2,199,000	2,252,000
Total	\$ 13,170,121	\$ 14,362,237

The County's general obligation debt per capita is \$236.74 as of June 30, 2024, while the County's gross debt per capita is \$452.33.

Additional information of the County's long-term debt can be found beginning on page 48 in the notes to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Local and national economic factors influence the County's revenues in a variety of ways. Positive economic growth is correlated with increased revenues from property taxes, sales tax, fuel taxes, charges for services, as well as federal and State grants. Economic growth may be measured by such indicators as employment growth, unemployment, increases in new construction and assessed values, diversification of the property tax base, enterprise fund revenue, and net asset growth. Economic factors considered in preparing the County's budget for the 2024 fiscal year included, but were not limited to, the following:

- The County labor force equals approximately 19,228 and has an unemployment rate of 6.1% as of June 30, 2024. This compares unfavorably to both the State's unemployment rate of 3.8% and to the United States' rate of 4.2% for the same period. The labor force, per Employment Security Commission charts, showed a slight increase, and the unemployment rate also increased in comparison to the prior fiscal year and can be attributable to the pandemic recovery.
- Inflationary trends in the region compare favorably to national indices.
- According to the US Census Bureau, the County population of 46,342 for 2024 continued to decrease from the previous year by approximately 3.2%.

Additional information regarding economic factors is provided in the statistical section of the ACFR.

## **BUDGET HIGHLIGHTS FOR FISCAL YEAR 2024-2025**

### **Governmental Activities**

The County's most current property revaluation was effective January 1, 2024. The revaluation brought properties up to market values, as it had been four years since the previous revaluation where the tax rate decreased to \$.71 per \$100 with an additional \$.05 per \$100 levied for the repayment of debt incurred by the County for the construction of the new Manning Elementary School. The tax rate for fiscal year 2025 is \$.70 per \$100 including the debt service value of \$.05. The County's current property valuation is \$4.5 billion dollars and the budgeted property collection rate for Fiscal Year 2025 is 97.5%.

Property taxes and revenues from permits and fees are expected to continue to lead the increase in revenue projections. Halifax County's sales tax revenues were not impacted due to the COVID-19 pandemic and appear to be levelling off. Sales tax in fiscal year 24 exceeded the budgeted amount by \$1,687,727. Revenues from earned interest continue to increase and have exceeded the projected earnings, but the County will still use conservative budgeting estimates. Expenditure modifications implemented in prior fiscal years were carried forward into fiscal year 2025.

Halifax County received \$9.7 million in ARPA funding to assist with COVID-19 recovery; \$7.7 million was transferred into the General Fund through the Revenue Replacement method. The majority of these funds were transferred in FY 24 into the Capital Reserve Fund for major infrastructure improvements.

Economic development will continue to be emphasized during the 2024-2025 fiscal year. The County will continue working with the Economic Development Partnership of North Carolina and the NC Department of Commerce, in developing economic incentive packages to support new and expanding business opportunities. The County is partnering with Golden LEAF and Roanoke Cooperative to build a 40,000 square foot shell industrial building. The selection of the US 301 Site as a North Carolina Select-site has resulted in increased business interest for this site.

### **Business-type Activities**

The 2025 budgeted expenditures for the Solid Waste Fund are \$5,173,058 as compared to \$4,792,637 in fiscal year 2024. Public Utilities – Water Division’s FY 25 budgeted expenditures are \$7,302,000 which is an increase of \$441,916 from the previous fiscal year.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the County’s finances for those with an interest in this area. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the Halifax County Finance Director, P.O. Box 38, Halifax, North Carolina 27839. You may also visit our website at [www.halifaxnc.com](http://www.halifaxnc.com).

**HALIFAX COUNTY, NORTH CAROLINA**

**STATEMENT OF NET POSITION  
JUNE 30, 2024**

	Primary Government			Component Units	
	Government	Business-type	Total	Halifax County	Halifax County
	Activities	Activities		Tourism Development Authority	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 69,959,640	\$ 10,771,362	\$ 80,731,002	\$ 1,881,988	\$ 1,694,402
Receivables, net of allowance for uncollectible	10,245,081	1,663,805	11,908,886	-	-
Taxes receivable, net of allowance for uncollectible	1,992,292	-	1,992,292	-	-
Due from other governments	15,910	92,743	108,653	136,038	-
Inventories	-	110,889	110,889	-	897,999
Restricted cash and cash equivalents	2,005,178	105,649	2,110,827	-	-
Net pension asset	48,342	-	48,342	-	-
Capital assets:					
Nondepreciable	4,222,340	436,727	4,659,067	-	275,222
Depreciable, net of accumulated depreciation	10,640,322	23,906,839	34,547,161	-	1,041,114
Lease assets, net	1,242,044	-	1,242,044	-	-
Total assets	<u>100,371,149</u>	<u>37,088,014</u>	<u>137,459,163</u>	<u>2,018,026</u>	<u>3,908,737</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related items	11,473,615	407,893	11,881,508	76,209	171,024
OPEB related items	3,618,342	-	3,618,342	-	73,922
Total deferred outflows of resources	<u>15,091,957</u>	<u>407,893</u>	<u>15,499,850</u>	<u>76,209</u>	<u>244,946</u>
<b>LIABILITIES</b>					
Accounts payable	3,451,194	401,534	3,852,728	38,051	569,325
Accrued liabilities	382,556	49,068	431,624	-	30,360
Customer deposits	-	331,015	331,015	-	-
Interest payable	66,898	-	66,898	-	-
Unearned revenue	1,360,000	-	1,360,000	-	-
Claims payable	418,752	-	418,752	-	-
Installment notes from direct borrowing, due within one year	2,368,667	1,160,975	3,529,642	-	-
Installment notes from direct borrowing, due in more than one year	10,861,997	9,810,147	20,672,144	-	-
Notes payable from direct borrowing, due within one year	-	118,746	118,746	-	-
Notes payable from direct borrowing, due in more than one year	-	970,067	970,067	-	-
Bonds payable from direct placement, due within one year	-	54,000	54,000	-	-
Bonds payable from direct placement, due in more than one year	-	2,145,000	2,145,000	-	-
Leases payable, due within one year	519,826	-	519,826	-	-
Leases payable, due in more than one year	782,025	-	782,025	-	-
Compensated absences, due within one year	877,060	30,118	907,178	11,237	-
Compensated absences, due in more than one year	1,315,591	45,177	1,360,768	16,855	-
Landfill postclosure liability, due in more than one year	-	6,403,502	6,403,502	-	-
Total pension liability, due within one year	137,056	-	137,056	-	-
Total pension liability, due in more than one year	2,154,172	-	2,154,172	-	-
Net pension liability, due in more than one year	17,858,391	676,583	18,534,974	78,086	277,176
Total OPEB liability, due within one year	606,508	-	606,508	-	-
Total OPEB liability, due in more than one year	10,225,523	-	10,225,523	21,891	191,391
Total liabilities	<u>53,386,216</u>	<u>22,195,932</u>	<u>75,582,148</u>	<u>166,120</u>	<u>1,068,252</u>

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

**HALIFAX COUNTY, NORTH CAROLINA**

**STATEMENT OF NET POSITION  
JUNE 30, 2024**

	Primary Government			Component Units	
	Government Activities	Business-type Activities	Total	Halifax County Tourism Development Authority	Halifax County ABC Board
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred tax revenue	\$ 364,259	\$ -	\$ 364,259	\$ -	\$ -
OPEB related items	4,532,429	-	4,532,429	101	24,041
Pension related items	618,464	10,150	628,614	187	14,281
Total deferred inflows of resources	5,515,152	10,150	5,525,302	288	38,322
<b>NET POSITION</b>					
Net investment in capital assets	14,148,095	10,084,631	24,232,726	-	1,316,336
Restricted for:					
Stabilization by State Statute	8,168,351	-	8,168,351	136,038	-
Public safety	2,982,563	-	2,982,563	-	-
Human services	13,158,992	-	13,158,992	-	-
Education	2,144,106	-	2,144,106	-	-
Tax reassessment	92,138	-	92,138	-	-
Culture and recreation	111,440	-	111,440	-	-
Economic and physical development	17,368,819	-	17,368,819	-	-
Register of Deeds pension benefits	48,342	-	48,342	-	-
Debt Service	2,005,178	-	2,005,178	-	-
Other	-	-	-	-	255,117
Unrestricted	(3,666,286)	5,205,194	1,538,908	1,791,789	1,475,656
Total net position	\$ 56,561,738	\$ 15,289,825	\$ 71,851,563	\$ 1,927,827	\$ 3,047,109

# HALIFAX COUNTY, NORTH CAROLINA

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 11,566,642	\$ 3,966,509	\$ 1,590,469	\$ -
Public safety	25,690,151	2,963,681	1,212,098	-
Economic and physical development	2,459,536	242,772	8,452,383	-
Human services	21,897,826	335,183	12,717,656	-
Culture and recreation	946,032	29,595	129,010	-
Education	22,518,103	-	4,822,438	-
Interest on long-term debt	452,734	-	-	-
Total governmental activities	85,531,024	7,537,740	28,924,054	-
Business-type activities:				
Solid waste	6,070,908	4,870,306	-	-
Water and sewer	7,260,260	6,813,968	-	-
Total business-type activities	13,331,168	11,684,274	-	-
Total primary government	98,862,192	19,222,014	28,924,054	-
Component Units:				
Halifax County Tourism Development Authority	1,411,695	-	-	-
Halifax County ABC Board	8,440,847	8,597,272	-	-
Total component units	\$ 9,852,542	\$ 8,597,272	\$ -	\$ -
		General revenues: Ad valorem taxes Sales and use taxes Other taxes Investment earnings Miscellaneous Transfers Total general revenue and transfers Change in net position Net position, beginning of year Net position, end of year		

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

<b>Changes in Net Position</b>				
<b>Primary Government</b>			<b>Component Units</b>	
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Halifax County Tourism Development Authority</b>	<b>Halifax County ABC Board</b>
\$ (6,009,664)	\$ -	\$ (6,009,664)	\$ -	\$ -
(21,514,372)	-	(21,514,372)	-	-
6,235,619	-	6,235,619	-	-
(8,844,987)	-	(8,844,987)	-	-
(787,427)	-	(787,427)	-	-
(17,695,665)	-	(17,695,665)	-	-
(452,734)	-	(452,734)	-	-
<u>(49,069,230)</u>	<u>-</u>	<u>(49,069,230)</u>	<u>-</u>	<u>-</u>
-	(1,200,602)	(1,200,602)	-	-
-	(446,292)	(446,292)	-	-
-	(1,646,894)	(1,646,894)	-	-
<u>(49,069,230)</u>	<u>(1,646,894)</u>	<u>(50,716,124)</u>	<u>-</u>	<u>-</u>
-	-	-	(1,411,695)	-
-	-	-	-	156,425
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,411,695)</u>	<u>156,425</u>
40,230,420	-	40,230,420	-	-
14,344,172	-	14,344,172	-	-
914,759	-	914,759	1,521,134	-
3,108,263	362,300	3,470,563	71,914	14,780
1,175,143	-	1,175,143	1,119	-
(2,294,403)	2,294,403	-	-	-
<u>57,478,354</u>	<u>2,656,703</u>	<u>60,135,057</u>	<u>1,594,167</u>	<u>14,780</u>
8,409,124	1,009,809	9,418,933	182,472	171,205
48,152,614	14,280,016	62,432,630	1,745,355	2,875,904
<u>\$ 56,561,738</u>	<u>\$ 15,289,825</u>	<u>\$ 71,851,563</u>	<u>\$ 1,927,827</u>	<u>\$ 3,047,109</u>

# HALIFAX COUNTY, NORTH CAROLINA

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2024

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Halifax County Capital Reserve Fund	Halifax County Court Services Building Project		
<b>ASSETS</b>					
Cash	\$ 43,054,176	\$ 8,190,728	\$ 8,510,532	\$ 6,526,230	\$ 66,281,666
Taxes receivable, net	1,573,503	-	-	418,789	1,992,292
Accounts receivable, net	7,879,156	-	-	2,365,925	10,245,081
Due from other governments	-	-	-	15,910	15,910
Due from other funds	580	-	-	-	580
Restricted cash and cash equivalents	2,005,178	-	-	-	2,005,178
<b>Total assets</b>	<b>54,512,593</b>	<b>8,190,728</b>	<b>8,510,532</b>	<b>9,326,854</b>	<b>80,540,707</b>
<b>LIABILITIES</b>					
Accounts payable	1,076,147	-	-	2,242,878	3,319,025
Accrued payroll and withholdings	324,167	-	-	-	324,167
Accrued liabilities	58,389	-	-	-	58,389
Due to other funds	-	-	-	580	580
Unearned revenue	-	-	-	1,360,000	1,360,000
<b>Total liabilities</b>	<b>1,458,703</b>	<b>-</b>	<b>-</b>	<b>3,603,458</b>	<b>5,062,161</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - ad valorem taxes	1,315,707	-	-	415,210	1,730,917
Unearned revenue - prepaid taxes	364,259	-	-	-	364,259
<b>Total deferred inflows of resources</b>	<b>1,679,966</b>	<b>-</b>	<b>-</b>	<b>415,210</b>	<b>2,095,176</b>
<b>FUND BALANCES</b>					
Restricted:					
Stabilization by State Statute	8,137,532	-	-	30,819	8,168,351
Public safety	220,079	-	-	2,648,087	2,868,166
Debt service	2,005,178	-	-	-	2,005,178
Human services	13,144,935	-	-	-	13,144,935
Tax reassessment	92,138	-	-	-	92,138
Education	-	-	-	1,857,350	1,857,350
Culture and recreation	-	-	-	111,440	111,440
Economic and physical development	-	8,190,728	8,510,532	667,559	17,368,819
Assigned:					
Use in subsequent fiscal year	4,552,996	-	-	-	4,552,996
Economic and physical development	-	-	-	42,717	42,717
Unassigned	23,221,066	-	-	(49,786)	23,171,280
<b>Total fund balances</b>	<b>51,373,924</b>	<b>8,190,728</b>	<b>8,510,532</b>	<b>5,308,186</b>	<b>73,383,370</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 54,512,593</b>	<b>\$ 8,190,728</b>	<b>\$ 8,510,532</b>	<b>\$ 9,326,854</b>	<b>\$ 80,540,707</b>

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

# HALIFAX COUNTY, NORTH CAROLINA

## RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2024

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

Fund balances - total governmental funds		\$ 73,383,370
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Assets not subject to depreciation	\$ 4,222,340	
Assets subject to depreciation	42,751,978	
Right-to-use lease assets	2,132,583	
Less: accumulated depreciation and amortization	(33,002,195)	16,104,706
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.		
Property taxes		1,730,917
The net pension liability (asset), total pension liability, and related deferred inflows and outflows of resources related to the County's defined benefit pension plans are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.		
Total pension liability - Law Enforcement Officer's Special Separation Allowance (LEOSSA) pension plan	\$ (2,291,228)	
LEOSSA related deferred inflows and outflows	64,992	
Net pension liability - Local Government Employee Retirement System (LGERS) pension plan	(17,858,391)	
LGERS related deferred inflows and outflows	10,771,892	
Net pension asset - Register of Deeds (ROD) pension plan	48,342	
ROD related deferred inflows and outflows	18,267	(9,246,126)
The total OPEB liability and related deferred inflows and outflows of resources related to the County's OPEB plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.		
Total OPEB liability	\$ (10,832,031)	
OPEB related deferred inflows and outflows	(914,087)	(11,746,118)
Internal service funds are used by the County to charge costs to other funds. The assets and liabilities are included in the governmental activities.		
		3,127,053
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Installment notes	\$ (13,230,664)	
Leases payable	(1,301,851)	
Accrued interest payable	(66,898)	
Compensated absences (i.e., vacation)	(2,192,651)	(16,792,064)
Net position - governmental activities		\$ 56,561,738

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

# HALIFAX COUNTY, NORTH CAROLINA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Halifax County Capital Reserve Fund	Halifax County Court Services Building Project		
<b>Revenues</b>					
Property taxes	\$ 32,813,504	\$ -	\$ -	\$ 7,521,797	\$ 40,335,301
Sales taxes	13,471,727	-	-	872,445	14,344,172
Other taxes	58,347	-	-	856,412	914,759
Intergovernmental revenues	14,858,509	-	8,250,000	5,815,545	28,924,054
Permits and fees	2,393,345	-	-	-	2,393,345
Charges for services	4,244,522	-	-	-	4,244,522
Investment earnings	2,510,785	321,681	99,282	176,515	3,108,263
Miscellaneous	594,010	-	-	1,481,006	2,075,016
Total revenues	<u>70,944,749</u>	<u>321,681</u>	<u>8,349,282</u>	<u>16,723,720</u>	<u>96,339,432</u>
<b>Expenditures</b>					
Current:					
General government	11,324,283	-	-	-	11,324,283
Public safety	21,676,944	-	-	3,151,031	24,827,975
Economic and physical development	1,231,048	-	226,875	262,170	1,720,093
Human services	21,476,808	-	-	319,865	21,796,673
Culture and recreation	847,736	-	-	-	847,736
Education	9,450,634	-	-	13,067,469	22,518,103
Debt service:					
Principal retirements	2,960,200	-	-	-	2,960,200
Interest and fiscal charges	458,229	-	-	-	458,229
Total expenditures	<u>69,425,882</u>	<u>-</u>	<u>226,875</u>	<u>16,800,535</u>	<u>86,453,292</u>
Excess (deficiency) of revenues over (under) expenditures	1,518,867	321,681	8,122,407	(76,815)	9,886,140
<b>Other financing sources (uses)</b>					
Issuance of lease	638,816	-	-	-	638,816
Transfers in	969,500	6,987,893	-	242,743	8,200,136
Transfers out	(9,529,539)	-	-	(640,000)	(10,169,539)
Total other financing sources (uses)	<u>(7,921,223)</u>	<u>6,987,893</u>	<u>-</u>	<u>(397,257)</u>	<u>(1,330,587)</u>
Net change in fund balances	(6,402,356)	7,309,574	8,122,407	(474,072)	8,555,553
<b>Fund balances, July 1</b>	57,776,280	-	-	7,051,537	64,827,817
Adjustment - change to reporting entity (Note 13)	-	881,154	388,125	(1,269,279)	-
<b>Fund balances, July 1, as adjusted</b>	<u>57,776,280</u>	<u>881,154</u>	<u>388,125</u>	<u>5,782,258</u>	<u>64,827,817</u>
<b>Fund balances, June 30</b>	<u>\$ 51,373,924</u>	<u>\$ 8,190,728</u>	<u>\$ 8,510,532</u>	<u>\$ 5,308,186</u>	<u>\$ 73,383,370</u>

# HALIFAX COUNTY, NORTH CAROLINA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

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

Net change in fund balances - total governmental funds	\$	8,555,553
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and amortization expense exceeded capital outlays in the current period.

Capital outlay	\$	1,736,820	
Depreciation and amortization expense		<u>(1,942,981)</u>	(206,161)

In the statement of activities, only the gain or loss on the disposal of capital assets is recorded. However, in the governmental funds, proceeds from sales increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.

(70,400)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Property taxes	(104,881)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of a new lease	\$	(638,816)	
Debt service payments on long-term liabilities		<u>2,960,200</u>	2,321,384

Internal service funds are used by management to charge the costs of the County's insurance plan to individual funds. The net expense of the internal service fund is reported within governmental activities.

464,004

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences (i.e., vacation)	\$	(179,060)	
Change in accrued interest		5,495	
Total pension liability and related deferred outflows and inflows - LEOSSA		(91,216)	
Net pension liability and related deferred outflows and inflows - LGERS		(1,709,221)	
Net pension asset and related deferred outflows and inflows - ROD		(3,166)	
Total OPEB liability and related deferred outflows and inflows		<u>(573,207)</u>	<u>(2,550,375)</u>

Change in net position - governmental activities	\$	<u><u>8,409,124</u></u>
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The accompanying notes are an integral part of these financial statements.

# HALIFAX COUNTY, NORTH CAROLINA

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 31,240,000	\$ 31,240,000	\$ 32,813,504	\$ 1,573,504
Other taxes and licenses	11,851,000	11,851,000	13,530,074	1,679,074
Intergovernmental revenue	16,993,763	18,108,926	14,858,509	(3,250,417)
Permits and fees	2,119,800	2,012,573	2,393,345	380,772
Sales and services	4,329,619	4,739,619	4,244,522	(495,097)
Miscellaneous	678,125	845,057	594,010	(251,047)
Investment earnings	225,000	225,000	2,510,785	2,285,785
Total revenues	67,437,307	69,022,175	70,944,749	1,922,574
<b>Expenditures</b>				
Current:				
General government	11,822,234	14,047,000	11,324,283	2,722,717
Public safety	22,090,457	23,305,084	21,676,944	1,628,140
Economic and physical development	1,328,856	1,555,802	1,231,048	324,754
Human services	25,037,824	27,231,898	21,476,808	5,755,090
Culture and recreation	830,261	873,496	847,736	25,760
Education	8,988,915	9,159,634	9,450,634	(291,000)
Debt service:				
Principal retirements	2,600,111	2,600,941	2,960,200	(359,259)
Interest	459,068	458,238	458,229	9
Total expenditures	73,157,726	79,232,093	69,425,882	9,806,211
Excess (deficiency) of revenues over (under) expenditures	(5,720,419)	(10,209,918)	1,518,867	11,728,785
<b>Other financing sources (uses)</b>				
Issuance of lease	-	-	638,816	638,816
Transfers in	15,510,718	16,611,897	969,500	(15,642,397)
Transfers out	(15,249,818)	(25,170,436)	(9,529,539)	15,640,897
Appropriated fund balance	5,459,519	18,768,457	-	(18,768,457)
Total other financing sources (uses)	5,720,419	10,209,918	(7,921,223)	(18,131,141)
Net change in fund balances	-	-	(6,402,356)	(6,402,356)
<b>Fund balances, beginning of year</b>	57,776,280	57,776,280	57,776,280	-
<b>Fund balances, end of year</b>	\$ 57,776,280	\$ 57,776,280	\$ 51,373,924	\$ (6,402,356)

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

# HALIFAX COUNTY, NORTH CAROLINA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2024

	Solid Waste Landfill Fund	Water Fund	Totals	Internal Service Funds
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 4,180,892	\$ 6,590,470	\$ 10,771,362	\$ 3,677,974
Accounts receivable, net of allowances	825,763	838,042	1,663,805	-
Due from other funds	-	-	-	-
Due from other governments	62,239	30,504	92,743	-
Restricted cash and cash equivalents	-	105,649	105,649	-
Inventories	-	110,889	110,889	-
Total current assets	5,068,894	7,675,554	12,744,448	3,677,974
<b>CAPITAL ASSETS</b>				
Nondepreciable	312,250	124,477	436,727	-
Depreciable, net of accumulated depreciation	2,171,839	21,735,000	23,906,839	-
Total noncurrent assets	2,484,089	21,859,477	24,343,566	-
Total assets	7,552,983	29,535,031	37,088,014	3,677,974
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related items	136,528	271,365	407,893	-
Total deferred outflows of resources	136,528	271,365	407,893	-
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	113,741	287,793	401,534	132,169
Accrued liabilities	-	49,068	49,068	-
Customer deposits	-	331,015	331,015	-
Claims payable	-	-	-	418,752
Installment contracts, current	-	1,160,975	1,160,975	-
Notes payable, current	-	118,746	118,746	-
Bonds payable, current	-	54,000	54,000	-
Compensated absences payable, current	6,896	23,222	30,118	-
Total current liabilities	120,637	2,024,819	2,145,456	550,921
<b>NONCURRENT LIABILITIES</b>				
Landfill postclosure	6,403,502	-	6,403,502	-
Installment contracts from direct borrowing, due in more than one year	-	9,810,147	9,810,147	-
Notes payable from direct borrowing, due in more than one year	-	970,067	970,067	-
Bonds payable from direct placement, due in more than one year	-	2,145,000	2,145,000	-
Compensated absences payable	10,343	34,834	45,177	-
Net pension liability	229,094	447,489	676,583	-
Total noncurrent liabilities	6,642,939	13,407,537	20,050,476	-
Total liabilities	6,763,576	15,432,356	22,195,932	550,921
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related items	3,437	6,713	10,150	-
Total deferred inflows of resources	3,437	6,713	10,150	-
<b>NET POSITION</b>				
Net investment in capital assets	2,484,089	7,600,542	10,084,631	-
Unrestricted	(1,561,591)	6,766,785	5,205,194	3,127,053
Total net position	\$ 922,498	\$ 14,367,327	\$ 15,289,825	\$ 3,127,053

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

# HALIFAX COUNTY, NORTH CAROLINA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Solid Waste Landfill Fund	Water Fund	Totals	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ 4,769,627	\$ 6,459,428	\$ 11,229,055	\$ -
Other operating revenues	-	-	-	5,924,685
Miscellaneous	100,679	354,540	455,219	-
	4,870,306	6,813,968	11,684,274	5,924,685
Total operating revenues				
<b>OPERATING EXPENSES</b>				
Administrative and general	-	1,540,216	1,540,216	-
Operations and maintenance	5,902,739	3,616,459	9,519,198	-
Depreciation	168,169	1,729,319	1,897,488	-
Claims and payments to third party administrators	-	-	-	5,304,453
Total operating expenses	6,070,908	6,885,994	12,956,902	5,304,453
Operating income (loss)	(1,200,602)	(72,026)	(1,272,628)	620,232
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment earnings	236,763	125,537	362,300	168,772
Interest expense and fiscal charges	-	(374,266)	(374,266)	-
Total non-operating revenue (expenses)	236,763	(248,729)	(11,966)	168,772
Income (loss) before transfers	(963,839)	(320,755)	(1,284,594)	789,004
Transfers in	628,903	1,670,000	2,298,903	-
Transfers out	(4,500)	-	(4,500)	(325,000)
Change in net position	(339,436)	1,349,245	1,009,809	464,004
<b>Net position, beginning of year</b>	1,261,934	13,018,082	14,280,016	2,663,049
<b>Net position, end of year</b>	\$ 922,498	\$ 14,367,327	\$ 15,289,825	\$ 3,127,053

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

**HALIFAX COUNTY, NORTH CAROLINA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024**

	<b>Solid Waste Landfill Fund</b>	<b>Water Fund</b>	<b>Totals</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 4,727,618	\$ 6,810,786	\$ 11,538,404	\$ 5,924,685
Payments to suppliers	(4,225,236)	(4,376,324)	(8,601,560)	(5,384,988)
Payments to employees	(417,612)	(837,691)	(1,255,303)	-
Net cash provided by operating activities	<u>84,770</u>	<u>1,596,771</u>	<u>1,681,541</u>	<u>539,697</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	628,903	1,670,000	2,298,903	-
Transfers to other funds	(4,500)	-	(4,500)	(325,000)
Net cash provided by (used) in non-capital financing activities	<u>624,403</u>	<u>1,670,000</u>	<u>2,294,403</u>	<u>(325,000)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	(680,000)	(78,163)	(758,163)	-
Principal payments on long-term debt	(56,666)	(1,310,861)	(1,367,527)	-
Interest paid	-	(380,995)	(380,995)	-
Net cash used in capital and related financing activities	<u>(736,666)</u>	<u>(1,770,019)</u>	<u>(2,506,685)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	236,763	125,537	362,300	168,772
Net cash provided by investing activities	<u>236,763</u>	<u>125,537</u>	<u>362,300</u>	<u>168,772</u>
Net increase in cash and cash equivalents	209,270	1,622,289	1,831,559	383,469
Cash and cash equivalents, beginning of year	3,971,622	5,073,830	9,045,452	3,294,505
Cash and cash equivalents, end of year	<u>\$ 4,180,892</u>	<u>\$ 6,696,119</u>	<u>\$ 10,877,011</u>	<u>\$ 3,677,974</u>
Classified as:				
Unrestricted cash and cash equivalents	\$ 4,180,892	\$ 6,590,470	\$ 10,771,362	\$ 3,677,974
Restricted cash and cash equivalents	-	105,649	105,649	-
	<u>\$ 4,180,892</u>	<u>\$ 6,696,119</u>	<u>\$ 10,877,011</u>	<u>\$ 3,677,974</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (1,200,602)	\$ (72,026)	\$ (1,272,628)	\$ 620,232
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	168,169	1,729,319	1,897,488	-
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:				
Increase in accounts receivable	(90,208)	(10,039)	(100,247)	-
Increase in amounts due from other governments	(52,480)	(1,028)	(53,508)	-
Increase in inventory	-	(40,930)	(40,930)	-
Increase (decrease) in accounts payable	61,232	(49,768)	11,464	(25,904)
Increase in postclosure liability	1,195,359	-	1,195,359	-
Increase in customer deposits	-	7,885	7,885	-
Increase in compensated absences payable	1,966	4,993	6,959	-
Decrease in claims payable	-	-	-	(54,631)
Increase in pension and related items	1,334	28,365	29,699	-
Net cash provided by operating activities	<u>\$ 84,770</u>	<u>\$ 1,596,771</u>	<u>\$ 1,681,541</u>	<u>\$ 539,697</u>

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

# HALIFAX COUNTY, NORTH CAROLINA

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND JUNE 30, 2024

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	<b>ASSETS</b>	<b>Tax Custodial Fund</b>
Cash and cash equivalents		\$ 119,516
Taxes receivable		<u>931,328</u>
Total assets		<u><u>1,050,844</u></u>
	<b>LIABILITIES</b>	
Due to others		247,274
Uncollected taxes		<u>803,570</u>
Total liabilities		<u><u>\$ 1,050,844</u></u>

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

# HALIFAX COUNTY, NORTH CAROLINA

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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	<u>Tax Custodial Fund</u>
<b>ADDITIONS</b>	
Taxes	<u>\$ 13,309,404</u>
<b>DEDUCTIONS</b>	
Taxes and fees paid to other governments	<u>13,309,404</u>
Change in fiduciary net position	-
<b>Net position, beginning of year</b>	<u>-</u>
<b>Net position, end of year</b>	<u><u>\$ -</u></u>

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

# HALIFAX COUNTY, NORTH CAROLINA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### A. Reporting Entity

Halifax County, North Carolina was founded in 1758 and is located in the northeastern portion of North Carolina. The County has a commissioner/manager form of government with a six-member elected Board of Commissioners comprising the governing body. The County provides the following services to its citizens: public health, public safety, mental health, social service programs, planning and zoning, cultural and recreational programs, and housing and community development service programs. In addition, inspections, environmental resources, land records, and vital statistics information are provided. Elementary and secondary education is provided by the State through locally elected educational boards with the assistance of the County.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County’s reporting entity because of the significance of their operational and financial relationship with the County. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

#### Halifax County ABC Board

The Halifax County Alcoholic Beverage Control Board (the “ABC Board”) operates retail liquor stores within the County and investigates violations of laws pertaining to retail liquor sales. The five members of the ABC Board’s governing board are appointed by the County. The ABC Board is required by State statute to distribute surpluses to the General Fund of the County. Complete separate financial statements for the ABC Board may be obtained at its administrative office:

Halifax County ABC Board  
411 US-301  
Halifax, NC 27839

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### A. Reporting Entity (Continued)

##### Halifax County Tourism Development Authority

The Halifax County Tourism Development Authority (the "Authority") is an entity which promotes the growth of tourism and the travel-related industry in Halifax County. The members of the Board are appointed by the County Commissioners of Halifax County. In addition, the County levies and collects the occupancy tax that is remitted to the Authority. Complete separate financial statements for the Authority may be obtained at its administrative office:

Halifax County Tourism Development Authority  
260 Premier Blvd.  
Roanoke Rapids, NC 27870

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the County's capital assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. 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. For this purpose, the County considers most revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes, which use a 60-day period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to other long-term liabilities, such as compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, individual major funds are reported as separate columns in the fund financial statements.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Property Revaluation Fund is a legally budgeted fund under North Carolina General Statutes, which for reporting purposes is presented in the General Fund.

The **Halifax County Capital Reserve Fund** accounts for the allocation for future high-cost capital projects.

The **Halifax County Court Services Building Project** accounts for the local grants and contributions to aid in the construction costs of upfitting the entire structure of the Halifax County Court Services Building.

The County reports the following major enterprise funds:

The **Solid Waste Landfill Fund** accounts for the revenues and expenses related to the provision of solid waste disposal and recycling activities for the citizens of Halifax County.

The **Water Fund** accounts for the purpose of providing water and sewer service for the citizens of Halifax County.

Additionally, the County reports the following fund types:

The **special revenue funds** are used to account for specific revenues, such as various grants and contributions, which are legally restricted or committed to expenditures for particular purposes.

The **capital projects funds** account for financial resources to be used for the acquisition and construction of major capital projects.

The **internal service funds** account for the County's partially self-insured health and dental benefits plan as well as partially self-insured unemployment insurance benefit plan which charges the other funds of the County for the insurance claims.

The **fiduciary fund** consists of one custodial fund. Custodial funds are used to account for assets the County holds on behalf of others. The County maintains the Tax Collection Custodial Fund, which accounts for the collection and disbursement of tax revenues to municipalities within the County.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any interfund services provided and used are not eliminated, as this process would distort the direct costs and program revenues reported in the various functions.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### D. Budgets

Annual appropriated budgets are adopted for all funds, with the exception of several of the capital project funds, including the enterprise capital project funds, for which project length budgets are adopted. In accordance with State law, the budgets adopted for the enterprise funds are adopted on the modified accrual basis of accounting, and a reconciliation is provided along with the budget schedule to reconcile from the modified accrual basis to the accrual basis. The governmental funds' budgets are adopted on a basis other than accounting principles generally accepted in the United States of America. Budgets are adopted to show use of fund balance as other financing sources for both governmental and proprietary funds, as well as the proprietary funds are budgeted on the modified accrual basis of accounting. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the General fund, special revenue funds, and the enterprise funds. During the fiscal year ended June 30, 2024, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules.

All budget appropriations lapse at the end of each year.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### E. Deposits and Investments

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

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. The County pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Any deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of State or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

State law [G.S. 159-30(c)] authorizes 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). The NCCMT is an SEC registered (2a-7) money market mutual fund which invests in treasuries and government agencies and is rated AAAM by S&P. The County's investment in the NCCMT Government Portfolio is reported at fair value.

#### F. Restricted Cash and Cash Equivalents

The County has restricted cash and cash equivalents in a QSCB sinking fund in the General Fund. These sinking funds are restricted for the purposes of long-term debt retirement. The Water Fund also reports restricted cash for the sinking fund required through the long-term debt agreements.

#### G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2023.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### H. Allowances

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

#### I. Inventories

All inventories are valued at average cost using the first-in/first-out (FIFO) method. Inventories of the enterprise funds are recorded as expenses when consumed rather than when purchased.

#### J. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules and are offset by a fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

#### K. Leases

##### *Lessee*

The County is a lessee for multiple noncancellable leases of vehicles. The County recognizes a lease liability and an intangible right-to-use leased asset in the government-wide financial statements. The County recognizes lease liabilities and leased right to use assets in accordance with its capitalization policy (Note 1-M).

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Leases (Continued)

##### *Lessee (Continued)*

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

In the statement of net position, lease assets are reported with other capital assets and lease liabilities are reported with other long-term liabilities as amounts due within one year and amounts due in more than one year.

#### L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method in the governmental funds.

#### M. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (including right-to-use lease assets) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### M. Capital Assets (Continued)

The County holds title to certain Halifax County Board of Education and Roanoke Rapids School District properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education and School District give the Board/District full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Halifax County Board of Education and the Roanoke Rapids School District.

Capital assets of the County and right-to-use lease assets, are depreciated/unaudited using the straight-line method over the following estimated useful lives:

Buildings and land improvements	30 years
Improvements	30 years
Furniture and equipment	5 years
Vehicles	5 years
Computers	5 years

#### N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item that qualifies for reporting in this category which occurs in the governmental activities and governmental funds. The County reports a deferred inflow of resources for the property taxes collected in advance of the period they were intended to finance. Additionally, the County reports two (2) items, reported as deferred inflow of resources, which arises only under a modified accrual basis of accounting. Accordingly, the first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from the accrual of ad valorem taxes and intergovernmental revenues which are earned by the County but are not considered available for the liquidation of current expenditures. The second item, deferred revenues – prepaid taxes, are reported on the balance sheet and the statement of net position. These prepaid taxes are recognized in the period for which they are levied, fiscal year 2025.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### N. Deferred Outflows/Inflows of Resources (Continued)

The County also has deferred inflows and outflows related to the recording of changes in its net pension liability – LGERS, net pension liabilities – ROD, total pension liability – LEOSSA, and total other postemployment benefit (OPEB) liability. Certain changes in the pension liabilities and OPEB liability are recognized as expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the pension liability and OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the pension liability and OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining service lives of plan members. Changes in proportion and differences between employer contributions and proportionate share of contributions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on plan investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period.

#### O. Unearned Revenue

The County reports unearned revenue related to the Coronavirus State and Local Fiscal Recovery Funds grant money that was received but not expended before year-end. The County will recognize the revenue as eligible expenditures are incurred.

#### P. Compensated Absences

Permanent employees of the County can earn vacation leave at a rate that is dependent upon their years of service at the County. Vacation leave may be accumulated with a maximum until December 31 of each year. On that date, any accumulated vacation leave in excess of 225 hours is converted to sick leave. The maximum amount of vacation leave that can be carried forward to January 1 is 240 hours. At termination, employees are paid for any accumulated vacation leave. These amounts are paid from the same fund to which the employee's salary is charged. The amount accrued for this sick pay has been estimated based on the amount which is probable to be paid. These amounts are not considered a current liability within the governmental fund types balance sheets since they will be paid from appropriations of subsequent years. Permanent employees of the County earn sick leave at a rate that is dependent upon their years of service at the County. There is no limit on the accumulation of sick leave for the County. Sick leave does not vest with employees and therefore the County does not report a liability for unused sick leave. However, unused sick leave that has accumulated at the time of retirement may be used to determine the length of service as it relates to retirement benefits.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Q. Long-term Obligations

In the government-wide financial statements and proprietary fund types fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are accrued and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### R. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

**Fund Balance** – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

*Nonspendable* – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact.

*Restricted* – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. One component of the restricted fund balance of the General Fund relates to the Stabilization by State Statute (*G.S. 159-8(a)*) which requires total fund balance less the fund balance available for appropriation equals the total amount that must be restricted.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### R. Fund Equity (Continued)

*Committed* – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by the County’s Board of Commissioners. Approval of a resolution after a formal vote of the County’s Board is required to establish a commitment of fund balance. Similarly, the County’s Board may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

*Assigned* – Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes but are neither restricted nor committed. The Board of Commissioners have retained the authority to make assignments.

*Unassigned* – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund.

**Flow Assumptions** – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order: (1) Committed, (2) Assigned, and (3) Unassigned.

**Net Position** – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets.

Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted. As with many counties in the State of North Carolina, the County is carrying outstanding general obligation and installment debt that has been incurred for the Halifax County Board of Education and the Roanoke Rapids Graded School District (collectively, the “school systems”). Outstanding debt related to the school systems totals approximately \$12.57 million as of June 30, 2024. Under North Carolina law, the County is responsible for providing capital funding to the school systems (and thus carrying the capital debt) while the related assets are owned, operated, and recorded in the school system’s financial statements.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### S. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and the Register of Deeds' Supplemental Pension Fund (RODSPF) and additions to/deductions from LGERS' and RODSPF's fiduciary net position have been determined on the same basis as they are reported by LGERS and RODSPF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### T. Opioid Settlement Funds

In April 2022, drug manufacturer Johnson & Johnson, and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion-dollar nationwide settlement related to multiple opioid lawsuits. These funds will be disbursed to each participating state over an 18-year period according to an allocation agreement reached with all participating states. The majority of these funds are intended for opioid abatement and the distribution of the funds will be front loaded.

North Carolina's Memorandum of Agreement (MOA) between the state and local governments for the settlement funds allocates the funds as follows:

- 15% directly to the State ("State Abatement Fund")
- 80% to abatement funds established by Local Governments ("Local Abatement Funds")
- 5% to a County Incentive Fund.

The County received \$1,175,143 as part of this settlement in fiscal year 2024. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. No funds have been expended as of June 30, 2024. The MOA offered the County two options of expending the funds which will be determined in fiscal year 2025.

#### U. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, deferred inflows of resources, and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

**Expenditures in Excess of Appropriations.** The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the County will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level, within the fund. Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the County Manager. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution.

#### Deficit Fund Balance

For the fiscal year ended June 30, 2024, the following funds reported a deficit in Fund Balance:

Representative Payee Fund	\$ 11,740
Roseburg Project Fund	560
Halifax County Industrial Shell Building Project Fund	18,500
Search Grant Fund	18,986

These deficits are due to timing issues and will be alleviated with a transfer from the General Fund in the fiscal year 2025, as necessary.

### NOTE 3. DEPOSITS AND INVESTMENTS

The County's deposits, at June 30, 2024, had a carrying amount of \$13,217,942 and a bank balance of \$14,966,108. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$14,716,108 was covered by collateral held under the Pooling Method. The County's petty cash accounts, at June 30, 2024, totaled \$4,225.

Total deposits as of June 30, 2024, are summarized as follows:

#### Statement of Net Position:

Cash and cash equivalents	\$ 80,731,002
Restricted cash and cash equivalents	2,110,827
Fiduciary funds - custodial funds	119,516
	<u>\$ 82,961,345</u>
Cash deposited with financial institutions	\$ 13,217,942
Cash deposited with NCCMT	69,739,178
Petty cash	4,225
	<u>\$ 82,961,345</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

**Credit risk.** State statutes and the County's policies authorize the County to invest in obligations of the State of North Carolina or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the North Carolina Capital Management Trust (NCCMT); and obligations of other political subdivisions of the state of North Carolina. The County does not have a credit rating policy which provides restrictions or limitations on credit ratings for the County's investments.

As of June 30, 2024, the County had \$69,739,178 invested in the NCCMT's Government Portfolio which carried a credit rating of AAAM by Standard and Poor's. The NCCMT's Government Portfolio is reported at fair value. The portfolio is measured using Level 1 inputs from the fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets.

**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.

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes (G.S. 159-31) require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2024, the County's deposits are insured or collateralized as required by GASB and state statutes.

### NOTE 4. RECEIVABLES

Receivables at June 30, 2024, for the County's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>Water</u>	<u>Solid Waste Landfill</u>	<u>Nonmajor Governmental</u>
Receivables:				
Taxes	\$ 2,128,981	\$ -	\$ -	\$ 418,789
Accounts	8,993,318	1,117,001	1,090,393	2,365,925
Due from other governments	-	30,504	62,239	15,910
Less: allowance for uncollectible	(1,669,640)	(278,959)	(264,630)	-
Total	<u>\$ 9,452,659</u>	<u>\$ 868,546</u>	<u>\$ 888,002</u>	<u>\$ 2,800,624</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS

Capital asset activity for the County for the year ended June 30, 2024, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Nondepreciable capital assets:					
Land and improvements	\$ 4,131,740	\$ -	\$ -	\$ -	\$ 4,131,740
Construction in progress	1,055,191	146,135	-	(1,110,726)	90,600
Total	<u>5,186,931</u>	<u>146,135</u>	<u>-</u>	<u>(1,110,726)</u>	<u>4,222,340</u>
Capital assets, being depreciated:					
Buildings and improvements	30,074,290	125,338	(410,421)	-	29,789,207
Vehicles	5,401,236	444,716	(26,433)	-	5,819,519
Equipment	6,327,242	381,815	(676,531)	1,110,726	7,143,252
Lease assets (vehicles)	1,619,773	638,816	(126,006)	-	2,132,583
Total being depreciated	<u>43,422,541</u>	<u>1,590,685</u>	<u>(1,239,391)</u>	<u>1,110,726</u>	<u>44,884,561</u>
Less accumulated depreciation for:					
Buildings and improvements	(21,727,038)	(685,086)	410,421	-	(22,001,703)
Vehicles	(4,656,462)	(325,313)	26,433	-	(4,955,342)
Equipment	(5,374,423)	(456,719)	676,531	-	(5,154,611)
Lease assets (vehicles)	(470,282)	(475,863)	55,606	-	(890,539)
Total	<u>(32,228,205)</u>	<u>(1,942,981)</u>	<u>1,168,991</u>	<u>-</u>	<u>(33,002,195)</u>
Total capital assets being depreciated, net	<u>11,194,336</u>	<u>(352,296)</u>	<u>(70,400)</u>	<u>1,110,726</u>	<u>11,882,366</u>
Governmental activities capital assets, net	<u>\$ 16,381,267</u>	<u>\$ (206,161)</u>	<u>\$ (70,400)</u>	<u>\$ -</u>	<u>\$ 16,104,706</u>

Depreciation and amortization expense was charged to functions/programs of the County as follows:

<b>Governmental Activities:</b>	
General government	\$ 189,980
Public safety	1,123,154
Economic and physical development	205,009
Human Services	368,926
Cultural and recreational	55,912
Total depreciation and amortization expense - governmental activities	<u>\$ 1,942,981</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Solid Waste Landfill Fund</b>				
Nondepreciable capital assets:				
Land and improvements	\$ 312,250	\$ -	\$ -	\$ 312,250
Total	<u>312,250</u>	<u>-</u>	<u>-</u>	<u>312,250</u>
Capital assets, being depreciated:				
Land improvements	27,123	-	-	27,123
Buildings	1,956,534	-	-	1,956,534
Vehicle	865,583	-	-	865,583
Equipment	1,909,848	680,000	-	2,589,848
Total being depreciated	<u>4,759,088</u>	<u>680,000</u>	<u>-</u>	<u>5,439,088</u>
Less accumulated depreciation for:				
Land improvements	(27,123)	-	-	(27,123)
Buildings	(624,421)	(63,752)	-	(688,173)
Vehicle	(734,238)	(39,824)	-	(774,062)
Equipment	(1,713,298)	(64,593)	-	(1,777,891)
Total	<u>(3,099,080)</u>	<u>(168,169)</u>	<u>-</u>	<u>(3,267,249)</u>
Total capital assets being depreciated, net	<u>1,660,008</u>	<u>511,831</u>	<u>-</u>	<u>2,171,839</u>
Solid Waste Landfill capital assets, net	<u>\$ 1,972,258</u>	<u>\$ 511,831</u>	<u>\$ -</u>	<u>\$ 2,484,089</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Water Fund:</b>				
Nondepreciable capital assets:				
Land and improvements	\$ 124,477	\$ -	\$ -	\$ 124,477
Total	124,477	-	-	124,477
Capital assets, being depreciated:				
Plant and distribution systems	55,180,228	-	-	55,180,228
Vehicles	456,367	72,034	-	528,401
Equipment and furniture	2,940,756	6,129	(6,605)	2,940,280
Total	58,577,351	78,163	(6,605)	58,648,909
Less accumulated depreciation for:				
Plant and distribution systems	(32,080,909)	(1,507,689)	-	(33,588,598)
Vehicles	(378,758)	(40,013)	-	(418,771)
Equipment and furniture	(2,731,528)	(181,617)	6,605	(2,906,540)
Total	(35,191,195)	(1,729,319)	6,605	(36,913,909)
Total capital assets being depreciated, net	23,386,156	(1,651,156)	-	21,735,000
Water Fund capital assets, net	\$ 23,510,633	\$ (1,651,156)	\$ -	\$ 21,859,477

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

**Business-type Activities:**

Solid waste landfill	\$ 168,169
Water	1,729,319
Total depreciation expense - business-type activities	\$ 1,897,488

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Governmental Activities:</b>					
Installment notes from					
direct borrowing	\$ 15,665,670	\$ -	\$ (2,435,006)	\$ 13,230,664	\$ 2,368,677
Lease payable	1,188,229	638,816	(525,194)	1,301,851	519,826
Net pension liability - LGERS	15,611,413	13,286,763	(11,039,785)	17,858,391	-
Total pension liability - LEOSSA	2,112,056	319,627	(140,455)	2,291,228	137,056
Compensated absences	2,013,591	1,522,603	(1,343,543)	2,192,651	877,060
Total OPEB liability	13,119,718	1,230,800	(3,518,487)	10,832,031	606,508
Governmental activity					
Long-term liabilities	<u>\$ 49,710,677</u>	<u>\$ 16,998,609</u>	<u>\$ (19,002,470)</u>	<u>\$ 47,706,816</u>	<u>\$ 4,509,127</u>
<b>Business-type Activities:</b>					
Installment notes from					
direct borrowing	\$ 12,110,237	\$ -	\$ (1,139,116)	\$ 10,971,121	\$ 1,160,974
Revenue bonds from					
direct placement	2,252,000	-	(53,000)	2,199,000	54,000
State revolving loans	1,264,225	-	(175,412)	1,088,813	118,746
Postclosure liability	5,208,143	2,702,262	(1,506,903)	6,403,502	-
Net pension liability - LGERS	664,671	419,805	(407,893)	676,583	-
Compensated absences	68,336	57,628	(50,669)	75,295	30,118
Business-type activity					
Long-term liabilities	<u>\$ 21,567,612</u>	<u>\$ 3,179,695</u>	<u>\$ (3,332,993)</u>	<u>\$ 21,414,314</u>	<u>\$ 1,363,838</u>

For governmental funds, compensated absences are liquidated by the General Fund. The net pension liability – LGERS, total pension liability - LEOSSA, and total OPEB liability are liquidated primarily by the General Fund.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Installment Notes from Direct Borrowing

The County has various installment notes from direct borrowing outstanding for buildings, equipment, and vehicle financing arrangements. The outstanding balances for the notes as of June 30, 2024, are as follows:

	Balance as of June 30, 2024
<b>Governmental Activities</b>	
Installment note for \$18,100,000 was issued in May 2016 with semi-annual payments ranging from \$622,037 to \$883,883 with an interest rate of 3.11%; secured by RRGSD Board of Education. The final maturity of the note is May 2031.	\$ 8,446,667
Promissory note of \$12,005,000 was issued in June 2017 with semi-annual payments ranging from \$567,000 to \$1,020,088 with a 2.35% interest rate; secured by the Department of Social Services building and School Board facilities. The final maturity of the note is June 2026.	2,295,000
Qualified School Construction Bond installment purchase contract for \$2,488,997 was issued in September 2011 with annual sinking fund payments of \$165,933 with an interest rate of 5.0%. The final maturity of the bond is September 2026.	2,488,997
Total outstanding installment notes payable	\$ 13,230,664

Of the original amount serviced by the County's governmental activities shown above, \$12,575,904 is considered to be school-related debt.

The debt service to maturity on the governmental activities installment notes is as follows:

	Principal	Interest	Total
Year Ending June 30,			
2025	\$ 2,368,667	\$ 279,549	\$ 2,648,216
2026	4,828,664	226,563	5,055,227
2027	1,206,667	177,682	1,384,349
2028	1,206,667	140,275	1,346,942
2029	1,206,667	84,165	1,290,832
2030-2031	2,413,332	93,517	2,506,849
Total	\$ 13,230,664	\$ 1,001,751	\$ 14,232,415

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Installment Notes from Direct Borrowing– Business-type Activities

All installment notes from direct borrowing, serviced by the County's Water Fund, are collateralized by the full faith, credit, and taxing power of the County. The outstanding balances for the notes as of June 30, 2024, are as follows:

	Balance as of June 30, 2024
<b>Business-type Activities:</b>	
\$3,250,000 - 2017 Refunding serial water bond, due in annual installments ranging from \$323,160 to \$301,323 through June 2028; interest at 2.23%.	\$ 1,201,000
\$1,916,000 - 2011 Water bond, due in annual installments ranging from \$62,2270 to \$89,495 through June 2050; interest at 2.79%.	1,530,000
\$9,048,000 - 2012 Refunding serial water bond, due in semi-annual installments ranging from \$347,031 to \$694,062 through September 2028; interest at 2.79%.	2,916,121
\$5,908,000 - 2021 Refunding serial water bond, due in annual installments ranging from \$193,000 to \$340,000 through September 2028; interest at 2.75%.	5,324,000
Total outstanding installment notes payable	\$ 10,971,121

The debt service to maturity on the installment notes from direct borrowings is as follows:

	Principal	Interest	Total
Year Ending June 30,			
2025	\$ 1,160,974	\$ 300,004	\$ 1,460,978
2026	1,184,311	269,085	1,453,396
2027	1,209,130	237,500	1,446,630
2028	1,232,450	205,211	1,437,661
2029	614,256	172,254	786,510
2030 - 2034	1,476,000	717,565	2,193,565
2035 - 2039	1,698,000	496,198	2,194,198
2040 - 2044	1,952,000	241,693	2,193,693
2045 - 2049	399,000	37,028	436,028
2050	45,000	1,463	46,463
Total	\$ 10,971,121	\$ 2,678,001	\$ 13,649,122

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Revenue Bonds from Direct Placement

Revenue bonds from direct placement serviced by the County enterprise funds are as follows:

	Balance as of June 30, 2024
<b>Business-type Activities:</b>	
\$46,000 to \$95,000 through June 2054 with an interest rate of 2.00%	\$ 2,199,000
Total outstanding revenue bonds from direct placement	\$ 2,199,000

The County's revenue bonds are special limited obligations of the County, payable solely from and secured by a pledge of and lien on all operating revenues derived by the County from the ownership and operation of its water system, remaining after the payment of expenses of operating, maintaining and repairing the system. These pledged revenues secure the revenue bonds of the County until such time that all outstanding principal has been satisfied on the bonds.

The debt service to maturity on the revenue bonds from direct placement payable is as follows:

	Principal	Interest	Total
Year Ending June 30,			
2025	\$ 54,000	\$ 43,980	\$ 97,980
2026	55,000	42,900	97,900
2027	56,000	41,800	97,800
2028	58,000	40,680	98,680
2029	59,000	39,520	98,520
2030 - 2034	312,000	179,480	491,480
2035 - 2039	344,000	147,040	491,040
2040 - 2044	379,000	111,240	490,240
2045 - 2049	420,000	71,720	491,720
2050 - 2054	462,000	28,020	490,020
Total	\$ 2,199,000	\$ 746,380	\$ 2,945,380

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### **State Revolving Loan Serviced by Enterprise Funds from Direct Borrowing**

On July 15, 2013, and January 1, 2015, the County was approved for maximum loan amounts of \$1,376,823 and \$925,632, respectively, from the U. S. Environmental Protection Agency passed through the North Carolina Department of Environment and Natural Resources under the Clean Water State Revolving Fund. The County has fully drawn on the loans. The loan proceeds are being used for the construction of an extension to the Water and Sewer System. The loan is being reported as long-term debt in business-type activities and is repayable at 0% for 20 years beginning six months after the completion of the project. Debt service on the loans is as follows:

Year Ending June 30,	<u>Principal</u>
2025	\$ 118,746
2026	118,746
2027	118,746
2028	118,746
2029	118,746
2030 - 2034	448,801
2035	46,282
Total	<u>\$ 1,088,813</u>

#### **Leases Payable**

As of June 30, 2024, Halifax County, NC had 65 active leases. The leases have payments that range from \$0 to \$11,472 and interest rates that range from 0.0000% to 20.0974%. As of June 30, 2024, the total combined value of the lease liability is \$1,301,851. The combined value of the right-to-use asset, as of June 30, 2024 of \$2,132,583 with accumulated amortization of \$890,539 is included within the Lease Class activities table found below. The leases had \$0 of Variable Payments and \$0 of Other Payments, not included in the Lease Liability, within the Fiscal Year.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Leases Payable (Continued)

The County periodically leases vehicles for use in the public safety division. A summary of the payments required to maturity are summarized below.

Fiscal Year	Principal	Interest	Total
2025	\$ 519,826	\$ 70,475	\$ 590,301
2026	442,098	35,677	477,775
2027	246,786	11,110	257,896
2028	93,141	1,278	94,419
Total	<u>\$ 1,301,851</u>	<u>\$ 118,540</u>	<u>\$ 1,420,391</u>

#### Landfill Closure and Postclosure

State and Federal laws and regulations require the County to place a final cover on landfills after they cease accepting waste and to perform certain maintenance and monitoring functions at the sites after closure. Closure and postclosure costs are allocated to the landfills based upon landfill capacity used to date. The County reported a liability for closure and postclosure care of its three (3) landfills in the Solid Waste Fund of \$6,403,502. The County's construction and demolition landfill as well as the ash monofil landfill have been capped. As of June 30, 2024, the landfill is currently accepting waste with a current capacity used to date of 28%. The remaining cost not yet accrued for the construction and demolition of the landfill of \$887,391 will be recognized over the future life of the landfill as capacity is used. The remaining life on the landfill is 26 years.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2024, is as follows:

<b>Receivable fund</b>	<b>Payable fund</b>	<b>Amount</b>
General Fund	Roseburg Project Fund	\$ 580

The composition of interfund transfers for the year ended June 30, 2024, is as follows:

<b>Transfer In</b>	<b>Transfer Out</b>	<b>Amount</b>
General Fund	Internal Service Funds	\$ 325,000
General Fund	ARPA Fund	640,000
General Fund	Solid Waste Landfill Fund	4,500
		<b>\$ 969,500</b>
Emergency Telephone System Fund	General Fund	\$ 243
Halifax County Capital Reserve Fund	General Fund	6,987,893
Halifax County Storage Building Project Fund	General Fund	242,500
Water Fund	General Fund	1,670,000
Solid Waste Landfill Fund	General Fund	628,903
		<b>\$ 9,529,539</b>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS

Halifax County participates in three defined benefit pension plans: the Local Governmental Employees' Retirement System (LGERS), Law Enforcement Officers Special Separation Allowance (LEOSSA), and the Register of Deeds' Supplemental Pension Fund (RODSPF). Only the LGERS and RODSPF are funded with qualifying trusts and accounted for by the County under GASB Statement No. 68. The LEOSSA is reported in accordance with GASB Statement No. 73. The net pension liability (asset), total pension liability, and related deferred outflows of resources and deferred inflows of resources for the LGERS, LEOSSA, and RODSPF are summarized as follows:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>RODSPF</u>	<u>Total</u>
Net pension asset	\$ -	\$ -	\$ 48,342	\$ 48,342
Net pension liability	18,534,974	-	-	18,534,974
Total pension liability	-	2,291,228	-	2,291,228
Deferred outflows of resources related to pensions	11,447,678	405,901	27,929	11,881,508
Deferred inflows of resources related to pensions	278,043	340,909	9,662	628,614
Pension expense	5,184,441	229,180	6,535	5,420,156

#### A. Local Governmental Employees' Retirement System

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 8. PENSION PLANS (CONTINUED)

#### A. Local Governmental Employees' Retirement System (Continued)

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

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

**Contributions.** Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2024, was 15.10% of compensation for law enforcement officers and 13.65% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$3,558,701 for the year ended June 30, 2024.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS (CONTINUED)

#### A. Local Governmental Employees' Retirement System (Continued)

##### Contributions (Continued).

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

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

At June 30, 2024, the County reported a liability of \$18,534,974 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023, utilizing updated 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, 2024, the County's proportion was 0.27985%, which was a decrease of 0.00866% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the County recognized pension expense of \$5,184,441. At June 30, 2024, the County reports deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,065,345	\$ 44,463
Net difference between projected and actual earnings on pension plan investments	4,960,770	-
Changes in proportion and differences between County contributions and proportionate share of contributions	75,233	233,580
Changes in plan assumptions	787,629	-
County contributions subsequent to the measurement date	3,558,701	-
Total	\$ 11,447,678	\$ 278,043

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 8. PENSION PLANS (CONTINUED)

#### A. Local Governmental Employees' Retirement System (Continued)

County contributions made subsequent to the measurement date of \$3,558,701, are reported as deferred outflows of resources and will be recognized as a decrease of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows or inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2025	\$ 2,761,130
2026	1,384,425
2027	3,255,612
2028	209,767
Total	<u>\$ 7,610,934</u>

**Actuarial Assumptions.** The total pension liability as of June 30, 2023, was determined by the December 31, 2022 actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 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 tables that vary by age and health status (i.e., disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

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

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS (CONTINUED)

#### A. Local Governmental Employees' Retirement System (Continued)

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024, are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Expected Real Rate of Return</b>
Fixed Income	29.0%	1.1%
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 the consulting actuary for the 2016 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

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

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8. PENSION PLANS (CONTINUED)**

**A. Local Governmental Employees' Retirement System (Continued)**

**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 one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	<b>1% Decrease (5.50%)</b>	<b>Discount Rate (6.50%)</b>	<b>1% Decrease (7.50%)</b>
County's proportionate share of the net pension liability (asset)	\$ 32,111,114	\$ 18,534,974	\$ 7,357,823

**Pension Plan Fiduciary Net Position.** Detailed information about the pension plan's fiduciary net position is available in the separately issued ACFR for the state of North Carolina.

**B. Law Enforcement Officers Special Separation Allowance**

**Plan Description.** Halifax County administers a public employee retirement system (the "Separation Allowance"), a single employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is administered by the State of North Carolina. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. A separate report is not issued for the Plan.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2022, the date of the most recent actuarial valuation the Separation Allowance's membership consisted of:

Retirees receiving benefits	9
Active plan members	63
Total	72

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 8. PENSION PLANS (CONTINUED)

#### B. Law Enforcement Officers Special Separation Allowance (Continued)

**Basis of Accounting.** The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Separation Allowance has no assets accumulated in a trust that meets the criteria, outlined in paragraph 4 of GASB Statement 73.

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

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation
Discount rate	4.00 percent

The discount rate used to measure the total pension liability is the Standard & Poor's 20-year Municipal Bond High Grade Rate Index. Since the prior measurement date, the discount rate has changed from 4.31% to 4.00% due to a change in the Municipal Bond Rate.

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

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study completed by the actuary for LGERS for the period January 1, 2015 through December 31, 2019.

**Contributions.** The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$140,455 as benefits came due for the reporting period.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS (CONTINUED)

#### B. Law Enforcement Officers Special Separation Allowance (Continued)

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

At June 30, 2024, the County reported a total pension liability of \$2,291,228. The total pension liability was measured as of December 31, 2023, based on a December 31, 2022 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2023, utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the County recognized pension expense of \$229,180. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in assumptions	\$ 236,267	\$ 249,722
Differences between expected and actual experience	98,019	91,187
County benefit payments made subsequent to the measurement date	71,615	-
Total	\$ 405,901	\$ 340,909

An amount of \$71,615 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 year ending June 30, 2025. Other amounts reported as deferred outflows or inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30:</b>		
2025	\$	49,557
2026		18,073
2027		(64,290)
2028		(27,796)
2029		17,833
Total	\$	(6,623)

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS (CONTINUED)

#### B. Law Enforcement Officers Special Separation Allowance (Continued)

**Changes in the Total Pension Liability.** The changes in the total pension liability of the County for the fiscal year ended June 30, 2024, were as follows:

	<b>Total Pension Liability</b>
Balance at June 30, 2023	\$ 2,112,056
Service cost	91,676
Interest	88,003
Experience differences	91,522
Assumption changes	48,426
Benefit payments	(140,455)
Balance at June 30, 2024	\$ 2,291,228

The required schedule of changes in the County's total pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information.

**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 4.00 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 (3.00 percent) or 1-percentage-point higher (5.00 percent) than the current rate:

	<b>1% Decrease (3.00%)</b>	<b>Discount Rate (4.00%)</b>	<b>1% Decrease (5.00%)</b>
County's proportionate share of the net pension liability (asset)	\$ 2,470,651	\$ 2,291,228	\$ 2,129,393

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 8. PENSION PLANS (CONTINUED)

#### C. Register of Deeds' Supplemental Pension Fund

**Plan Description.** The County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory cost-sharing multiple-employer, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the 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, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

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

**Contributions.** Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$3,374 for the year ended June 30, 2024.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS (CONTINUED)

#### C. Register of Deeds' Supplemental Pension Fund (Continued)

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

At June 30, 2024, the County reported an asset of \$48,342 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023, utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2024, the County's proportion was 0.40228%, which was an increase of 0.04998% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the County recognized pension expense of \$6,535. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 2,140
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	24,555	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	7,522
County contributions subsequent to the measurement date	3,374	-
Total	\$ 27,929	\$ 9,662

County contributions made subsequent to the measurement date of \$3,374 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS (CONTINUED)

#### C. Register of Deeds' Supplemental Pension Fund (Continued)

**Year Ending June 30:**

2025	\$	1,330
2026		4,886
2027		7,128
2028		1,549
Total	\$	<u>14,893</u>

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

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Discount rate	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, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015, through December 31, 2019.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the 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, 2024, is 3.00%, including inflation.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. PENSION PLANS (CONTINUED)

#### C. Register of Deeds' Supplemental Pension Fund (Continued)

**Actuarial Assumptions (Continued).** The information above is based on 30-year expectations developed with the consulting actuary for the 2024 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.25%. All rates of return and inflation are annualized.

**Discount Rate.** The discount rate used to measure the total pension liability was 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 or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.00 percent) or one 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 asset	\$ 32,999	\$ 48,342	\$ 61,279

**Pension Plan Fiduciary Net Position.** Detailed information about the pension plan's fiduciary net position is available in the separately issued ACFR for the state of North Carolina.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS

**Plan Administration and Benefits.** The County, as authorized by the County Commission, administers a single employer defined benefit Postemployment Healthcare Benefits Plan (the “PHCB Plan”). The PHCB Plan is administered by the County management, under the direction of the County’s Board of Commissioners. The County will provide, at its expense, medical insurance for all full-time employees who retire with at least 30 years of retirement service with the Local Governmental Employees’ Retirement System (LGERS), of which the last 20 years of service must be with Halifax County. Employees with at least 20 years of Halifax County service who are retiring early, based on a disability approved by the LGERS will be provided medical insurance, at the County’s expense, for a period of 18 months from the approved retirement date. Employees who are retiring with at least 20 years of Halifax County service may continue to participate in the County’s health insurance plan by paying the full premium amount. Coverage will cease when the retiree reaches 65 years of age and is eligible for Medicare.

The County’s Board of Commissioners established and may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the PHCB Plan.

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

Active participants	503
Retirees and beneficiaries currently receiving benefits	<u>35</u>
Total	<u><u>538</u></u>

**Contributions.** The Board of Commissioners has elected to fund the PHCB plan on a “pay as you go” basis. Plan members, once retired, contribute to the plan based on number of years of creditable service. Per a County resolution, the County is required to contribute the current year benefit costs of the Plan which are not paid by the retiree. For the year ended June 30, 2024, the County contributed \$298,677 for the pay as you go benefits for the PHCB Plan.

**Total OPEB Liability of the County.** The County’s total OPEB liability was measured as of June 30, 2023, as determined by an actuarial valuation as of June 30, 2023.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Actuarial Assumptions.** The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.65%
Healthcare Cost Trend Rate:	7.00% - 4.50%, Ultimate Trend in 2033 (Pre-Medicare) 5.125% - 4.50%, Ultimate Trend in 2026 (Medicare)
Inflation Rate:	2.50%
Salary increase:	3.25% to 7.90% (LEO) or 8.41% (other), including inflation
Participation rate:	20% to 100%, depending on length of service

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

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period 2015-2019, adopted by the LGERS Board.

**Discount Rate.** The discount rate used to measure the total OPEB liability was 3.65%. This represents an increase from the discount rate used in the prior year, 3.54%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.65% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2023.

**Changes in the Total OPEB Liability of the County.** The changes in the components of the total OPEB liability of the County for the year ended June 30, 2024, were as follows:

	<b>Total OPEB Liability</b>
Balance at June 30, 2023	<u>\$ 13,119,718</u>
<b>Changes for the year:</b>	
Service cost	468,087
Interest	474,174
Change in benefit terms	35,460
Differences between expected and actual experience	(3,128,967)
Assumption changes	253,079
Benefit payments	(389,520)
<b>Net changes</b>	<u>(2,287,687)</u>
Balance at June 30, 2024	<u>\$ 10,832,031</u>

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.** The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

	<b>1% Decrease (2.65%)</b>	<b>Discount Rate (3.65%)</b>	<b>1% Increase (4.65%)</b>
Total OPEB liability	\$ 11,958,537	\$ 10,832,031	\$ 9,833,423

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

	<b>1% Decrease</b>	<b>Current Trend Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 9,677,205	\$ 10,832,031	\$ 12,196,178

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2024, and the current sharing pattern of costs between employer and inactive employees.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended June 30, 2024, the County recognized OPEB expense of \$871,884. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 974,181	\$ 2,898,729
Changes in assumptions	2,345,484	1,633,700
Benefits paid subsequent to measurement date	298,677	-
Total	\$ 3,618,342	\$ 4,532,429

Benefits paid by the County subsequent to the measurement date of \$298,677 are reported as deferred outflows of resources and will be recognized as a decrease of the total OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ending June 30:</b>	
2025	\$ (105,837)
2026	(69,201)
2027	(28,646)
2028	2,381
2029	(255,975)
Thereafter	(755,486)
Total	\$ (1,212,764)

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is insured through the North Carolina Association of County Commissioners with claims.

The County obtained blanket property insurance coverage of \$94,783,061 with a limit of 100% of the applicable building or personal property limit in any one occurrence. Replacement cost, subject to limitations, applies to all types of covered property excluding buildings and business personal property, which have actual cash values. The County has a \$2,000,000 general aggregate limit for commercial general liability coverage. There have been no significant reductions in insurance coverage in the prior years.

The County does not carry flood insurance.

The County is self-insured for employee health and accident insurance. Premiums are paid into the Internal Service Fund by all other funds (including amounts withheld from employees) and are available to pay claims and administrative costs of the program. The interfund premiums are based upon actual estimates of the amounts needed to pay prior and current year claims. The County has stop-loss insurance coverage with a commercial insurance company for claims that exceed \$85,000. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Claim Liability	Beginning Liability	Current Year Claims	Claims Paid	Ending Liability
June 30, 2024	\$ 473,383	\$ 5,286,755	\$ 5,341,385	\$ 418,753
June 30, 2023	570,860	5,505,086	5,602,563	473,383

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance is bonded for \$1,000,000; the County Manager is bonded for \$25,000; and the Register of Deeds and Tax Collector are each individually bonded for \$10,000 and \$100,000, respectively. The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RISK MANAGEMENT (CONTINUED)

#### **Litigation:**

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

#### **Grant Contingencies:**

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the County believes such disallowances, if any, will not be significant.

#### **Construction Commitments:**

The County has one (1) active construction project that is still being completed as of June 30, 2024, with contractual commitments of the uncompleted contract of \$107,087. This project is expected to be completed during fiscal year 2025.

### NOTE 11. JOINTLY GOVERNED ORGANIZATIONS

**Upper Coastal Plains Council of Governments.** The County, along with three other counties and thirty-two municipalities jointly govern the Upper Coastal Plains Council of Governments, which is also referred to as the Region L Council (the "Council"). The participating governments established the Council to coordinate funding received from various federal and state agencies. The County paid membership fees and professional service fees of \$23,290 to the Council during the fiscal year ended June 30, 2024.

**Halifax Community College.** Halifax County, Halifax County Board of Education, and the State of North Carolina participate in a joint venture to operate Halifax Community College (the "College"). Each participant appoints four members to the board, with the thirteenth member being the College's student government association president. The County provides financial support for the College's operations. The County has an ongoing financial responsibility for the College because of the statutory responsibilities to provide funding for the College's facilities. There is no equity interest recognized by any participant. During the fiscal year ended June 30, 2024, the County contributed \$1,464,278 for operating purposes and capital outlay. Complete financial statements may be obtained from the College's administrative office at Highway 158, Weldon, North Carolina 27890.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. JOINT VENTURES

**Choanoke Public Transportation Authority.** Counties Halifax, Bertie, Herford, and Northampton, participate in a joint venture to operate the Choanoke Public Transportation Authority (the “Transportation Authority”). Halifax County appoints three members to the board, and the other Counties each appoint two members. The Counties are legally obligated under the intergovernmental agreement that created the Transportation Authority to honor any deficiencies in the event that proceeds from other default remedies are insufficient. There is no equity interest recognized by any participant. During the fiscal year ended June 30, 2024, the County contributed \$183,619 for operating purposes. Complete financial statements may be obtained from the Transportation Authority’s administrative office at 106 North Main Street, Rich Square, North Carolina 27869.

**Halifax-Northampton Regional Airport Authority.** Halifax County, Northampton County, and the City of Roanoke Rapids participate in a joint venture to operate the Halifax-Northampton Regional Airport Authority (the “Airport”). Halifax County appoints four members to the board. The County has an ongoing financial responsibility to the Airport for its operational funding. There is no equity interest recognized by any participant. During the fiscal year ended June 30, 2024, the County contributed \$40,000 for operating purposes. Complete financial statements may be obtained from the Airport’s administrative office at 700 Gregory Farm Road, Halifax, North Carolina 27839.

### NOTE 13. ACCOUNTING CHANGES

#### Changes to or within the Financial Reporting Entity

For the current year, the County’s American Rescue Plan (ARPA) Fund no longer meets the definition of a major fund. As the ARPA Fund did not report any fund balance as of the end of the prior year, no change to beginning fund balances is noted. In addition, the Halifax County Capital Reserve Fund and Halifax County Court Services Building Fund are now major funds of the County and therefore, beginning fund balance of those two (2) funds and the nonmajor governmental funds has been restated as follows:

	<b>Halifax County Capital Reserve Fund</b>	<b>Halifax County Court Services Fund</b>	<b>Nonmajor Governmental Funds</b>
June 30, 2023, Fund balance, as previously reported	\$ -	\$ -	\$ 7,051,537
Change from nonmajor to major fund	881,154	-	(881,154)
Change from nonmajor to major fund	-	388,125	(388,125)
June 30, 2023, Fund balance, as restated	\$ 881,154	\$ 388,125	\$ 5,782,258

## REQUIRED SUPPLEMENTARY INFORMATION

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# HALIFAX COUNTY, NORTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

	2024	2023	2022	2021
Total OPEB liability				
Service cost	\$ 468,087	\$ 628,729	\$ 543,983	\$ 390,027
Interest on total OPEB liability	474,174	323,955	246,087	333,832
Change in benefit terms	35,460	-	-	-
Difference between expected and actual experience	(3,128,967)	23,246	1,516,707	20,967
Changes of assumptions and other inputs	253,079	(1,990,584)	2,196,992	1,378,096
Benefit payments	(389,520)	(467,145)	(981,504)	(380,091)
<b>Net change in total OPEB liability</b>	<b>(2,287,687)</b>	<b>(1,481,799)</b>	<b>3,522,265</b>	<b>1,742,831</b>
<b>Total OPEB liability - beginning</b>	<b>13,119,718</b>	<b>14,601,517</b>	<b>11,079,252</b>	<b>9,336,421</b>
<b>Total OPEB liability - ending</b>	<b>\$ 10,832,031</b>	<b>\$ 13,119,718</b>	<b>\$ 14,601,517</b>	<b>\$ 11,079,252</b>
<b>Covered-employee payroll</b>	<b>\$ 21,871,197</b>	<b>\$ 20,780,407</b>	<b>\$ 20,975,701</b>	<b>\$ 20,999,345</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>49.5%</b>	<b>63.1%</b>	<b>69.6%</b>	<b>52.8%</b>

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

The County is not accumulating assets in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

	<b>2020</b>	<b>2019</b>	<b>2018</b>
\$	362,849	\$ 377,728	\$ 412,915
	352,911	321,917	275,655
	-	-	-
	(458,977)	(10,033)	148,293
	179,730	(310,357)	(528,942)
	(341,447)	(357,883)	(488,196)
	<u>95,066</u>	<u>21,372</u>	<u>(180,275)</u>
	9,241,355	9,219,983	9,400,258
\$	<u>9,336,421</u>	<u>\$ 9,241,355</u>	<u>\$ 9,219,983</u>
\$	21,049,616	\$ 22,689,082	\$ 18,532,504
	44.4%	40.7%	49.8%

# HALIFAX COUNTY, NORTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) LAST TEN FISCAL YEARS\*

### LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
County's proportion of the net pension liability (asset) (%)	0.27985%	0.28851%	0.29031%	0.30286%
County's proportion of the net pension liability (asset) (\$)	\$ 18,534,974	\$ 15,611,413	\$ 4,452,184	\$ 10,822,478
County's covered-employee payroll	\$ 23,294,639	\$ 22,280,653	\$ 22,621,209	\$ 22,395,077
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	79.57%	70.07%	19.68%	48.33%
Plan fiduciary net position as a percentage of the total pension liability	82.49%	84.14%	95.51%	88.61%

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

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<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
0.32505%	0.32914%	0.34813%	0.34813%	0.34115%	0.33898%
\$ 8,876,863	\$ 7,808,326	\$ 5,142,163	\$ 7,388,485	\$ 1,531,061	\$ (1,999,122)
\$ 19,813,447	\$ 21,024,756	\$ 21,387,061	\$ 21,143,405	\$ 20,409,317	\$ 20,433,406
44.80%	37.14%	24.04%	34.94%	7.50%	(9.78%)
91.63%	91.63%	94.18%	91.47%	98.09%	102.64%

**HALIFAX COUNTY, NORTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COUNTY'S CONTRIBUTIONS  
LAST TEN FISCAL YEARS**

**LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM**

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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 3,558,701	\$ 3,073,248	\$ 2,425,242	\$ 2,166,047
Contributions in relation to the contractually required contribution	<u>3,558,701</u>	<u>3,073,248</u>	<u>2,425,242</u>	<u>2,166,047</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 23,719,821	\$ 23,294,639	\$ 22,280,653	\$ 22,621,209
Contributions as a percentage of covered-employee payroll	15.00%	13.19%	10.88%	9.58%

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 1,925,482	\$ 1,608,639	\$ 1,635,512	\$ 1,582,517	\$ 1,429,886	\$ 1,439,526
<u>1,925,482</u>	<u>1,608,639</u>	<u>1,635,512</u>	<u>1,582,517</u>	<u>1,429,886</u>	<u>1,439,526</u>
<u>\$ -</u>					
\$ 22,395,077	\$ 19,813,447	\$ 21,024,756	\$ 21,387,061	\$ 21,143,405	\$ 20,409,317
8.60%	8.12%	7.78%	7.40%	6.76%	7.05%

# HALIFAX COUNTY, NORTH CAROLINA

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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**Method and assumptions used in calculations of actuarially determined contributions:** The actuarially determined contribution rates in the schedule of contributions are calculated as of December 31, one year prior to the end of the fiscal year in which contributions are reported.

Valuation date	December 31, 2022
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	12 years
Asset valuation method	Asset returns in excess of or less than the expected return on market value of assets reflected over a five-year period (not greater than 120% of market value and not less than 80% of market value).
Inflation rate	2.50%
Salary increases	3.25 – 8.25%, including inflation
Investment rate of return	6.50%, net of pension plan investment expense, including inflation.

**HALIFAX COUNTY, NORTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY  
LAST EIGHT FISCAL YEARS**

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning balance of the total pension liability	\$ 2,112,056	\$ 2,486,941	\$ 2,518,973	\$ 1,919,745
Service cost	91,676	114,323	125,018	89,510
Interest on the total pension liability	88,003	54,563	47,775	61,237
Difference between expected and actual experience	91,522	(80,379)	(56,706)	(35,917)
Changes of assumptions or other inputs	48,426	(339,585)	(60,923)	571,009
Benefit payments	<u>(140,455)</u>	<u>(123,807)</u>	<u>(87,196)</u>	<u>(86,611)</u>
Ending balance of the total pension liability	<u>\$ 2,291,228</u>	<u>\$ 2,112,056</u>	<u>\$ 2,486,941</u>	<u>\$ 2,518,973</u>

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
\$ 1,673,256	\$ 1,691,384	\$ 1,586,970	\$ 1,579,681
76,333	83,804	69,552	77,159
58,962	51,845	59,401	54,829
166,499	10,835	(27,504)	-
53,557	(63,187)	99,146	(36,966)
(108,862)	(101,425)	(96,181)	(87,733)
<u>\$ 1,919,745</u>	<u>\$ 1,673,256</u>	<u>\$ 1,691,384</u>	<u>\$ 1,586,970</u>

**HALIFAX COUNTY, NORTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL  
LAST EIGHT FISCAL YEARS**

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**

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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 2,291,228	\$ 1,737,171	\$ 2,486,941	\$ 2,518,973
County's covered-employee payroll	\$ 3,362,174	\$ 2,992,997	\$ 3,069,317	\$ 3,075,560
Total pension liability as a percentage of covered-employee payroll	68.15%	58.04%	81.03%	81.90%

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

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

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<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
\$ 1,919,745	\$ 1,673,256	\$ 1,691,384	\$ 1,586,970
\$ 2,997,003	\$ 2,875,635	\$ 2,854,139	\$ 2,682,099
64.06%	58.19%	59.26%	59.17%

**HALIFAX COUNTY, NORTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
LAST TEN FISCAL YEARS\***

**REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
County's proportion of the net pension asset (%)	0.40228%	0.35230%	0.33637%	0.34143%
County's proportion of the net pension liability (asset) (\$)	\$ (48,342)	\$ (46,645)	\$ (64,627)	\$ (78,249)
County's covered-employee payroll	\$ 75,898	\$ 73,687	\$ 71,408	\$ 67,891
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-63.69%	-63.30%	-90.50%	-115.26%
Plan fiduciary net position as a percentage of the total pension liability	135.74%	139.04%	156.53%	173.62%

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

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<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
0.34441%	0.41554%	0.42784%	0.42215%	0.43917%	0.42865%
\$ (67,993)	\$ (68,826)	\$ (73,208)	\$ (78,925)	\$ (101,773)	\$ (97,158)
\$ 66,714	\$ 61,939	\$ 87,076	\$ 89,433	\$ 84,819	\$ 84,385
-101.92%	-111.12%	-84.07%	-88.25%	-119.99%	-115.14%
164.11%	153.31%	153.77%	160.17%	197.29%	193.88%

**HALIFAX COUNTY, NORTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COUNTY'S CONTRIBUTIONS  
LAST TEN FISCAL YEARS**

**REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND**

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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 3,374	\$ 3,590	\$ 4,039	\$ 4,037
Contributions in relation to the contractually required contribution	<u>3,374</u>	<u>3,590</u>	<u>4,039</u>	<u>4,037</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 81,970	\$ 75,898	\$ 73,687	\$ 71,408
Contributions as a percentage of covered-employee payroll	4.12%	4.73%	5.48%	5.65%

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 3,269	\$ 3,274	\$ 3,556	\$ 3,717	\$ 3,449	\$ 3,514
3,269	3,274	3,556	3,717	3,449	3,514
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 67,891	\$ 66,714	\$ 61,939	\$ 87,076	\$ 89,433	\$ 84,819
4.82%	4.91%	5.74%	4.27%	3.86%	4.14%

# HALIFAX COUNTY, NORTH CAROLINA

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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**Method and assumptions used in calculations of actuarially determined contributions:** The actuarially determined contribution rates in the schedule of contributions are calculated as of December 31, one year prior to the end of the fiscal year in which contributions are reported.

Valuation date	December 31, 2022
Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	21
Asset valuation method	Asset returns in excess of or less than the expected return on market value of assets reflected over a five-year period (not greater than 120% of market value and not less than 80% of market value).
Inflation rate	2.50%
Salary increases	3.25 – 8.25%, including inflation
Investment rate of return	3.00%, net of pension plan investment expense, including inflation.

## HALIFAX COUNTY CAPITAL RESERVE FUND

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# HALIFAX COUNTY, NORTH CAROLINA

## HALIFAX COUNTY CAPITAL RESERVE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>Revenues</b>				
Investment earnings	\$ -	\$ 31,154	\$ 321,681	\$ 352,835
Total revenues	-	31,154	321,681	352,835
<b>Expenditures</b>				
Current:				
Economic and physical development	8,687,893	-	-	-
Total expenditures	8,687,893	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(8,687,893)	31,154	321,681	352,835
<b>Other financing sources (uses)</b>				
Transfers in	8,687,893	850,000	6,987,893	7,837,893
Total other financing sources	8,687,893	850,000	6,987,893	7,837,893
Net change in fund balances	\$ -	\$ 881,154	7,309,574	\$ 8,190,728
<b>Fund balances, beginning of year</b>			881,154	
<b>Fund balances, end of year</b>			\$ 8,190,728	

**HALIFAX COUNTY COURT SERVICES BUILDING PROJECT**

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**HALIFAX COUNTY, NORTH CAROLINA  
HALIFAX COUNTY COURT SERVICES BUILDING PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>REVENUES</b>				
Restricted intergovernmental	\$ 450,000	\$ 450,000	\$ 8,250,000	\$ 8,700,000
Investment earnings	-	-	99,282	99,282
Total revenues	<u>450,000</u>	<u>450,000</u>	<u>8,349,282</u>	<u>8,799,282</u>
<b>EXPENDITURES</b>				
Economic development:				
Construction	<u>450,000</u>	<u>61,875</u>	<u>226,875</u>	<u>288,750</u>
Total expenditures	<u>450,000</u>	<u>61,875</u>	<u>226,875</u>	<u>288,750</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 388,125</u>	8,122,407	<u>\$ 8,510,532</u>
<b>FUND BALANCE, beginning of year</b>			<u>388,125</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 8,510,532</u>	

**HALIFAX COUNTY, NORTH CAROLINA**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2024**

	Special Revenue Funds					
	Emergency Telephone System	Our Community Hospital Center	Weldon School District	Fire Districts	Roanoke Rapids School Graded District	Halifax County School District
<b>ASSETS</b>						
Cash and cash equivalents	\$ 512,476	\$ 293	\$ 6,107	\$ 7,109	\$ 13,891	\$ 11,132
Taxes receivable	-	14,057	84,338	114,399	55,631	146,787
Accounts receivable	15,515	-	103,447	115,336	23,804	170,341
Due from other governments	15,304	-	-	-	-	-
Total assets	<u>543,295</u>	<u>14,350</u>	<u>193,892</u>	<u>236,844</u>	<u>93,326</u>	<u>328,260</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	1,098	293	109,554	122,447	37,695	181,473
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>1,098</u>	<u>293</u>	<u>109,554</u>	<u>122,447</u>	<u>37,695</u>	<u>181,473</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues - ad valorem	-	14,057	84,338	114,397	55,631	146,787
Total deferred inflows of resources	<u>-</u>	<u>14,057</u>	<u>84,338</u>	<u>114,397</u>	<u>55,631</u>	<u>146,787</u>
<b>FUND BALANCES</b>						
Restricted:						
Stabilization by State Statute	30,819	-	-	-	-	-
Public safety	511,378	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic and physical development	-	-	-	-	-	-
Assigned:						
Economic and physical development	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>542,197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 543,295</u>	<u>\$ 14,350</u>	<u>\$ 193,892</u>	<u>\$ 236,844</u>	<u>\$ 93,326</u>	<u>\$ 328,260</u>

**Special Revenue Funds**

<b>Opioid Settlement</b>	<b>Representative Payee</b>	<b>CDBG Neighborhood Revitalization</b>	<b>American Rescue Plan</b>	<b>Property and Seizure</b>
\$ 1,216,879	\$ 43,424	\$ -	\$ 1,360,000	\$ 56,823
-	-	-	-	-
374,013	-	-	-	-
-	-	-	-	-
<u>1,590,892</u>	<u>43,424</u>	<u>-</u>	<u>1,360,000</u>	<u>56,823</u>
-	55,164	-	-	-
-	-	-	-	-
-	-	-	1,360,000	-
-	55,164	-	1,360,000	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,590,892	-	-	-	56,823
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(11,740)	-	-	-
<u>1,590,892</u>	<u>(11,740)</u>	<u>-</u>	<u>-</u>	<u>56,823</u>
<u>\$ 1,590,892</u>	<u>\$ 43,424</u>	<u>\$ -</u>	<u>\$ 1,360,000</u>	<u>\$ 56,823</u>

*(continued)*

HALIFAX COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2024

	Capital Project Funds					
	Economic Development	Halifax Corporate Park Demolition Project	OSMB Project	Roseburg Project	RPO Peanut Belt Capital Project	Weldon School 6th - 12th Construction Project
<b>ASSETS</b>						
Cash and cash equivalents	\$ 42,717	\$ 940	\$ 486,639	\$ -	\$ 34,457	\$ 1,224,152
Taxes receivable	-	-	2,355	20	-	-
Accounts receivable	-	-	-	-	23,757	209,868
Due from other governments	-	-	-	-	606	-
Total assets	<u>42,717</u>	<u>940</u>	<u>488,994</u>	<u>20</u>	<u>58,820</u>	<u>1,434,020</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	-	-	-	-	1,852	209,868
Due to other funds	-	-	-	580	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>580</u>	<u>1,852</u>	<u>209,868</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues - ad valorem	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Restricted:						
Stabilization by State Statute	-	-	-	-	-	-
Public safety	-	-	488,994	-	-	-
Education	-	-	-	-	-	1,224,152
Culture and recreation	-	940	-	-	-	-
Economic and physical development	-	-	-	-	56,968	-
Assigned:						
Economic and physical development	42,717	-	-	-	-	-
Unassigned	-	-	-	(560)	-	-
Total fund balances	<u>42,717</u>	<u>940</u>	<u>488,994</u>	<u>(560)</u>	<u>56,968</u>	<u>1,224,152</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 42,717</u>	<u>\$ 940</u>	<u>\$ 488,994</u>	<u>\$ 20</u>	<u>\$ 58,820</u>	<u>\$ 1,434,020</u>

**Capital Project Funds**

<b>County Schools New PK-8 Construction Project</b>	<b>Halifax County Recovery Accountability Project</b>	<b>Choanoke Area Housing Consortium Project</b>	<b>Halifax County Storage Building Project</b>	<b>Halifax County Industrial Shell Building Project</b>	<b>Search Grant</b>	<b>4-H Recreation</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 633,157	\$ 467,103	\$ -	\$ 150,739	\$ 6,500	\$ 141,192	\$ 110,500	6,526,230
38	3	-	1,161	-	-	-	418,789
1,321,530	214	-	-	8,100	-	-	2,365,925
-	-	-	-	-	-	-	15,910
<u>1,954,725</u>	<u>467,320</u>	<u>-</u>	<u>151,900</u>	<u>14,600</u>	<u>141,192</u>	<u>110,500</u>	<u>9,326,854</u>
1,321,527	8,629	-	-	33,100	160,178	-	2,242,878
-	-	-	-	-	-	-	580
-	-	-	-	-	-	-	1,360,000
<u>1,321,527</u>	<u>8,629</u>	<u>-</u>	<u>-</u>	<u>33,100</u>	<u>160,178</u>	<u>-</u>	<u>3,603,458</u>
-	-	-	-	-	-	-	415,210
-	-	-	-	-	-	-	415,210
-	-	-	-	-	-	-	30,819
-	-	-	-	-	-	-	2,648,087
633,198	-	-	-	-	-	-	1,857,350
-	-	-	-	-	-	110,500	111,440
-	458,691	-	151,900	-	-	-	667,559
-	-	-	-	-	-	-	42,717
-	-	-	-	(18,500)	(18,986)	-	(49,786)
<u>633,198</u>	<u>458,691</u>	<u>-</u>	<u>151,900</u>	<u>(18,500)</u>	<u>(18,986)</u>	<u>110,500</u>	<u>5,308,186</u>
<u>\$ 1,954,725</u>	<u>\$ 467,320</u>	<u>\$ -</u>	<u>\$ 151,900</u>	<u>\$ 14,600</u>	<u>\$ 141,192</u>	<u>\$ 110,500</u>	<u>\$ 9,326,854</u>

**HALIFAX COUNTY, NORTH CAROLINA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024**

	<b>Special Revenue Funds</b>						
	<b>Emergency Telephone System</b>	<b>Our Community Hospital Center</b>	<b>Weldon School District</b>	<b>Local Fire Districts</b>	<b>Roanoke Rapids School Graded District</b>	<b>Halifax County School District</b>	<b>Opioid Settlement</b>
<b>REVENUES</b>							
Property taxes	\$ -	\$ 3,263	\$ 1,402,749	\$ 1,757,578	\$ 2,145,632	\$ 2,212,575	\$ -
Sales tax	-	-	492,088	380,357	-	-	-
Other taxes	-	-	-	-	-	856,412	-
Intergovernmental revenues	186,174	-	-	-	-	-	-
Investment earnings	26,855	-	-	-	-	-	37,390
Miscellaneous revenues	-	-	-	-	-	-	1,175,143
Total revenues	<u>213,029</u>	<u>3,263</u>	<u>1,894,837</u>	<u>2,137,935</u>	<u>2,145,632</u>	<u>3,068,987</u>	<u>1,212,533</u>
<b>EXPENDITURES</b>							
Public safety	272,038	-	-	2,137,935	-	-	-
Economic and physical development	-	-	-	-	-	-	-
Human services	-	3,263	-	-	-	-	-
Education	-	-	1,894,837	-	2,145,632	3,068,987	-
Total expenditures	<u>272,038</u>	<u>3,263</u>	<u>1,894,837</u>	<u>2,137,935</u>	<u>2,145,632</u>	<u>3,068,987</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(59,009)	-	-	-	-	-	1,212,533
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	243	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(58,766)	-	-	-	-	-	1,212,533
<b>FUND BALANCES, beginning of year</b>	600,963	-	-	-	-	-	378,359
Change in reporting entity (Note 13)	-	-	-	-	-	-	-
<b>FUND BALANCES, end of year</b>	<u>\$ 542,197</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,590,892</u>

**Special Revenue Funds**

Representative Payee	CDBG Neighborhood Revitalization	Halifax County Capital Reserve	American Rescue Plan	Property and Seizure
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	640,000	-
-	-	-	-	-
285,871	10,000	-	-	9,992
<u>285,871</u>	<u>10,000</u>	<u>-</u>	<u>640,000</u>	<u>9,992</u>
-	-	-	-	16,793
-	10,000	-	-	-
316,602	-	-	-	-
-	-	-	-	-
<u>316,602</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>16,793</u>
(30,731)	-	-	640,000	(6,801)
-	-	-	-	-
-	-	-	(640,000)	-
-	-	-	<u>(640,000)</u>	-
(30,731)	-	-	-	(6,801)
18,991	-	881,154	-	63,624
-	-	(881,154)	-	-
<u>\$ (11,740)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,823</u>

*(continued)*

HALIFAX COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024

	Capital Project Funds						
	Economic Development	Halifax Corporate Park Demolition Project	OSMB Project	Roseburg Project	RPO Peanut Belt Capital Project	Weldon School 6th - 12th Construction Project	Halifax County Schools New PK-8 Construction Project
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	45,791	94,342	924,999	3,406,439
Investment earnings	-	-	-	-	-	68,451	43,819
Miscellaneous revenues	-	-	-	-	-	-	-
Total revenues	-	-	-	45,791	94,342	993,450	3,450,258
<b>EXPENDITURES</b>							
Public safety	-	-	682,956	-	-	-	-
Economic and physical development	-	-	-	4,976	99,308	-	-
Human services	-	-	-	-	-	-	-
Education	-	-	-	-	-	1,532,103	4,425,910
Total expenditures	-	-	682,956	4,976	99,308	1,532,103	4,425,910
Excess (deficiency) of revenues over (under) expenditures	-	-	(682,956)	40,815	(4,966)	(538,653)	(975,652)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances	-	-	(682,956)	40,815	(4,966)	(538,653)	(975,652)
<b>FUND BALANCES, beginning of year</b>	42,717	940	1,171,950	(41,375)	61,934	1,762,805	1,608,850
Change in reporting entity (Note 13)	-	-	-	-	-	-	-
<b>FUND BALANCES, end of year</b>	<u>\$ 42,717</u>	<u>\$ 940</u>	<u>\$ 488,994</u>	<u>\$ (560)</u>	<u>\$ 56,968</u>	<u>\$ 1,224,152</u>	<u>\$ 633,198</u>

Capital Projects Funds							
Halifax County Court Services Building Project	Halifax County Recovery Accountability Project	Choanoke Area Housing Consortium Project	Halifax County Storage Building Project	Halifax County Industrial Shell Building Project	Search Grant	4-H Recreation	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,521,797
-	-	-	-	-	-	-	872,445
-	-	-	-	-	-	-	856,412
-	500,000	-	-	17,800	-	-	5,815,545
-	-	-	-	-	-	-	176,515
-	-	-	-	-	-	-	1,481,006
-	500,000	-	-	17,800	-	-	16,723,720
-	41,309	-	-	-	-	-	3,151,031
-	-	2,000	90,600	36,300	18,986	-	262,170
-	-	-	-	-	-	-	319,865
-	-	-	-	-	-	-	13,067,469
-	41,309	2,000	90,600	36,300	18,986	-	16,800,535
-	458,691	(2,000)	(90,600)	(18,500)	(18,986)	-	(76,815)
-	-	-	242,500	-	-	-	242,743
-	-	-	-	-	-	-	(640,000)
-	-	-	242,500	-	-	-	(397,257)
-	458,691	(2,000)	151,900	(18,500)	(18,986)	-	(474,072)
388,125	-	2,000	-	-	-	110,500	7,051,537
(388,125)	-	-	-	-	-	-	(1,269,279)
\$ -	\$ 458,691	\$ -	\$ 151,900	\$ (18,500)	\$ (18,986)	\$ 110,500	\$ 5,308,186

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - GENERAL DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
<b>Ad valorem taxes:</b>				
Taxes	\$ 31,040,000	\$ 31,040,000	\$ 32,610,193	\$ 1,570,193
Tax penalties and interest	200,000	200,000	203,311	3,311
Total ad valorem taxes	<u>31,240,000</u>	<u>31,240,000</u>	<u>32,813,504</u>	<u>1,573,504</u>
<b>Other taxes and licenses:</b>				
Local option sales tax	11,784,000	11,784,000	13,471,727	1,687,727
Cable franchise tax	67,000	67,000	58,347	(8,653)
	<u>11,851,000</u>	<u>11,851,000</u>	<u>13,530,074</u>	<u>1,679,074</u>
<b>Unrestricted intergovernmental revenues:</b>				
Fines and forfeitures	150,000	252,323	252,966	643
Beer and wine tax	125,000	125,000	129,382	4,382
Total unrestricted intergovernmental revenues	<u>275,000</u>	<u>377,323</u>	<u>382,348</u>	<u>5,025</u>
<b>Restricted intergovernmental revenues:</b>				
Federal and State grants	925,295	815,038	1,066,445	251,407
North Carolina ADM allocation	200,000	200,000	200,000	-
Lottery proceeds	-	-	200,000	200,000
Halifax ABC revenue	340,000	428,687	497,067	68,380
Total restricted intergovernmental revenues	<u>1,465,295</u>	<u>1,443,725</u>	<u>1,963,512</u>	<u>519,787</u>
<b>Permits and fees:</b>				
Facility fees	60,000	60,000	68,528	8,528
Building inspection fees	175,000	175,000	205,901	30,901
Register of deeds fees	403,500	403,500	354,737	(48,763)
Other fees and rents	1,471,300	1,514,073	1,742,180	228,107
Total permits and fees	<u>2,109,800</u>	<u>2,152,573</u>	<u>2,371,346</u>	<u>218,773</u>
<b>Sales and Services:</b>				
Occupancy tax administration	1,030,000	1,440,000	1,359,770	(80,230)
Jail fees	38,000	38,000	53,168	15,168
Central communications	550,791	550,791	551,905	1,114
Other sales and services	4,530	4,530	4,875	345
Total sales and services revenues	<u>1,623,321</u>	<u>2,033,321</u>	<u>1,969,718</u>	<u>(63,603)</u>
<b>Investment earnings</b>	<u>225,000</u>	<u>225,000</u>	<u>2,506,764</u>	<u>2,281,764</u>
<b>Miscellaneous revenues:</b>	<u>678,125</u>	<u>817,315</u>	<u>562,855</u>	<u>(254,460)</u>
Total revenues	<u>49,467,541</u>	<u>50,140,257</u>	<u>56,100,121</u>	<u>5,959,864</u>

*(continued)*

HALIFAX COUNTY, NORTH CAROLINA

GENERAL FUND - GENERAL DEPARTMENT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2024

Expenditures	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>General government:</b>				
Governing body				
Salaries and employee benefits	\$ 828,827	\$ 1,223,460	\$ 1,211,267	\$ 12,193
Operating expenditures	56,518	59,518	35,886	23,632
Total	885,345	1,282,978	1,247,153	35,825
Administration				
Salaries and employee benefits	663,337	667,267	585,750	81,517
Operating expenditures	84,991	82,158	41,478	40,680
Total	748,328	749,425	627,228	122,197
Human resources				
Salaries and employee benefits	276,364	277,573	235,304	42,269
Operating expenditures	47,875	49,529	25,060	24,469
Total	324,239	327,102	260,364	66,738
Finance				
Salaries and employee benefits	651,074	658,933	653,860	5,073
Operating expenditures	57,531	63,253	48,824	14,429
Total	708,605	722,186	702,684	19,502
Tax administration				
Salaries and employee benefits	1,323,323	1,339,121	1,175,137	163,984
Operating expenditures	400,953	361,644	291,464	70,180
Capital Outlay	-	20,269	19,718	551
Total	1,724,276	1,721,034	1,486,319	234,715
Tax revaluation				
Salaries and employee benefits	346,604	348,967	244,001	104,966
Operating expenditures	111,135	200,974	156,274	44,700
Capital outlay	-	-	-	-
Total	457,739	549,941	400,275	149,666
Legal				
Salaries and employee benefits	314,523	315,128	314,440	688
Operating expenditures	41,576	90,530	48,889	41,641
Total	356,099	405,658	363,329	42,329
Elections				
Salaries and employee benefits	245,624	288,968	288,968	-
Operating expenditures	96,949	127,402	115,257	12,145
Total	342,573	416,370	404,225	12,145

(continued)

HALIFAX COUNTY, NORTH CAROLINA

GENERAL FUND - GENERAL DEPARTMENT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2024

Expenditures (Continued)	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>General government (Continued):</b>				
Register of deeds				
Salaries and employee benefits	\$ 376,643	\$ 381,179	\$ 380,016	\$ 1,163
Operating expenditures	119,689	174,127	65,281	108,846
Total	496,332	555,306	445,297	110,009
Information technology services				
Salaries and employee benefits	339,695	344,202	330,795	13,407
Operating expenditures	487,632	614,396	421,894	192,502
Total	827,327	958,598	752,689	205,909
Maintenance and repairs - public buildings				
Operating expenditures	744,150	957,879	485,741	472,138
Capital outlay	234,170	436,882	69,770	367,112
Total	978,320	1,394,761	555,511	839,250
Operations				
Salaries and employee benefits	1,041,475	1,056,160	1,015,664	40,496
Operating expenditures	221,705	208,886	85,470	123,416
Capital outlay	35,000	60,328	28,300	32,028
Total	1,298,180	1,325,374	1,129,434	195,940
Inspections				
Salaries and employee benefits	-	108,527	108,325	202
Operating expenditures	-	68,839	13,629	55,210
Total	-	177,366	121,954	55,412
Non-departmental expenditures				
Salaries and employee benefits	4,307	4,307	4,306	1
Operating expenditures	2,260,745	2,983,215	2,449,941	533,274
Total	2,265,052	2,987,522	2,454,247	533,275
Other general government				
Agriculture complex	35,490	33,168	33,159	9
CADA	20,000	20,000	20,000	-
Community corrections building	16,802	16,802	15,701	1,101
Court service	91,420	105,154	102,033	3,121
Criminal justice building	10,679	12,388	11,710	678
CTPA	20,000	20,000	20,000	-
Fuel center	7,593	7,593	3,308	4,285
Historic courthouse	70,964	118,350	111,494	6,856
Judicial services	17,219	17,219	9,602	7,617
Magistrates	7,940	7,940	7,940	-
Permits and inspections	8,222	9,652	8,523	1,129
Public buildings	11,090	16,315	16,315	-
Rural life complex	17,400	13,798	13,789	9
Total	334,819	398,379	373,574	24,805
Total general government:	11,747,234	13,972,000	11,324,283	2,647,717

(continued)

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - GENERAL DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

Expenditures (Continued)	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Public safety:</b>				
Sheriff				
Salaries and employee benefits	\$ 6,232,564	\$ 6,297,784	\$ 5,833,813	\$ 463,971
Operating expenditures	957,806	1,276,930	1,236,241	40,689
Capital outlay	626,000	551,072	664,694	(113,622)
Total	7,816,370	8,125,786	7,734,748	391,038
Jail				
Salaries and employee benefits	2,289,630	2,132,700	2,050,806	81,894
Operating expenditures	1,504,933	1,990,893	1,951,701	39,192
Capital outlay	200,000	200,000	-	200,000
Total	3,994,563	4,323,593	4,002,507	321,086
Fire Marshall				
Salaries and employee benefits	85,084	87,310	86,202	1,108
Operating expenditures	22,280	22,395	17,695	4,700
Total	107,364	109,705	103,897	5,808
Emergency management				
Salaries and employee benefits	103,246	104,245	103,645	600
Operating expenditures	52,508	62,623	51,538	11,085
Capital outlay	10,000	-	-	-
Total	165,754	166,868	155,183	11,685
Central communications				
Salaries and employee benefits	1,677,797	1,693,033	1,475,279	217,754
Operating expenditures	154,694	192,479	145,650	46,829
Capital outlay	2,000	109,188	109,188	-
Total	1,834,491	1,994,700	1,730,117	264,583
Planning & inspections				
Salaries and employee benefits	399,521	230,717	195,421	35,296
Operating expenditures	67,489	59,108	46,513	12,595
Total	467,010	289,825	241,934	47,891
Planning board				
Salaries and employee benefits	3,175	3,175	321	2,854
Board of adjustment				
Salaries and employee benefits	3,573	3,573	833	2,740
Fire department allocations				
Fire departments and rescue squads	79,000	79,000	79,000	-
Other public safety				
AED grant	-	484	-	484
Controlled substance	37,000	37,000	11,612	25,388
Coroner	60,000	60,000	55,700	4,300
Drug task force	3,000	800	-	800
DTF - federal asset	25,000	85,000	59,903	25,097
DTF - controlled substance	300	300	99	201
Emergency management supplement	-	84,372	29,827	54,545
Federal asset forfeiture	85,000	115,000	110,132	4,868
Halifax helps	200	200	-	200
Outside allocations	1,500	1,500	1,500	-
ICAC	-	-	-	-
Narcan grant	-	4,700	-	4,700
Tier II LEPC grant	-	1,017	1,017	-
Total	212,000	390,373	269,790	120,583
Total public safety	14,683,300	15,486,598	14,318,330	1,168,268

HALIFAX COUNTY, NORTH CAROLINA

GENERAL FUND - GENERAL DEPARTMENT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2024

Expenditures (Continued)	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Economic and physical development:</b>				
Development communications				
Salaries and employee benefits	\$ 266,112	\$ 267,327	\$ 253,036	\$ 14,291
Operating expenditures	112,534	114,450	107,610	6,840
Total	378,646	381,777	360,646	21,131
Tourism				
Salaries and employee benefits	4,500	4,500	4,500	-
Co-Op extension				
Salaries and employee benefits	266,258	266,083	263,289	2,794
Operating expenditures	63,892	77,984	66,256	11,728
Total	330,150	344,067	329,545	14,522
Rural life				
Salaries and employee benefits	44,252	44,252	37,720	6,532
Operating expenditures	42,794	48,574	39,401	9,173
Capital outlay	-	17,671	9,850	7,821
Total	87,046	110,497	86,971	23,526
Natural Resources				
Salaries and employee benefits	214,631	215,816	206,232	9,584
Operating expenditures	41,066	45,296	13,780	31,516
Total	255,697	261,112	220,012	41,100
Other economic and physical development				
4-H account	21,800	16,543	7,705	8,838
AgCar farm grant	-	4,000	-	4,000
County extension	22,000	31,225	6,664	24,561
CREP	-	859	-	859
Economic development incentives	-	66,000	66,000	-
Extension agent	27,500	29,041	6,652	22,389
Farm and ranchlands	-	15,780	-	15,780
Forestry	146,517	146,517	72,098	74,419
Market based conservation	-	10,725	-	10,725
Monsanto grant	-	91	91	-
No till	-	7,554	1,079	6,475
NRCS equipment II	-	26,542	-	26,542
NRCS soil health	-	21,649	-	21,649
Outside allocations	32,000	45,216	42,213	3,003
RV Chamber of Commerce	23,000	28,311	26,872	1,439
Soil health	-	3,796	-	3,796
Total	272,817	453,849	229,374	224,475
Total economic and physical development	1,328,856	1,555,802	1,231,048	324,754

(continued)

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - GENERAL DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

Expenditures (Continued)	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Human services:</b>				
Elderly transportation				
Operating expenditures	\$ -	\$ 179,788	\$ 179,766	\$ 22
Total	-	179,788	179,766	22
Operation Restart - Restitution				
Salaries and employee benefits	59,324	64,098	64,098	-
Operating expenditures	10,103	6,575	6,575	-
Total	69,427	70,673	70,673	-
Operation Restart				
Salaries and employee benefits	104,569	108,431	108,431	-
Operating expenditures	8,300	3,910	3,910	-
Total	112,869	112,341	112,341	-
Student incentive				
Salaries and employee benefits	71,004	69,698	69,698	-
Operating expenditures	7,403	8,707	8,511	196
Total	78,407	78,405	78,209	196
Other human services				
Aging	95,912	98,186	70,324	27,862
Aging MIPPA	-	3,702	2,849	853
Council on aging	21,721	-	-	-
Council on aging donations - MoW	-	3,979	740	3,239
Home and community care block grant	452,165	154,026	148,104	5,922
JCPC advisory board	5,000	5,000	5,000	-
JCPC grant	56,000	56,000	56,000	-
Mental health	65,000	85,292	74,307	10,985
Outside allocations	400	400	-	400
SHIIP	-	3,782	-	3,782
Senior health insurance grant	-	1,654	1,654	-
SHIP MIPPA FY18	-	1,000	698	302
Veterans office	77,696	78,618	77,198	1,420
Total	773,894	491,639	436,874	54,765
Total human services	1,034,597	932,846	877,863	54,983

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - GENERAL DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued)</b>				
<b>Cultural and recreational:</b>				
Library				
Salaries and employee benefits	\$ 687,904	\$ 699,984	\$ 694,682	\$ 5,302
Operating expenditures	142,357	168,364	147,907	20,457
Total	<u>830,261</u>	<u>868,348</u>	<u>842,589</u>	<u>25,759</u>
Other cultural and recreational				
ARPA Funds	-	5,148	5,147	1
Total	<u>-</u>	<u>5,148</u>	<u>5,147</u>	<u>1</u>
Total cultural and recreational	<u>830,261</u>	<u>873,496</u>	<u>847,736</u>	<u>25,760</u>
<b>Education</b>				
Public school - current expenditures	5,692,231	5,862,950	5,862,950	-
Public school - capital outlay	1,166,606	1,166,606	1,166,606	-
Community college - current expenditures	1,187,851	1,187,851	1,187,851	-
Community college - capital outlay	942,227	942,227	942,227	-
ADM - public school building fund	-	-	291,000	(291,000)
Total education	<u>8,988,915</u>	<u>9,159,634</u>	<u>9,450,634</u>	<u>(291,000)</u>
<b>Debt Service</b>				
Principal	2,600,111	2,600,941	2,960,200	(359,259)
Interest	459,068	458,238	458,229	9
Total debt service	<u>3,059,179</u>	<u>3,059,179</u>	<u>3,418,429</u>	<u>(359,250)</u>
Total expenditures	<u>41,672,342</u>	<u>45,039,555</u>	<u>41,468,323</u>	<u>3,571,232</u>
Excess of revenues over expenditures	7,795,199	5,100,702	14,631,798	9,531,096
<b>Other financing sources (uses)</b>				
Issuance of lease	-	-	638,816	638,816
Transfers in	1,952,600	2,806,237	2,729,737	(76,500)
Transfers out	(15,142,318)	(24,848,937)	(24,773,937)	75,000
Appropriated fund balance	5,394,519	16,941,998	-	(16,941,998)
Total other financing uses	<u>(7,795,199)</u>	<u>(5,100,702)</u>	<u>(21,405,384)</u>	<u>(16,304,682)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(6,773,586)</u>	<u>\$ (6,773,586)</u>
Net change in fund balance from consolidated funds:				
Public health department			52,645	
Social services department			596,299	
Emergency services management department			(291,735)	
Reassessment fund			<u>14,021</u>	
<b>General Fund, net change in fund balance</b>			<u>\$ (6,402,356)</u>	

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - PUBLIC HEALTH DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Restricted intergovernmental	\$ 4,768,572	\$ 4,766,313	\$ 3,476,613	\$ (1,289,700)
Sales and services	10,000	10,000	23,876	13,876
Permits and fees	-	(150,000)	-	150,000
Miscellaneous revenue	-	-	2,709	2,709
Total revenues	<u>4,778,572</u>	<u>4,626,313</u>	<u>3,503,198</u>	<u>(1,123,115)</u>
<b>Expenditures:</b>				
<b>Human services:</b>				
General:				
Salaries and employee benefits	907,178	995,509	992,487	3,022
Operating expenditures	210,738	138,363	134,052	4,311
Total	<u>1,117,916</u>	<u>1,133,872</u>	<u>1,126,539</u>	<u>7,333</u>
Animal control:				
Salaries and employee benefits	351,818	344,777	299,493	45,284
Operating expenditures	154,041	138,325	92,575	45,750
Capital outlay	-	84,262	83,809	453
Total	<u>505,859</u>	<u>567,364</u>	<u>475,877</u>	<u>91,487</u>
AIDS control:				
Salaries and employee benefits	311,604	302,631	301,801	830
Operating expenditures	80,150	68,293	40,293	28,000
Total	<u>391,754</u>	<u>370,924</u>	<u>342,094</u>	<u>28,830</u>
Tuberculosis control:				
Salaries and employee benefits	120,138	114,464	114,072	392
Operating expenditures	45,000	34,306	15,303	19,003
Capital outlay	-	1,500	-	1,500
Total	<u>165,138</u>	<u>150,270</u>	<u>129,375</u>	<u>20,895</u>
Communicable disease:				
Salaries and employee benefits	201,419	180,237	51,043	129,194
Operating expenditures	25,200	12,267	6,067	6,200
Capital outlay	-	16,205	-	16,205
Total	<u>226,619</u>	<u>208,709</u>	<u>57,110</u>	<u>151,599</u>
Adult health/diabetes:				
Salaries and employee benefits	112,263	28,660	25,050	3,610
Operating expenditures	76,166	32,618	22,508	10,110
Capital outlay	-	12,433	-	12,433
Total	<u>188,429</u>	<u>73,711</u>	<u>47,558</u>	<u>26,153</u>

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - PUBLIC HEALTH DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
Maternity:				
Salaries and employee benefits	\$ 290,284	\$ 196,455	\$ 184,498	\$ 11,957
Operating expenditures	126,550	101,293	84,890	16,403
Capital outlay	17,667	38,389	21,622	16,767
Total	434,501	336,137	291,010	45,127
Family planning:				
Salaries and employee benefits	659,018	405,550	357,517	48,033
Operating expenditures	357,911	313,302	179,978	133,324
Capital outlay	15,000	44,000	15,000	29,000
Total	1,031,929	762,852	552,495	210,357
Child services coordinator:				
Salaries and employee benefits	131,471	101,352	100,635	717
Operating expenditures	37,400	20,445	11,370	9,075
Total	168,871	121,797	112,005	9,792
Child health:				
Salaries and employee benefits	326,130	292,590	292,458	132
Operating expenditures	178,264	336,890	85,110	251,780
Capital outlay	17,667	25,434	15,000	10,434
Total	522,061	654,914	392,568	262,346
Environmental health:				
Salaries and employee benefits	459,953	437,044	433,547	3,497
Operating expenditures	18,150	22,932	17,978	4,954
Total	478,103	459,976	451,525	8,451
Pandemic management:				
Salaries and employee benefits	74,863	92,314	18,404	73,910
Other human services:				
Baby love plus	171,450	182,091	174,032	8,059
Bioterrorism	45,237	45,234	43,147	2,087
Capital outlay - miscellaneous	16,980	86,623	81,175	5,448
Catch my breath	9,900	9,900	40	9,860
Child health - BESST AA	100,496	59,996	57,935	2,061
Enhanced detection	185,236	185,236	19,464	165,772
Folic acid grant	163,240	157,683	152,398	5,285
Health community program	37,415	37,415	29,903	7,512
Health working and wellness	37,728	41,774	40,395	1,379
Immunization action plan	160,258	132,356	124,785	7,571

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - PUBLIC HEALTH DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures (Continued):</b>				
Other human services (continued):				
Car Seat	\$ 49,721	\$ 67,897	\$ 67,897	\$ -
Public Health Infrastructure Grant	-	356,064	172,783	183,281
Project Lazarus	-	50,000	50,000	-
RR SNFI school nurse	150,000	150,000	150,000	-
Smart start	22,869	19,708	13,076	6,632
Triple P	372,994	378,605	377,615	990
Weldon SNFI school nurse	100,000	100,000	61,338	38,662
WIC - administration	23,394	35,774	35,774	-
WIC - breastfeeding	43,166	55,915	55,715	200
WIC - client services	296,286	262,063	251,992	10,071
WIC - nutrition ed	107,682	111,257	111,249	8
Catch RVCH	-	3,566	1,477	2,089
546 COVID pandemic	203,083	166,178	146,520	19,658
Total other	<u>2,297,135</u>	<u>2,695,335</u>	<u>2,218,710</u>	<u>476,625</u>
 Total human services	 <u>7,603,178</u>	 <u>7,628,175</u>	 <u>6,215,270</u>	 <u>1,412,905</u>
 Deficiency of revenues under expenditures	 (2,824,606)	 (3,001,862)	 (2,712,072)	 289,790
<b>Other financing sources (uses)</b>				
Transfers in	2,842,106	2,891,816	2,891,816	-
Transfer out	(17,500)	(127,099)	(127,099)	-
Appropriated fund balance	-	237,145	-	(237,145)
Total other financing sources	<u>2,824,606</u>	<u>3,001,862</u>	<u>2,764,717</u>	<u>(237,145)</u>
 Net change in fund balances	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 52,645</u>	 <u>\$ 52,645</u>

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - SOCIAL SERVICES DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Restricted intergovernmental	\$ 10,099,896	\$ 10,981,309	\$ 8,589,121	\$ (2,392,188)
Permits and fees	10,000	10,000	21,999	11,999
Total revenues	<u>10,109,896</u>	<u>10,991,309</u>	<u>8,611,120</u>	<u>(2,380,189)</u>
<b>Expenditures:</b>				
<b>Human services:</b>				
General:				
Salaries and employee benefits	11,916,046	12,031,820	10,834,527	1,197,293
Operating expenditures	1,442,362	1,440,642	822,338	618,304
Capital outlay	30,000	30,000	26,415	3,585
Total	<u>13,388,408</u>	<u>13,502,462</u>	<u>11,683,280</u>	<u>1,819,182</u>
Other human services:				
4D-purchase	213,487	990,424	186,734	803,690
Adoption promotion	-	4,059	1,428	2,631
Adoptive assistance	74,687	74,687	49,010	25,677
Aid to the blind	10,000	10,000	8,526	1,474
CBA for foster care	507,413	878,151	873,471	4,680
CPS	-	556	109	447
Chore services	11,629	11,629	10,714	915
CP&L energy	1,908	3,403	-	3,403
Crisis intervention	334,205	144,335	46,604	97,731
Daycare	176,864	67,480	30,396	37,084
Family planning	20,000	20,000	1,704	18,296
Family reunification	7,352	7,352	-	7,352
Fees and refunds	10,000	68,458	5,530	62,928
Home and community care block grant	177,400	524,872	469,738	55,134
LIEAP program	531,333	814,595	(3,555)	818,150
SNAP - ARPA	-	39,794	26,265	13,529
LIHWAP	-	60,340	49,445	10,895
Medicaid	390,000	812,164	335,423	476,741
Nutrition Services Incentive Program	-	19,448	19,448	-
Purchased services	53,000	43,382	22,862	20,520
SAFE kids	-	2,486	336	2,150
Shift NC program	-	2,498	2,377	121
Social services to the aged	442,363	546,167	546,167	-
Special foster care	10,000	10,000	5,528	4,472
Work first	40,000	12,135	12,135	-
Total	<u>3,011,641</u>	<u>5,168,415</u>	<u>2,700,395</u>	<u>2,468,020</u>
Total human services	<u>16,400,049</u>	<u>18,670,877</u>	<u>14,383,675</u>	<u>4,287,202</u>
Deficiency of revenues under expenditures	(6,290,153)	(7,679,568)	(5,772,555)	1,907,013
<b>Other financing uses</b>				
Transfers in	6,290,153	6,433,654	6,433,654	-
Transfers out	-	(64,800)	(64,800)	-
Appropriated fund balance	-	1,310,714	-	(1,310,714)
Total other financing sources	<u>6,290,153</u>	<u>7,679,568</u>	<u>6,368,854</u>	<u>(1,310,714)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 596,299</u>	<u>\$ 596,299</u>

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - EMERGENCY MANAGEMENT SERVICES DEPARTMENT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Restricted intergovernmental	\$ 385,000	\$ 540,256	\$ 446,915	\$ (93,341)
Sales and services	2,696,298	2,696,298	2,250,928	(445,370)
Miscellaneous revenue	-	27,742	28,446	704
Total revenues	<u>3,081,298</u>	<u>3,264,296</u>	<u>2,726,289</u>	<u>(538,007)</u>
<b>Expenditures:</b>				
<b>Public Safety:</b>				
Salaries and employee benefits	5,981,107	6,162,517	6,108,960	53,557
Operating expenditures	1,191,050	1,258,679	1,148,950	109,729
Capital outlay	235,000	397,290	100,704	296,586
Total	<u>7,407,157</u>	<u>7,818,486</u>	<u>7,358,614</u>	<u>459,872</u>
Total expenditures	<u>7,407,157</u>	<u>7,818,486</u>	<u>7,358,614</u>	<u>459,872</u>
Deficiency of revenues under expenditures	(4,325,859)	(4,554,190)	(4,632,325)	(78,135)
<b>Other financing sources (uses)</b>				
Transfers in	4,325,859	4,380,190	4,380,190	-
Transfers out	-	(39,600)	(39,600)	-
Appropriated fund balance	-	213,600	-	(213,600)
Total other financing sources	<u>4,325,859</u>	<u>4,554,190</u>	<u>4,340,590</u>	<u>(213,600)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (291,735)</u>	<u>\$ (291,735)</u>

**HALIFAX COUNTY, NORTH CAROLINA**

**GENERAL FUND - REASSESSMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ 4,021	\$ 4,021
<b>Expenditures:</b>				
General government:				
Operating expenditures	75,000	75,000	-	75,000
Excess (deficiency) of revenues over (under) expenditures	(75,000)	(75,000)	4,021	79,021
<b>Other financing sources (uses)</b>				
Transfers in	100,000	100,000	100,000	-
Transfers out	(90,000)	(90,000)	(90,000)	-
Appropriation of fund balance	65,000	65,000	-	(65,000)
Total other financing sources (uses)	75,000	75,000	10,000	(65,000)
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,021</b>	<b>\$ 14,021</b>

# NONMAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds

**Emergency Telephone System Fund** – accounts for collection of monies to provide enhanced 911 services.

**Our Community Hospital Center Fund** – accounts for the ad valorem tax levies for the hospital.

**Weldon School District Fund** – accounts for the ad valorem tax levies for the Weldon School District.

**Local Fire Districts Fund** – accounts for the collection of special fire district taxes that are returned quarterly to the fire districts on a budgeted basis.

**Roanoke Rapids School Graded District Fund** – accounts for the ad valorem tax levies for the Roanoke Rapids School District.

**Halifax County School District Fund** – accounts for the ad valorem tax levies for the Halifax County School District.

**Opioid Settlement Fund** – accounts for the monies deposited from the opioid settlement to fight against the opioid epidemic.

**Representative Payee Fund** – accounts for monies held by the Social Services department for the benefit of certain individuals in the County.

**Property and Seizure Fund** – accounts for the monies and assets seized by law enforcement officers and court officials.

**CDBG Neighborhood Revitalization** – accounts for the State budgeted funds for municipalities in the County which Halifax acted as the pass-through entity.

**American Rescue Plan Fund** – accounts for the revenues and expenditures related to the American Rescue Plan grant monies for the County.

## Capital Project Funds

**Economic Development Fund** – accounts for projects supporting economic development in the area for which assets will not be owned or used by the County.

**Halifax Corporate Park Demolition** – accounts for the local grants and contributions to aid in the funding of the project costs.

**OSBM Project Fund** – accounts for the local grants and contributions to aid in the funding of the project costs.

**Roseburg Project Fund** – accounts for the local grants and contributions to aid in the funding of the project costs.

**RPO Peanut Belt Capital Project Fund** – accounts for the economic development projects of the Peanut Belt Planning Organization.

# NONMAJOR GOVERNMENTAL FUNDS

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## Capital Project Funds (Continued)

**4-H Recreation** – accounts for the local grants and contributions to aid in the funding of the project costs.

**Weldon School 6<sup>th</sup> – 12<sup>th</sup> Construction Project Fund** – accounts for the local grants and contributions to aid in the funding of the project costs.

**Halifax County Schools New PK-8 Construction Project Fund** – accounts for the local grants and contributions to aid in the funding of the project costs.

**Choanoke Area Housing Consortium Project Fund** – accounts for the local grants and contributions to aid in the funding of the project costs.

**Halifax County Recovery Accountability Project Fund** - accounts for the local grants and contributions to aid in the funding of the project costs.

**Halifax County Storage Building Fund** - accounts for the local grants and contributions to aid in the funding of the project costs.

**Halifax County Industrial Shell Building Fund** – accounts for the local grants and contributions to aid in the construction of a 40,000 square foot shell industrial building on Lot #1 at the Halifax Corporate Park.

**Search Grant Fund** - accounts for the local grants and contributions to aid in the funding of the project costs.

**HALIFAX COUNTY, NORTH CAROLINA  
EMERGENCY TELEPHONE SYSTEM**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Restricted intergovernmental - wireless funding	\$ 190,293	\$ 190,293	\$ 186,174	\$ (4,119)
Investment earnings	-	14,991	26,855	11,864
Total revenues	<u>190,293</u>	<u>205,284</u>	<u>213,029</u>	<u>7,745</u>
<b>EXPENDITURES</b>				
Public safety	190,293	610,735	272,038	338,697
Total expenditures	<u>190,293</u>	<u>610,735</u>	<u>272,038</u>	<u>338,697</u>
Excess (deficiency) of revenues over (under) expenditures	-	(405,451)	(59,009)	346,442
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	243	243	-
Appropriated fund balance	-	405,208	-	(405,208)
Total other financing sources	<u>-</u>	<u>405,451</u>	<u>243</u>	<u>(405,208)</u>
Net change in fund balances	-	-	(58,766)	(58,766)
<b>FUND BALANCE, beginning of year</b>	<u>600,963</u>	<u>600,963</u>	<u>600,963</u>	<u>-</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 600,963</u>	<u>\$ 600,963</u>	<u>\$ 542,197</u>	<u>\$ (58,766)</u>

**HALIFAX COUNTY, NORTH CAROLINA  
OUR COMMUNITY HOSPITAL CENTER**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes	\$ 1,525	\$ 3,364	\$ 3,263	\$ (101)
Total revenues	<u>1,525</u>	<u>3,364</u>	<u>3,263</u>	<u>(101)</u>
<b>EXPENDITURES</b>				
Human services	1,525	3,364	3,263	101
Total expenditures	<u>1,525</u>	<u>3,364</u>	<u>3,263</u>	<u>101</u>
Net change in fund balances	-	-	-	-
<b>FUND BALANCE, beginning of year</b>	-	-	-	-
<b>FUND BALANCE, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HALIFAX COUNTY, NORTH CAROLINA  
WELDON SCHOOL DISTRICT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes	\$ 1,332,000	\$ 1,402,749	\$ 1,402,749	\$ -
Sales taxes	439,000	493,824	492,088	(1,736)
Total revenues	<u>1,771,000</u>	<u>1,896,573</u>	<u>1,894,837</u>	<u>(1,736)</u>
<b>EXPENDITURES</b>				
Education	1,771,000	1,896,573	1,894,837	1,736
Total expenditures	<u>1,771,000</u>	<u>1,896,573</u>	<u>1,894,837</u>	<u>1,736</u>
Net change in fund balances	-	-	-	-
<b>FUND BALANCE, beginning of year</b>	-	-	-	-
<b>FUND BALANCE, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HALIFAX COUNTY, NORTH CAROLINA  
LOCAL FIRE DISTRICTS**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes	\$ 1,617,900	\$ 1,764,352	\$ 1,757,578	\$ (6,774)
Other taxes and licenses	345,200	381,757	380,357	(1,400)
Total revenues	<u>1,963,100</u>	<u>2,146,109</u>	<u>2,137,935</u>	<u>(8,174)</u>
<b>EXPENDITURES</b>				
Public safety	1,963,100	2,146,109	2,137,935	8,174
Net change in fund balances	-	-	-	-
<b>FUND BALANCE, beginning of year</b>	-	-	-	-
<b>FUND BALANCE, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HALIFAX COUNTY, NORTH CAROLINA  
ROANOKE RAPIDS SCHOOL GRADED DISTRICT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes	\$ 2,061,000	\$ 2,145,632	\$ 2,145,632	\$ -
Total revenues	<u>2,061,000</u>	<u>2,145,632</u>	<u>2,145,632</u>	<u>-</u>
<b>EXPENDITURES</b>				
Education	2,061,000	2,145,632	2,145,632	-
Total expenditures	<u>2,061,000</u>	<u>2,145,632</u>	<u>2,145,632</u>	<u>-</u>
Net change in fund balances	-	-	-	-
<b>FUND BALANCE, beginning of year</b>	-	-	-	-
<b>FUND BALANCE, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HALIFAX COUNTY, NORTH CAROLINA  
HALIFAX COUNTY SCHOOL DISTRICT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes	\$ 2,127,500	\$ 2,218,500	\$ 2,212,575	\$ (5,925)
Other taxes and licenses	752,300	858,031	856,412	(1,619)
Total revenues	<u>2,879,800</u>	<u>3,076,531</u>	<u>3,068,987</u>	<u>(7,544)</u>
<b>EXPENDITURES</b>				
Education	2,879,800	3,076,531	3,068,987	7,544
Total expenditures	<u>2,879,800</u>	<u>3,076,531</u>	<u>3,068,987</u>	<u>7,544</u>
Net change in fund balances	-	-	-	-
<b>FUND BALANCE, beginning of year</b>	-	-	-	-
<b>FUND BALANCE, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HALIFAX COUNTY, NORTH CAROLINA  
REPRESENTATIVE PAYEE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 350,000	\$ 350,000	\$ 285,871	\$ (64,129)
Total revenues	<u>350,000</u>	<u>350,000</u>	<u>285,871</u>	<u>(64,129)</u>
<b>EXPENDITURES</b>				
Human services	350,000	350,000	316,602	33,398
Total expenditures	<u>350,000</u>	<u>350,000</u>	<u>316,602</u>	<u>33,398</u>
Net change in fund balances	-	-	(30,731)	(30,731)
<b>FUND BALANCE, beginning of year</b>	18,991	18,991	18,991	-
<b>FUND BALANCE, end of year</b>	<u>\$ 18,991</u>	<u>\$ 18,991</u>	<u>\$ (11,740)</u>	<u>\$ (30,731)</u>

**HALIFAX COUNTY, NORTH CAROLINA  
OPIOID SETTLEMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ 596,442	\$ 1,175,143	\$ 578,701
Investment earnings	-	-	37,390	37,390
Total revenues	<u>-</u>	<u>596,442</u>	<u>1,212,533</u>	<u>616,091</u>
<b>EXPENDITURES</b>				
Human services	-	596,442	-	596,442
Total expenditures	<u>-</u>	<u>596,442</u>	<u>-</u>	<u>596,442</u>
Net change in fund balances	-	-	1,212,533	1,212,533
<b>FUND BALANCE, beginning of year</b>	<u>378,359</u>	<u>378,359</u>	<u>378,359</u>	<u>-</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 378,359</u>	<u>\$ 378,359</u>	<u>\$ 1,590,892</u>	<u>\$ 1,212,533</u>

**HALIFAX COUNTY, NORTH CAROLINA  
PROPERTY AND SEIZURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 35,000	\$ 35,000	\$ 9,992	\$ (25,008)
Total revenues	<u>35,000</u>	<u>35,000</u>	<u>9,992</u>	<u>(25,008)</u>
<b>EXPENDITURES</b>				
Public Safety	35,000	35,000	16,793	18,207
Total expenditures	<u>35,000</u>	<u>35,000</u>	<u>16,793</u>	<u>18,207</u>
Net change in fund balances	-	-	(6,801)	(6,801)
<b>FUND BALANCE, beginning of year</b>	<u>63,624</u>	<u>63,624</u>	<u>63,624</u>	<u>-</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 63,624</u>	<u>\$ 63,624</u>	<u>\$ 56,823</u>	<u>\$ (6,801)</u>

**HALIFAX COUNTY, NORTH CAROLINA  
CDBG NEIGHBORHOOD REVITALIZATION FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>REVENUES</b>				
Miscellaneous	\$ 750,000	\$ -	\$ 10,000	\$ 10,000
Total revenues	<u>750,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<b>EXPENDITURES</b>				
Economic and Physical Development	750,000	-	10,000	10,000
Total expenditures	<u>750,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCE, beginning of year</b>			<u>-</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ -</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
AMERICAN RESCUE PLAN FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>REVENUES</b>				
Intergovernmental revenue	\$ 9,713,856	\$ 7,713,856	\$ 640,000	\$ 8,353,856
Total revenues	<u>9,713,856</u>	<u>7,713,856</u>	<u>640,000</u>	<u>8,353,856</u>
Excess of revenues over expenditures	9,713,856	7,713,856	640,000	8,353,856
<b>OTHER FINANCING SOURCES</b>				
Transfers out	(9,713,856)	(7,713,856)	(640,000)	(8,353,856)
Total other financing sources	<u>(9,713,856)</u>	<u>(7,713,856)</u>	<u>(640,000)</u>	<u>(8,353,856)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>FUND BALANCE, beginning of year</b>			-	
<b>FUND BALANCE, end of year</b>			<u>\$ -</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
ECONOMIC DEVELOPMENT FUND - INDUSTRIAL BUILDING**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
PROJECT LIFE AS OF JUNE 30, 2024**

	Project Authorization	Actual		Total
		Prior Years	Current Year	
<b>REVENUES</b>				
Restricted intergovernmental:				
NC Department of Commerce	\$ 500,000	\$ -	\$ -	\$ -
Golden Leaf	535,000	-	-	-
Other income	25,000	-	-	-
Investment	-	221	-	221
Miscellaneous	-	68,986	-	68,986
Total revenues	<u>1,060,000</u>	<u>69,207</u>	<u>-</u>	<u>69,207</u>
<b>EXPENDITURES</b>				
Economic development:				
Administration	50,000	-	-	-
Construction	1,857,000	-	-	-
Contingency	93,000	-	-	-
Debt service				
Principal	-	1,000,000	-	1,000,000
Interest and fiscal charges	60,000	151,149	-	151,149
Total expenditures	<u>2,060,000</u>	<u>1,151,149</u>	<u>-</u>	<u>1,151,149</u>
Deficiency of revenues under expenditures	<u>(1,000,000)</u>	<u>(1,081,942)</u>	<u>-</u>	<u>(1,081,942)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	124,659	-	124,659
Loan proceeds	1,000,000	1,000,000	-	1,000,000
Total other financing sources	<u>1,000,000</u>	<u>1,124,659</u>	<u>-</u>	<u>1,124,659</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 42,717</u>	<u>-</u>	<u>\$ 42,717</u>
<b>FUND BALANCE, beginning of year</b>			<u>42,717</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 42,717</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
RPO PEANUT BELT CAPITAL PROJECT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Restricted intergovernmental	\$ 106,375	\$ 145,350	\$ 94,342	\$ (51,008)
Total revenues	<u>106,375</u>	<u>145,350</u>	<u>94,342</u>	<u>(51,008)</u>
<b>EXPENDITURES</b>				
Economic and physical development	132,969	153,000	99,308	53,692
Total expenditures	<u>132,969</u>	<u>153,000</u>	<u>99,308</u>	<u>53,692</u>
Deficiency of revenues under expenditures	<u>(26,594)</u>	<u>(7,650)</u>	<u>(4,966)</u>	<u>2,684</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	26,594	7,650	-	(7,650)
Total other financing sources	<u>26,594</u>	<u>7,650</u>	<u>-</u>	<u>(7,650)</u>
Net change in fund balances	-	-	(4,966)	(4,966)
<b>FUND BALANCE, beginning of year</b>	<u>61,934</u>	<u>61,934</u>	<u>61,934</u>	<u>-</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 61,934</u>	<u>\$ 61,934</u>	<u>\$ 56,968</u>	<u>\$ (4,966)</u>

**HALIFAX COUNTY, NORTH CAROLINA  
4H RECREATION PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		Total
	Authorization	Prior Years	Current Year	
<b>REVENUES</b>				
Restricted intergovernmental	\$ 512,000	\$ 110,000	\$ -	\$ 110,000
Total revenues	<u>512,000</u>	<u>110,000</u>	<u>-</u>	<u>110,000</u>
<b>EXPENDITURES</b>				
Culture and recreation				
Administration	10,000	9,500	-	9,500
Construction	512,000	-	-	-
Total expenditures	<u>522,000</u>	<u>9,500</u>	<u>-</u>	<u>9,500</u>
Excess (deficiency) of revenues over (under) expenditures	(10,000)	100,500	-	100,500
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	10,000	10,000	-	10,000
Total other financing sources	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 110,500</u>	<u>-</u>	<u>\$ 110,500</u>
<b>FUND BALANCE, beginning of year</b>			<u>110,500</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 110,500</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
HALIFAX CORPORATE PARK DEMOLITION PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project Authorization	Prior Years	Actual Current Year	Total
<b>REVENUES</b>				
Restricted intergovernmental	\$ 23,205	\$ 23,205	\$ -	\$ 23,205
Total revenues	<u>23,205</u>	<u>23,205</u>	<u>-</u>	<u>23,205</u>
<b>EXPENDITURES</b>				
Economic and physical development	32,800	30,000	-	30,000
Total expenditures	<u>32,800</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,595)</u>	<u>(6,795)</u>	<u>-</u>	<u>(6,795)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	9,595	7,735	-	7,735
Total other financing sources	<u>9,595</u>	<u>7,735</u>	<u>-</u>	<u>7,735</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 940</u>	<u>-</u>	<u>\$ 940</u>
<b>FUND BALANCE, beginning of year</b>			<u>940</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 940</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
OSMB PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>REVENUES</b>				
Restricted intergovernmental	\$ 1,634,270	\$ 1,634,270	\$ -	\$ 1,634,270
Total revenues	<u>1,634,270</u>	<u>1,634,270</u>	<u>-</u>	<u>1,634,270</u>
<b>EXPENDITURES</b>				
Public safety	1,634,270	462,320	682,956	1,145,276
Total expenditures	<u>1,634,270</u>	<u>462,320</u>	<u>682,956</u>	<u>1,145,276</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>1,171,950</u>	<u>(682,956)</u>	<u>488,994</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,171,950</u>	<u>(682,956)</u>	<u>\$ 488,994</u>
<b>FUND BALANCE, beginning of year</b>			<u>1,171,950</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 488,994</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
ROSEBURG PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual		Total
	Prior Years	Current Year	Total	
<b>REVENUES</b>				
Restricted intergovernmental	\$ 758,346	\$ 653,336	\$ 45,791	\$ 699,127
Total revenues	<u>758,346</u>	<u>653,336</u>	<u>45,791</u>	<u>699,127</u>
<b>EXPENDITURES</b>				
Economic development:				
Construction	1,108,346	1,044,711	4,976	1,049,687
Total expenditures	<u>1,108,346</u>	<u>1,044,711</u>	<u>4,976</u>	<u>1,049,687</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(350,000)</u>	<u>(391,375)</u>	40,815	<u>(350,560)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	350,000	350,000	-	350,000
Total other financing sources	<u>350,000</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (41,375)</u>	40,815	<u>\$ (560)</u>
<b>FUND BALANCE, beginning of year</b>			<u>(41,375)</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ (560)</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
WELDON SCHOOL 6TH - 12TH CONSTRUCTION PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		Total
	Authorization	Prior Years	Current Year	
<b>REVENUES</b>				
Restricted intergovernmental	\$ 50,000,000	\$ -	\$ 924,999	\$ 924,999
Investment earnings	-		68,451	68,451
Total revenues	<u>50,000,000</u>	<u>-</u>	<u>993,450</u>	<u>993,450</u>
<b>EXPENDITURES</b>				
Education				
Construction	52,510,399	747,594	1,532,103	2,279,697
Total expenditures	<u>52,510,399</u>	<u>747,594</u>	<u>1,532,103</u>	<u>2,279,697</u>
Deficiency of revenues under expenditures	<u>(2,510,399)</u>	<u>(747,594)</u>	<u>(538,653)</u>	<u>(1,286,247)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	2,510,399	2,510,399	-	2,510,399
Total other financing sources	<u>2,510,399</u>	<u>2,510,399</u>	<u>-</u>	<u>2,510,399</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,762,805</u>	<u>(538,653)</u>	<u>\$ 1,224,152</u>
<b>FUND BALANCE, beginning of year</b>			<u>1,762,805</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 1,224,152</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
HALIFAX COUNTY SCHOOLS NEW PK-8 CONSTRUCTION PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		Total
	Authorization	Prior Years	Current Year	
<b>REVENUES</b>				
Restricted intergovernmental	\$ 39,083,000	\$ -	\$ 3,406,439	\$ 3,406,439
Investment earnings	-	-	43,819	43,819
Total revenues	<u>39,083,000</u>	<u>-</u>	<u>3,450,258</u>	<u>3,450,258</u>
<b>EXPENDITURES</b>				
Education				
Construction	41,140,000	448,150	4,425,910	4,874,060
Total expenditures	<u>41,140,000</u>	<u>448,150</u>	<u>4,425,910</u>	<u>4,874,060</u>
Deficiency of revenues under expenditures	<u>(2,057,000)</u>	<u>(448,150)</u>	<u>(975,652)</u>	<u>(1,423,802)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	2,057,000	2,057,000	-	2,057,000
Total other financing sources	<u>2,057,000</u>	<u>2,057,000</u>	<u>-</u>	<u>2,057,000</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,608,850</u>	<u>(975,652)</u>	<u>\$ 633,198</u>
<b>FUND BALANCE, beginning of year</b>			<u>1,608,850</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 633,198</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
HALIFAX COUNTY RECOVERY ACCOUNTABILITY PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>REVENUES</b>				
Restricted intergovernmental	\$ 500,000	\$ -	\$ 500,000	\$ 500,000
Total revenues	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>
<b>EXPENDITURES</b>				
Public Safety	500,000	-	41,309	41,309
Total expenditures	<u>500,000</u>	<u>-</u>	<u>41,309</u>	<u>41,309</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	458,691	<u>\$ 458,691</u>
<b>FUND BALANCE, beginning of year</b>			<u>-</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ 458,691</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
CHOANOKE AREA HOUSING CONSORTIUM PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>REVENUES</b>				
Restricted intergovernmental	\$ 40,000	\$ 26,500	\$ -	\$ 26,500
Total revenues	<u>40,000</u>	<u>26,500</u>	<u>-</u>	<u>26,500</u>
<b>EXPENDITURES</b>				
Economic development:				
Construction	40,000	24,500	2,000	26,500
Total expenditures	<u>40,000</u>	<u>24,500</u>	<u>2,000</u>	<u>26,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 2,000</u>	<u>(2,000)</u>	<u>\$ -</u>
<b>FUND BALANCE, beginning of year</b>			<u>2,000</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ -</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
HALIFAX COUNTY STORAGE BUILDING PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project Authorization	Actual		Total
	Prior Years	Current Year	Total	
<b>EXPENDITURES</b>				
Economic development:				
Construction	\$ 242,500	\$ -	\$ 90,600	\$ 90,600
Total expenditures	<u>242,500</u>	<u>-</u>	<u>90,600</u>	<u>90,600</u>
Deficiency of revenues under expenditures	(242,500)	-	(90,600)	(90,600)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	242,500	-	242,500	242,500
Total other financing sources	<u>242,500</u>	<u>-</u>	<u>242,500</u>	<u>242,500</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	151,900	<u>\$ 151,900</u>
<b>FUND BALANCE, beginning of year</b>			-	
<b>FUND BALANCE, end of year</b>			<u>\$ 151,900</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
HALIFAX COUNTY INDUSTRIAL SHELL BUILDING PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		Total
	Authorization	Prior Years	Current Year	
<b>REVENUES</b>				
Restricted intergovernmental	\$ 36,700	\$ -	17,800	\$ 17,800
Total revenues	<u>36,700</u>	<u>-</u>	<u>17,800</u>	<u>17,800</u>
<b>EXPENDITURES</b>				
Economic development:				
Construction	36,700		36,300	36,300
Total expenditures	<u>36,700</u>	<u>-</u>	<u>36,300</u>	<u>36,300</u>
Deficiency of revenues under expenditures	-	-	(18,500)	(18,500)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(18,500)	<u>\$ (18,500)</u>
<b>FUND BALANCE, beginning of year</b>			-	
<b>FUND BALANCE, end of year</b>			<u>\$ (18,500)</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
SEARCH GRANT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		Total
	Authorization	Prior Years	Current Year	
<b>REVENUES</b>				
Restricted intergovernmental	\$ 149,520	\$ -	\$ -	\$ -
Total revenues	<u>149,520</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Economic development:				
Construction	149,520		18,986	18,986
Total expenditures	<u>149,520</u>	<u>-</u>	<u>18,986</u>	<u>18,986</u>
Deficiency of revenues under expenditures	-	-	(18,986)	(18,986)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(18,986)	<u>\$ (18,986)</u>
<b>FUND BALANCE, beginning of year</b>			<u>-</u>	
<b>FUND BALANCE, end of year</b>			<u>\$ (18,986)</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
SOLID WASTE LANDFILL**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Landfill fees	\$ 4,759,187	\$ 4,759,187	\$ 4,769,627	\$ 10,440
Other operating	-	-	9	9
Investment earnings	250	250	226,286	226,036
Total revenues	<u>4,759,437</u>	<u>4,759,437</u>	<u>4,995,922</u>	<u>236,485</u>
<b>EXPENDITURES</b>				
Landfill operations	3,012,595	3,857,004	1,864,211	1,992,793
Ash monofil cell	30,700	86,982	1,284,984	(1,198,002)
Transfer station	1,654,842	1,633,659	2,086,435	(452,776)
Debt service	-	-	(56,667)	56,667
Total expenditures	<u>4,698,137</u>	<u>5,577,645</u>	<u>5,178,963</u>	<u>398,682</u>
Excess (deficiency) of revenues over (under) expenditures	61,300	(818,208)	(183,041)	635,167
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	-	-
Transfers out	(94,500)	688,903	688,903	-
Transfers in	2,500	(94,500)	(154,500)	(60,000)
Appropriated fund balance	30,700	223,805	-	(223,805)
Total other financing sources (uses)	<u>(61,300)</u>	<u>818,208</u>	<u>534,403</u>	<u>(283,805)</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>351,362</u>	<u>\$ 351,362</u>
Adjustments to full accrual:				
Increase in estimated postclosure costs			(1,195,359)	
Increase in compensated absences			(1,966)	
Change in net pension liability and related deferred items			(6,257)	
Depreciation expense			(168,169)	
Purchase of capital assets			680,000	
Landfill Closure Capital Reserve Fund - net change in net position			4,170	
White Goods Handling Facility - net change in net position			(44,942)	
Electronic Management Fund - net change in net position			21,139	
Tire Disposal Fund - net change in net position			20,587	
Change in net position - GAAP Basis			<u>\$ (339,436)</u>	

**HALIFAX COUNTY, NORTH CAROLINA**  
**SOLID WASTE LANDFILL - LANDFILL CLOSURE CAPITAL RESERVE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 4,170	\$ 4,170
Total revenues	-	-	4,170	4,170
Net change in net position	\$ -	\$ -	\$ 4,170	\$ 4,170

**HALIFAX COUNTY, NORTH CAROLINA**  
**SOLID WASTE LANDFILL - WHITE GOODS HANDLING FACILITY**

**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ 7,539	\$ 7,539
Interest	-	-	4,185	4,185
Total revenues	-	-	11,724	11,724
<b>EXPENDITURES</b>				
Landfill operations	10,000	10,000	-	10,000
Debt service	60,000	60,000	56,666	3,334
Total expenditures	70,000	70,000	56,666	13,334
Deficiency of revenues under expenditures	(70,000)	(70,000)	(44,942)	25,058
<b>OTHER FINANCING SOURCES</b>				
Transfers out	-	(60,000)	-	60,000
Appropriated fund balance	70,000	130,000	-	(130,000)
Total other financing sources	70,000	70,000	-	(70,000)
Net change in net position	\$ -	\$ -	\$ (44,942)	\$ (44,942)

**HALIFAX COUNTY, NORTH CAROLINA**  
**SOLID WASTE LANDFILL - ELECTRONIC MANAGEMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Interest	-	-	1,139	1,139
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,139</u>	<u>139</u>
<b>EXPENDITURES</b>				
Landfill operations	21,000	21,000	-	21,000
Total expenditures	<u>21,000</u>	<u>21,000</u>	<u>-</u>	<u>21,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>1,139</u>	<u>21,139</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	20,000	20,000	20,000	-
Total other financing sources	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,139</u>	<u>\$ 21,139</u>

**HALIFAX COUNTY, NORTH CAROLINA  
SOLID WASTE LANDFILL - TIRE DISPOSAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 78,000	\$ 78,000	\$ 93,131	\$ 15,131
Interest	-	-	983	983
Total revenues	<u>78,000</u>	<u>78,000</u>	<u>94,114</u>	<u>16,114</u>
<b>EXPENDITURES</b>				
Landfill operations	148,000	148,000	143,527	4,473
Total expenditures	<u>148,000</u>	<u>148,000</u>	<u>143,527</u>	<u>4,473</u>
Deficiency of revenues under expenditures	<u>(70,000)</u>	<u>(70,000)</u>	<u>(49,413)</u>	<u>20,587</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	70,000	70,000	70,000	-
Total other financing sources	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,587</u>	<u>\$ 20,587</u>

**HALIFAX COUNTY, NORTH CAROLINA  
WATER FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 6,562,321	\$ 6,562,321	\$ 6,459,428	\$ (102,893)
Investment earnings	1,600	1,600	120,947	119,347
Miscellaneous	224,000	224,000	232,039	8,039
Total revenues	<u>6,787,921</u>	<u>6,787,921</u>	<u>6,812,414</u>	<u>24,493</u>
<b>EXPENDITURES</b>				
Administration	1,748,660	1,658,668	1,506,858	151,810
Operations	2,995,717	3,278,011	3,184,998	93,013
Repairs and maintenance	394,504	411,451	333,858	77,593
Capital outlays	35,000	82,034	78,163	3,871
Debt service and fiscal charges	1,588,163	1,588,163	1,593,816	(5,653)
Total expenditures	<u>6,762,044</u>	<u>7,018,327</u>	<u>6,697,693</u>	<u>320,634</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,877</u>	<u>(230,406)</u>	<u>114,721</u>	<u>345,127</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	95,000	20,000	(75,000)
Transfers out	(98,040)	(98,040)	(98,040)	-
Appropriation of fund balance	72,163	233,446	-	(233,446)
Total other financing sources (uses)	<u>(25,877)</u>	<u>230,406</u>	<u>(78,040)</u>	<u>(308,446)</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>36,681</u>	<u>\$ 36,681</u>
Adjustments to full accrual:				
Depreciation expense			(1,729,319)	
Change in accrued interest			6,729	
Principal payments on long-term debt			1,310,861	
Change in compensated absences			(4,993)	
Purchase of capital assets			78,163	
Change in net pension liability and related deferred items			(28,365)	
Water Debt Service Fund - net change in fund balance			4,590	
Water Public Utilities Fund - net change in fund balance			1,650,000	
Water AIA Grant Fund - net change in fund balance			24,898	
Change in net position - GAAP Basis			<u>\$ 1,349,245</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
WATER FUND - WATER DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Interest	\$ 100	\$ 100	\$ 4,590	\$ 4,490
Total revenues	<u>100</u>	<u>100</u>	<u>4,590</u>	<u>4,490</u>
<b>EXPENDITURES</b>				
Administration	100	100	-	100
Debt service	98,040	98,040	98,040	-
Total expenditures	<u>98,140</u>	<u>98,140</u>	<u>98,040</u>	<u>100</u>
Deficiency of revenues under expenditures	<u>(98,040)</u>	<u>(98,040)</u>	<u>(93,450)</u>	<u>4,590</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	98,040	98,040	98,040	-
Total other financing sources	<u>98,040</u>	<u>98,040</u>	<u>98,040</u>	<u>-</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,590</u>	<u>\$ 4,590</u>

**HALIFAX COUNTY, NORTH CAROLINA  
WATER FUND - HALIFAX COUNTY PUBLIC UTILITIES**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>EXPENDITURES</b>				
Administration	\$ 1,650,000	\$ -	\$ -	\$ -
Total expenditures	1,650,000	-	-	-
Deficiency of revenues under expenditures	(1,650,000)	-	-	-
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,650,000	-	1,650,000	1,650,000
Total other financing sources	1,650,000	-	1,650,000	1,650,000
Net change in net position	\$ -	\$ -	\$ 1,650,000	\$ 1,650,000

**HALIFAX COUNTY, NORTH CAROLINA  
WATER FUND - WASTE WATER SYSTEM AIA GRANT**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Project	Actual		
	Authorization	Prior Years	Current Year	Total
<b>REVENUES</b>				
Miscellaneous	\$ 150,000	\$ -	\$ 122,501	\$ 122,501
Total revenues	150,000	-	122,501	122,501
<b>EXPENDITURES</b>				
Operations	150,000	-	97,603	97,603
Total expenditures	150,000	-	97,603	97,603
Excess of revenues over expenditures	-	-	24,898	24,898
Net change in net position	\$ -	\$ -	\$ 24,898	\$ 24,898

## INTERNAL SERVICE FUNDS

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**Health Insurance Fund** – accounts for the cost of employee healthcare benefits.

**Unemployment Insurance Fund** – accounts for workers' compensation insurance.

**HALIFAX COUNTY, NORTH CAROLINA**

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2024**

	<b>Health Insurance Fund</b>	<b>Unemployment Insurance Fund</b>	<b>Totals</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 3,634,258	\$ 43,716	\$ 3,677,974
Total assets	3,634,258	43,716	3,677,974
<b>CURRENT LIABILITIES</b>			
Accounts payable	132,169	-	132,169
Claims payable	418,752	-	418,752
Total liabilities	550,921	-	550,921
<b>NET POSITION</b>			
Unrestricted	3,083,337	43,716	3,127,053
Total net position	\$ 3,083,337	\$ 43,716	\$ 3,127,053

# HALIFAX COUNTY, NORTH CAROLINA

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Health Insurance Fund	Unemployment Insurance Fund	Totals
<b>OPERATING REVENUES</b>			
Other operating revenues	\$ 5,590,133	\$ 334,552	\$ 5,924,685
Total operating revenues	5,590,133	334,552	5,924,685
<b>OPERATING EXPENSES</b>			
Claims and payments to third party administrators	5,286,755	17,698	5,304,453
Total operating expenses	5,286,755	17,698	5,304,453
Operating income	303,378	316,854	620,232
<b>NON-OPERATING REVENUES</b>			
Investment earnings	156,506	12,266	168,772
Total non-operating revenue	156,506	12,266	168,772
<b>OTHER FINANCING USES</b>			
Transfers out	-	(325,000)	(325,000)
Total other financing uses	-	(325,000)	(325,000)
Change in net position	459,884	4,120	464,004
<b>Net position, beginning of year</b>	2,623,453	39,596	2,663,049
<b>Net position, end of year</b>	\$ 3,083,337	\$ 43,716	\$ 3,127,053

# HALIFAX COUNTY, NORTH CAROLINA

## COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Health Insurance Fund	Unemployment Insurance Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 5,590,133	\$ 334,552	\$ 5,924,685
Payments to suppliers	(5,367,290)	(17,698)	(5,384,988)
Net cash provided by (used in) operating activities	222,843	316,854	539,697
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	156,506	12,266	168,772
Net cash provided by investing activities	156,506	12,266	168,772
<b>CASH FLOWS FROM NONCAPITAL RELATED FINANCING ACTIVITIES</b>			
Transfers out	-	(325,000)	(325,000)
Net cash used in noncapital related financing activities	-	(325,000)	(325,000)
Net increase in cash and cash equivalents	379,349	4,120	383,469
Cash and cash equivalents, beginning of year	3,254,909	39,596	3,294,505
Cash and cash equivalents, end of year	\$ 3,634,258	\$ 43,716	\$ 3,677,974
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income	\$ 303,378	\$ 316,854	\$ 620,232
Adjustments to reconcile operating income to net cash provided by operating activities:			
Change in assets and liabilities:			
Decrease in accounts payable	(25,904)	-	(25,904)
Decrease in claims payable	(54,631)	-	(54,631)
Net cash provided by (used in) operating activities	\$ 222,843	\$ 316,854	\$ 539,697

**HALIFAX COUNTY, NORTH CAROLINA  
HEALTH INSURANCE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 6,000,000	\$ 6,000,000	\$ 5,590,133	\$ (409,867)
Investment earnings	-	-	156,506	156,506
Total revenues	<u>6,000,000</u>	<u>6,000,000</u>	<u>5,746,639</u>	<u>(253,361)</u>
<b>EXPENDITURES</b>				
Operations	<u>7,000,000</u>	<u>7,000,000</u>	5,341,386	1,658,614
Total expenditures	<u>7,000,000</u>	<u>7,000,000</u>	<u>5,341,386</u>	<u>1,658,614</u>
Excess (deficiency) of revenues over (under) expenditures	(1,000,000)	(1,000,000)	405,253	1,405,253
<b>OTHER FINANCING SOURCES (USES)</b>				
Appropriated fund balance	<u>1,000,000</u>	<u>1,000,000</u>	-	(1,000,000)
Total other financing sources	<u>1,000,000</u>	<u>1,000,000</u>	-	<u>(1,000,000)</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	405,253	<u>\$ 405,253</u>
Adjustments to full accrual:				
Increase in claims payable			<u>54,631</u>	
Change in net position - GAAP Basis			<u>\$ 459,884</u>	

**HALIFAX COUNTY, NORTH CAROLINA  
UNEMPLOYMENT INSURANCE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 328,765	\$ 328,765	\$ 334,552	\$ 5,787
Investment earnings	-	-	12,266	12,266
Total revenues	<u>328,765</u>	<u>328,765</u>	<u>346,818</u>	<u>18,053</u>
<b>EXPENDITURES</b>				
Claims paid	25,000	25,000	17,698	7,302
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>17,698</u>	<u>7,302</u>
Excess of revenues over expenditures	<u>303,765</u>	<u>303,765</u>	<u>329,120</u>	<u>25,355</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(325,000)	(325,000)	(325,000)	-
Appropriated net position	21,235	21,235	-	(21,235)
Total other financing uses	<u>(303,765)</u>	<u>(303,765)</u>	<u>(325,000)</u>	<u>(21,235)</u>
Net change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,120</u>	<u>\$ 4,120</u>

# HALIFAX COUNTY, NORTH CAROLINA

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE JUNE 30, 2024

Fiscal Year	Uncollected Balance June 30, 2023	Additions	Collections and Credits	Uncollected Balance June 30, 2024
2023-2024	\$ -	\$ 32,852,911	\$ 32,394,341	\$ 458,570
2022-2023	478,470	-	216,839	261,631
2021-2022	295,248	-	75,887	219,361
2020-2021	227,393	-	44,281	183,112
2019-2020	202,990	-	36,983	166,007
2018-2019	166,642	-	24,587	142,055
2017-2018	147,363	-	17,231	130,132
2016-2017	122,038	-	11,930	110,108
2015-2016	104,109	-	8,784	95,325
2014-2015	114,620	-	10,739	103,881
2013-2014	122,800	-	122,800	-
	<u>\$ 1,981,673</u>	<u>\$ 32,852,911</u>	<u>\$ 32,964,402</u>	<u>1,870,182</u>
				<u>(555,478)</u>
				<u>\$ 1,314,704</u>
<u>Reconciliation to revenues:</u>				
				\$ 32,813,504
				Reconciling items:
				Interest and penalties (203,311)
				Amounts written off for tax years per statute of limitations 122,800
				Releases (140,437)
				Refunds (78,480)
				Write offs/discounts 294,396
				Tax bill adjustments 11,450
				Discoveries and rollback 107,892
				Miscellaneous adjustments 36,588
				<u>\$ 32,964,402</u>

# HALIFAX COUNTY, NORTH CAROLINA

## ANALYSIS OF CURRENT TAX LEVY COUNTY-WIDE LEVY JUNE 30, 2024

	County-wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
	Original levy:				
Property taxed at current rate	\$ 4,319,510,658	0.760	\$ 32,828,281	\$ 29,154,395	\$ 3,673,886
Penalties	-		50,451	50,451	-
Total	<u>4,319,510,658</u>		<u>32,878,732</u>	<u>29,204,846</u>	<u>3,673,886</u>
Discoveries	<u>14,822,500</u>	0.760	<u>112,651</u>	<u>112,651</u>	<u>-</u>
Late list penalties			46,976	46,976	-
Releases	<u>(154,828)</u>	0.760	<u>(117,669)</u>	<u>(117,669)</u>	<u>-</u>
Total property valuation	<u>\$ 4,319,355,830</u>				
Net levy			32,920,690	29,246,804	3,673,886
Uncollected taxes at June 30, 2024			<u>(458,570)</u>	<u>(458,570)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 32,462,120</u>	<u>\$ 28,788,234</u>	<u>\$ 3,673,886</u>
Current levy collection percentage			<u>98.61%</u>	<u>98.43%</u>	<u>100.00%</u>

# HALIFAX COUNTY, NORTH CAROLINA

## ANALYSIS OF CURRENT TAX LEVY FOR THE YEAR ENDED JUNE 30, 2024

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### Secondary Market Disclosure:

#### Assessed Valuation:

Assessment ratio		98%
Real property	\$	3,036,015,581
Personal property		1,013,270,810
Public service companies		270,224,267
Total assessed valuation	\$	<u>4,319,510,658</u>
Tax rate per \$100	\$	<u>0.76</u>
Levy (including discoveries, releases and abatements)	\$	<u>32,828,281</u>

In addition to the County-wide rate, the following table lists the levies by the County on behalf of school districts and fire protection districts:

Weldon schools	\$	1,370,290
Halifax County School District		1,906,896
Fire protection districts		1,458,569
Roanoke Rapids schools		<u>1,813,447</u>
Total	\$	<u>6,549,202</u>

# STATISTICAL SECTION

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This part of Halifax County’s Annual Comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County’s overall financial health.

	<b><u>Page</u></b>
<b>Financial Trends .....</b>	<b>155</b>

These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.

<b>Revenue Capacity .....</b>	<b>160</b>
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These schedules contain information to help the reader assess the County’s most significant local revenue source, property tax.

<b>Debt Capacity .....</b>	<b>164</b>
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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.

<b>Demographic and Economic Information .....</b>	<b>168</b>
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.

<b>Operating Information .....</b>	<b>171</b>
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These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.

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

**Schedule 1**  
**Halifax County, North Carolina**  
**Net Position by Component,**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	<u>2024</u>	<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>
Governmental activities										
Invested in capital assets, net of related debt	\$ 14,148,095	\$ 15,998,770	\$ 15,872,923	\$ 15,410,841	\$ 14,500,906	\$ 19,974,793	\$ 17,187,742	\$ 21,388,949	\$ 17,831,005	\$ 18,447,019
Restricted	46,079,929	28,392,863	26,492,533	21,412,545	21,170,154	18,614,020	24,454,078	22,911,749	21,136,844	15,462,261
Unrestricted	(3,666,286)	3,760,981	(5,072,449)	(2,565,034)	(12,110,560)	(19,918,605)	(27,387,184)	(26,964,341)	(8,188,316)	(3,431,783)
Total governmental activities net assets	<u>\$ 56,561,738</u>	<u>\$ 48,152,614</u>	<u>\$ 37,293,007</u>	<u>\$ 34,258,352</u>	<u>\$ 23,560,500</u>	<u>\$ 18,670,208</u>	<u>\$ 14,254,636</u>	<u>\$ 17,336,357</u>	<u>\$ 30,779,533</u>	<u>\$ 30,477,497</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 10,084,631	\$ 9,856,429	\$ 10,450,183	\$ 10,811,855	\$ 11,204,510	\$ 11,728,621	\$ 11,290,268	\$ 11,824,479	\$ 12,055,155	\$ 12,077,355
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	5,205,194	4,423,587	3,348,015	3,233,343	2,657,055	2,128,364	7,821,206	7,541,406	5,176,388	4,801,751
Total business-type activities net assets	<u>\$ 15,289,825</u>	<u>\$ 14,280,016</u>	<u>\$ 13,798,198</u>	<u>\$ 14,045,198</u>	<u>\$ 13,861,565</u>	<u>\$ 13,856,985</u>	<u>\$ 19,111,474</u>	<u>\$ 19,365,885</u>	<u>\$ 17,231,543</u>	<u>\$ 16,879,106</u>
Primary government										
Invested in capital assets, net of related debt	\$ 24,232,726	\$ 25,855,199	\$ 26,323,106	\$ 26,222,696	\$ 25,705,416	\$ 31,703,414	\$ 28,478,010	\$ 33,213,428	\$ 29,886,160	\$ 30,524,374
Restricted	46,079,929	28,392,863	26,492,533	21,412,545	21,170,154	18,614,020	24,454,078	22,911,749	21,136,844	15,462,261
Unrestricted	1,538,908	8,184,568	(1,724,434)	668,309	(9,453,505)	(17,790,241)	(19,565,978)	(19,422,935)	(3,011,928)	1,369,968
Total primary government net assets	<u>\$ 71,851,563</u>	<u>\$ 62,432,630</u>	<u>\$ 51,091,205</u>	<u>\$ 48,303,550</u>	<u>\$ 37,422,065</u>	<u>\$ 32,527,193</u>	<u>\$ 33,366,110</u>	<u>\$ 36,702,242</u>	<u>\$ 48,011,076</u>	<u>\$ 47,356,603</u>

\*-For the fiscal year ended June 30, 2015, the County implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 which required the County to report its share of the next pension liability for the North Carolina Local Governmental Employees' Retirement System (LGERS). The County's share of the NPL for LGERS grew in 2016 as well, leading to the increase in the deficit in unrestricted net position.

\*\*--For the fiscal year ended June 30, 2018 (with a restatement to the prior year end balances for 2017), the County implemented the provisions of GASB Statement No. 75 which required the County to report the total other post-employment benefits (OPEB) liability related to its OPEB plan. This liability significantly increased the deficit in unrestricted net position.

**Schedule 2**  
**Halifax County, North Carolina**  
**Changes in Net Position,**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Expenses</b>										
Governmental activities:										
General government	\$ 11,566,642	\$ 9,856,412	\$ 12,414,887	\$ 10,302,771	\$ 8,879,980	\$ 8,245,946	\$ 8,473,124	\$ 11,824,803	\$ 11,900,686	\$ 11,265,630
Public safety	25,690,151	23,740,255	20,412,660	17,765,633	18,680,287	18,654,857	17,137,119	15,223,699	14,740,869	14,197,958
Economic & physical development	2,459,536	3,931,779	3,995,680	1,036,444	2,293,571	1,685,582	1,522,518	5,070,877	2,479,719	2,936,494
Human Services	21,897,826	21,707,585	21,852,551	23,883,268	18,882,522	20,636,307	20,581,114	20,258,952	19,782,077	19,339,216
Cultural & Recreational	946,032	836,462	855,036	738,820	721,052	845,917	686,028	506,484	579,074	540,741
Education	22,518,103	16,599,521	15,194,260	14,990,448	14,882,026	15,775,104	21,888,553	22,071,399	13,339,997	11,437,522
Interest on long-term debt	452,734	507,273	566,697	793,437	776,980	802,858	882,908	1,012,473	1,119,155	805,349
Total governmental activities expenses	\$ 85,531,024	\$ 77,179,287	\$ 75,291,771	\$ 69,510,821	\$ 65,116,418	\$ 66,646,571	\$ 71,171,364	\$ 75,968,687	\$ 63,941,577	\$ 60,522,910
Business-type activities:										
Water & Sewer	\$ 7,260,260	\$ 7,086,756	\$ 6,784,064	\$ 6,557,788	\$ 6,619,690	\$ 6,251,538	\$ 6,185,739	\$ 5,982,662	\$ 6,213,780	\$ 6,011,145
Landfill/Solid Waste	6,070,908	4,402,048	4,389,898	3,863,967	3,826,290	9,708,245	4,532,991	3,700,588	4,568,587	3,802,629
Total business-type activities	\$ 13,331,168	\$ 11,488,804	\$ 11,173,962	\$ 10,421,755	\$ 10,445,980	\$ 15,959,783	\$ 10,718,730	\$ 9,683,250	\$ 10,782,367	\$ 9,813,774
Total primary governmental expenses	\$ 98,862,192	\$ 88,668,091	\$ 86,465,733	\$ 79,932,576	\$ 75,562,398	\$ 82,606,354	\$ 81,890,094	\$ 85,651,937	\$ 74,723,944	\$ 70,336,684
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 3,966,509	\$ 4,204,528	\$ 4,614,757	\$ 8,536,840	\$ 4,255,132	\$ 3,756,464	\$ 3,259,332	\$ 11,687,133	\$ 3,155,714	\$ 2,389,281
Public Safety	2,963,681	2,588,327	2,214,222	2,157,122	2,518,036	2,547,128	2,167,892	3,533,202	3,206,930	3,187,812
Economic and physical development	242,772	210,621	221,577	293,758	242,267	268,157	272,355	-	80,544	-
Human Services	335,183	280,434	219,261	342,241	135,059	48,857	39,560	-	-	124,808
Cultural and recreation	29,595	28,580	21,870	16,106	33,153	25,011	11,408	20,816	26,945	24,904
Operating grants and contributions	28,924,054	25,047,820	17,536,509	18,045,577	15,558,129	17,520,859	16,755,893	17,721,133	17,909,200	17,490,294
Capital grants and contributions	-	-	1,634,270	200,000	400,000	267,649	903,585	4,101,133	1,843,555	1,340,173
Total governmental activities program revenues	\$ 36,461,794	\$ 32,360,310	\$ 26,462,466	\$ 29,591,644	\$ 23,141,776	\$ 24,434,125	\$ 23,410,025	\$ 37,063,417	\$ 26,222,888	\$ 24,557,272
Business-type activities:										
Charges of services:										
Water and sewer	\$ 6,813,968	\$ 6,563,710	\$ 6,478,116	\$ 6,505,763	\$ 6,250,357	\$ 6,038,316	\$ 6,219,256	\$ 6,055,217	\$ 5,638,615	\$ 5,233,713
Solid waste	4,870,306	5,177,429	4,442,575	4,104,944	4,101,478	3,986,176	4,101,502	4,109,935	5,009,713	3,727,923
Capital grants and contributions	-	-	-	-	-	578,216	117,952	128,416	404,482	553,201
Total business-type activities program revenues	\$ 11,684,274	\$ 11,741,139	\$ 10,920,691	\$ 10,610,707	\$ 10,351,835	\$ 10,602,708	\$ 10,438,710	\$ 10,293,568	\$ 11,052,810	\$ 9,514,837
Total primary governmental program revenues	\$ 48,146,068	\$ 44,101,449	\$ 37,383,157	\$ 40,202,351	\$ 33,493,611	\$ 35,036,833	\$ 33,848,735	\$ 47,356,985	\$ 37,275,698	\$ 34,072,109
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$(49,069,230)	\$(44,818,977)	\$(48,829,305)	\$(39,919,177)	\$(41,974,642)	\$(42,212,446)	\$(47,761,339)	\$(38,905,270)	\$(37,718,688)	\$(35,965,638)
Business-type activities	(1,646,894)	252,335	(253,271)	188,952	(94,145)	(5,357,075)	(280,020)	610,318	270,443	(298,937)
Total primary government net expense	\$(50,716,124)	\$(44,566,642)	\$(49,082,576)	\$(39,730,225)	\$(42,068,787)	\$(47,569,521)	\$(48,041,359)	\$(38,294,952)	\$(37,448,245)	\$(36,264,575)

(continued)

	Fiscal Year									
	<u>2024</u>	<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>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Ad valorem taxes	\$ 40,230,420	\$ 39,071,997	\$ 38,159,463	\$ 37,604,253	\$ 35,755,677	\$ 34,774,157	\$ 34,488,840	\$ 31,809,653	\$ 29,927,726	\$ 29,566,702
Local option sales tax	14,344,172	13,738,387	12,829,655	12,037,473	10,277,087	10,520,348	9,677,612	-	7,961,352	8,161,488
Other taxes	914,759	871,892	808,691	783,461	683,992	702,002	285,520	-	93,902	99,262
Investment earnings	3,108,263	1,995,084	65,896	180,995	209,127	679,054	203,391	82,528	56,252	37,586
Miscellaneous	1,175,143	-	-	-	-	-	-	-	-	441,373
Transfers	(2,294,403)	1,224	255	10,847	(60,949)	(47,543)	24,255	(2,443,123)	(49,541)	-
<b>Total governmental activities</b>	<b>\$ 57,478,354</b>	<b>\$ 55,678,584</b>	<b>\$ 51,863,960</b>	<b>\$ 50,617,029</b>	<b>\$ 46,864,934</b>	<b>\$ 46,628,018</b>	<b>\$ 44,679,618</b>	<b>\$ 29,449,058</b>	<b>\$ 37,989,691</b>	<b>\$ 38,306,411</b>
Business-type activities:										
Privilege Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,542	\$ 67,973
Investment earnings	362,300	222,707	6,526	3,853	37,776	55,043	49,564	16,275	11,911	3,357
Miscellaneous	-	8,000	-	1,675	-	-	-	-	-	-
Transfers	2,294,403	(1,224)	(255)	(10,847)	60,949	47,543	(24,255)	-	(459)	-
<b>Total business-type activities</b>	<b>\$ 2,656,703</b>	<b>\$ 229,483</b>	<b>\$ 6,271</b>	<b>\$ (5,319)</b>	<b>\$ 98,725</b>	<b>\$ 102,586</b>	<b>\$ 25,309</b>	<b>\$ 16,275</b>	<b>\$ 81,994</b>	<b>\$ 71,330</b>
<b>Total primary government</b>	<b>\$ 60,135,057</b>	<b>\$ 55,908,067</b>	<b>\$ 51,870,231</b>	<b>\$ 50,611,710</b>	<b>\$ 46,963,659</b>	<b>\$ 46,730,604</b>	<b>\$ 44,704,927</b>	<b>\$ 29,465,333</b>	<b>\$ 38,071,685</b>	<b>\$ 38,377,741</b>
<b>Change in Net Position</b>										
Governmental activities	\$ 8,409,124	\$ 10,859,607	\$ 3,034,655	\$ 10,697,852	\$ 4,890,292	\$ 4,415,572	\$ (3,081,721)	\$ (9,456,212)	\$ 271,003	\$ 2,340,773
Business-type activities	1,009,809	481,818	(247,000)	183,633	4,580	(5,254,489)	(254,711)	626,593	352,437	(227,607)
<b>Total primary government</b>	<b>\$ 9,418,933</b>	<b>\$ 11,341,425</b>	<b>\$ 2,787,655</b>	<b>\$ 10,881,485</b>	<b>\$ 4,894,872</b>	<b>\$ (838,917)</b>	<b>\$ (3,336,432)</b>	<b>\$ (8,829,619)</b>	<b>\$ 623,440</b>	<b>\$ 2,113,166</b>

**Schedule 3**  
**Halifax County, North Carolina**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<b>Fiscal Year</b>									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017-Restated</u>	<u>2016</u>	<u>2015</u>
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 2,913	\$ 218,413	\$ 372,305	\$ 34,500	\$ 193,435	\$ 108,076
Restricted	23,599,862	22,703,465	25,182,257	21,772,508	23,295,315	19,989,817	25,663,240	19,635,551	19,488,758	13,617,754
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	4,552,996	5,152,619	4,800,905	3,430,278	2,788,796	1,275,502	1,554,604	3,679,242	4,007,178	4,658,251
Unassigned	23,221,066	29,920,196	21,348,353	24,435,392	13,603,069	13,701,295	4,253,587	5,453,780	2,271,623	8,329,303
Total General Fund	<u>\$ 51,373,924</u>	<u>\$ 57,776,280</u>	<u>\$ 51,331,515</u>	<u>\$ 49,638,178</u>	<u>\$ 39,690,093</u>	<u>\$ 35,185,027</u>	<u>\$ 31,843,736</u>	<u>\$ 28,803,073</u>	<u>\$ 25,960,994</u>	<u>\$ 26,713,384</u>
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ 200	\$ 203	\$ -	\$ -	\$ -
Restricted	22,016,515	7,050,195	2,369,146	540,575	334,726	813,052	712,008	11,402,505	1,009,628	1,844,507
Committed	-	-	-	-	-	-	-	27,396	39,849	145,595
Assigned	42,717	42,717	42,717	41,391	2,113,658	1,254,347	1,858,222	-	-	-
Unassigned	(49,786)	(41,375)	(34,469)	-	-	-	-	(1,994,684)	(343,430)	(736,967)
Total all other governmental funds	<u>\$ 22,009,446</u>	<u>\$ 7,051,537</u>	<u>\$ 2,377,394</u>	<u>\$ 581,966</u>	<u>\$ 2,448,584</u>	<u>\$ 2,067,599</u>	<u>\$ 2,570,433</u>	<u>\$ 9,435,217</u>	<u>\$ 706,047</u>	<u>\$ 1,253,135</u>

**Schedule 4**  
**Halifax County, North Carolina**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

Revenues	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Ad valorem taxes	\$ 40,335,301	\$ 39,167,017	\$ 38,124,587	\$ 37,802,839	\$ 35,504,070	\$ 34,810,631	\$ 34,326,757	\$ 32,429,935	\$ 29,288,453	\$ 24,785,670
Other taxes and licenses	15,258,931	14,610,279	13,638,346	12,820,934	10,961,079	11,222,350	9,963,132	8,770,372	8,055,164	7,716,600
Unrestricted intergovernmental revenues	-	-	-	-	-	-	-	347,331	361,425	385,800
Restricted intergovernmental revenues	28,924,054	25,047,820	19,282,904	18,245,822	15,957,884	17,788,508	18,266,441	21,608,486	19,902,329	17,486,635
Permits and fees	2,393,345	2,387,236	2,505,620	1,889,148	2,108,871	1,956,142	1,458,043	1,359,789	1,358,846	1,324,064
Sales and services	4,244,522	3,877,681	3,671,451	3,502,213	3,640,835	3,851,980	3,825,133	4,364,500	3,877,354	3,970,595
Investment earnings	3,108,263	1,995,084	65,896	180,995	209,127	679,054	203,391	78,379	54,342	29,823
Miscellaneous	2,075,016	1,047,573	1,002,491	5,954,706	1,433,941	837,495	467,371	488,289	598,374	354,324
<b>Total revenues</b>	<b>\$ 96,339,432</b>	<b>\$ 88,132,690</b>	<b>\$ 78,291,295</b>	<b>\$ 80,396,657</b>	<b>\$ 69,815,807</b>	<b>\$ 71,146,160</b>	<b>\$ 68,510,268</b>	<b>\$ 69,447,081</b>	<b>\$ 63,496,287</b>	<b>\$ 56,053,511</b>
<b>Expenditures</b>										
General government	\$ 11,324,283	\$ 10,160,989	\$ 9,905,167	\$ 9,966,426	\$ 8,643,622	\$ 8,475,277	\$ 7,999,497	\$ 7,496,153	\$ 7,161,747	\$ 7,870,394
Public safety	24,827,975	22,524,149	21,593,076	17,734,407	18,306,592	18,609,490	17,143,327	16,890,493	16,200,768	13,265,922
Economic and physical development	1,720,093	3,916,075	3,845,529	1,184,684	1,904,690	1,425,601	1,607,161	5,014,213	2,353,686	975,352
Human services	21,796,673	20,555,249	21,510,975	21,472,704	18,526,974	20,290,006	20,294,606	22,214,380	21,756,228	21,386,334
Cultural and recreational	847,736	853,778	807,662	718,426	663,084	788,615	676,777	604,985	655,299	631,639
Education	22,518,103	16,599,521	15,194,260	14,990,448	14,882,026	15,775,104	21,876,806	22,169,505	13,339,997	8,068,342
Intergovernmental	-	-	-	508,900	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	171,495	-	-	-
Debt service:										
Principal	2,960,200	2,759,145	2,697,567	5,308,444	2,686,078	2,705,597	2,715,667	2,871,519	1,605,812	1,664,029
Interest	458,229	512,787	575,715	799,568	783,154	809,072	889,271	1,147,364	802,052	821,056
<b>Total expenditures</b>	<b>\$ 86,453,292</b>	<b>\$ 77,881,693</b>	<b>\$ 76,129,951</b>	<b>\$ 72,684,007</b>	<b>\$ 66,396,220</b>	<b>\$ 68,878,762</b>	<b>\$ 73,374,607</b>	<b>\$ 78,408,612</b>	<b>\$ 63,875,589</b>	<b>\$ 54,683,068</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 9,886,140	\$ 10,250,997	\$ 2,161,344	\$ 7,712,650	\$ 3,419,587	\$ 2,267,398	\$ (4,864,339)	\$ (8,961,531)	\$ (379,302)	\$ 1,370,443
<b>Other financing sources (uses)</b>										
Issuance of lease	638,816	475,387	1,002,166	-	-	-	-	-	-	-
Transfers in-	8,200,136	13,859,308	688,735	1,817,914	585,000	1,020,896	282,706	1,316,239	301,089	421,791
Transfers out-	(10,169,539)	(13,533,084)	(363,480)	(1,482,067)	(270,949)	(692,837)	(11,951)	(1,069,739)	(954,130)	(2,190,350)
Refunding issued	-	-	-	-	-	-	-	12,005,000	-	-
Payment to escrow agent	-	-	-	-	-	-	-	(11,899,646)	-	-
Proceeds from sale of capital assets	-	66,300	-	32,970	-	-	371,757	-	-	-
Installment purchase obligations issued	-	-	-	-	-	-	-	258,000	18,036,030	-
Issuance of capital lease	-	-	-	-	-	243,000	-	-	-	-
Proceeds of Capital Lease	-	-	-	-	-	-	397,706	-	-	-
Issuance of installment note	-	-	-	-	1,152,413	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(1,330,587)</b>	<b>867,911</b>	<b>1,327,421</b>	<b>368,817</b>	<b>1,466,464</b>	<b>571,059</b>	<b>1,040,218</b>	<b>609,854</b>	<b>17,382,989</b>	<b>(1,768,559)</b>
<b>Net change in fund balances</b>	<b>\$ 8,555,553</b>	<b>\$ 11,118,908</b>	<b>\$ 3,488,765</b>	<b>\$ 8,081,467</b>	<b>\$ 4,886,051</b>	<b>\$ 2,838,457</b>	<b>\$ (3,824,121)</b>	<b>\$ (8,351,677)</b>	<b>\$ 17,003,687</b>	<b>\$ (398,116)</b>
Debt services as a percentage of noncapital expenditures	3.95%	4.28%	4.44%	8.40%	5.23%	5.10%	4.99%	5.22%	3.77%	4.53%

**Schedule 5**  
**Halifax County, North Carolina**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**

Fiscal Year	Real Property		Personal Property	Total	Total Direct Tax Rate
	Residential Property	Public Service			
2024	\$ 3,036,015,581	\$ 270,224,267	\$ 1,013,270,810	\$ 4,319,510,658	\$ 0.7600
2023	2,956,128,954	263,113,861	986,608,632	4,205,851,447	0.7600
2022	2,900,096,781	258,126,649	967,907,884	4,126,131,314	0.7600
2021	2,836,327,136	252,450,754	946,624,752	4,035,402,642	0.7600
2020	2,897,671,830	257,910,813	967,098,555	4,122,681,198	0.7700
2019	2,598,424,265	231,275,919	867,224,621	3,696,924,805	0.7700
2018	2,506,154,072	223,063,298	836,429,425	3,565,646,795	0.7800
2017	2,487,730,710	221,424,642	830,291,956	3,539,447,308	0.7800
2016	2,460,089,839	213,106,196	793,085,187	3,466,281,222	0.7300
2015	2,699,522,013	190,181,144	765,679,430	3,655,382,587	0.6800

Source: Halifax County Tax Department

**Schedule 6**  
**Halifax County, North Carolina**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Fiscal Years**  
**(rates per \$100 of assessed value)**

	<b>Year Taxes Are Payable</b>									
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>County Direct Rates</b>										
Halifax	0.7600	0.7600	0.7600	0.7600	0.7600	0.7700	0.7800	0.7800	0.7300	0.6800
<b>Components of Direct Rates</b>										
Public Safety	0.1406	0.1406	0.1406	0.1406	0.1406	0.1425	0.1443	0.1443	0.1351	0.1258
Education	0.2242	0.2242	0.2242	0.2242	0.2242	0.2272	0.2301	0.2301	0.2154	0.2006
Operational Services	0.3952	0.3952	0.3952	0.3952	0.3952	0.4004	0.4056	0.4056	0.3796	0.3536
<b>City Rates</b>										
Roanoke Rapids	0.6610	0.6610	0.6610	0.6510	0.6510	0.6510	0.6510	0.6510	0.6510	0.6240
Enfield	0.9270	0.9270	0.9270	0.9270	0.9270	0.838	0.8380	0.8380	0.8380	0.7500
Halifax	0.6600	0.6600	0.6600	0.6600	0.6600	0.6600	0.6600	0.6600	0.6600	0.6000
Scotland Neck	0.7850	0.7850	0.7850	0.7850	0.7850	0.7850	0.7850	0.7850	0.7850	0.7000
Hobgood	0.7200	0.7200	0.7200	0.7200	0.7200	0.7200	0.6500	0.6500	0.6500	0.5700
Littleton	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000	0.8000	0.7000
Weldon	0.7200	0.7200	0.7200	0.7200	0.7200	0.7700	0.7700	0.7700	0.7700	0.6600
<b>School District</b>										
Weldon	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.1818	0.1700
Roanoke Rapids	0.2150	0.2150	0.2150	0.2150	0.2150	0.2250	0.2250	0.2250	0.2250	0.2100
Halifax County Schools	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	N/A	N/A	N/A
<b>Fire Districts</b>										
Rheasville	0.0900	0.0663	0.0663	0.0663	0.0705	0.0705	0.0705	0.0705	0.0705	0.0700
Davie	0.0905	0.0905	0.0905	0.0905	0.0945	0.0945	0.0945	0.0945	0.0945	0.0900
Darlington	0.0836	0.0836	0.0836	0.0836	0.0890	0.0890	0.0890	0.0890	0.0890	0.0900
Littleton	0.0515	0.0515	0.0515	0.0515	0.0534	0.0534	0.0534	0.0534	0.0534	0.0460
Arcola	0.0628	0.0628	0.0628	0.0628	0.0677	0.0677	0.0677	0.0677	0.0677	0.0700
Enfield	0.0846	0.0846	0.0846	0.0846	0.0890	0.0690	0.0690	0.0690	0.0690	0.0700
Halifax	0.0800	0.0800	0.0800	0.0716	0.0728	0.0728	0.0728	0.0728	0.0728	0.0726
Hobgood	0.0650	0.0650	0.0650	0.0650	0.0685	0.0685	0.0685	0.0685	0.0685	0.0719
Scotland Neck	0.0700	0.0700	0.0700	0.0655	0.0690	0.0690	0.0690	0.0690	0.0690	0.0700
Weldon	0.0900	0.0900	0.0900	0.0857	0.0894	0.0894	0.0894	0.0894	0.0894	0.0845
Tillery	0.0447	0.0447	0.0447	0.0447	0.0475	0.0475	0.0475	0.0475	0.0475	0.0500
<b>Hospital District</b>										
Our Community Hospital	N/A	N/A	N/A	N/A	N/A	N/A	0.1244	0.1244	0.1244	0.1200

Source: State Department of Revenue, Bureau of Property Tax

**Schedule 7  
Halifax County, North Carolina  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2024</u>			<u>Taxpayer</u>	<u>2015</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Dominion-Virginia Power	\$ 270,903,926	1	33.92%	Kapstone Kraft Paper Corporation	\$ 143,518,077	1	28.97%
Westrock Kraft Paper LLC	184,764,622	2	23.13%	Westmoreland LG&E Partners	109,505,421	2	22.10%
Binderholz Enfield LLC	138,661,713	3	17.36%	Dominion-Virginia Power	105,256,252	3	21.25%
Reser's Fine Food Inc.	56,262,944	4	7.04%	Reser's Fine Foods Inc,	32,487,319	4	6.56%
Kennametal Inc.	33,709,649	5	4.22%	CSX Transportation Inc	24,220,678	5	4.89%
CSX Transportation Inc.	29,195,208	6	3.66%	Halifax EMC	19,082,568	6	3.85%
Carolina Chips	27,962,074	7	3.50%	Kennametal Inc	18,809,956	7	3.80%
Halifax EMC	22,395,037	8	2.80%	Carolina Tel & Tel Company	16,243,372	8	3.28%
Airboss Rubber Compounding Inc	17,955,420	9	2.25%	Rae-Me North Carolina LLC	13,462,313	9	2.72%
M J Price Construction Co Inc	16,898,262	10	2.12%	BRE Select Hotels NC LP	12,815,494	10	2.59%
<b>Totals</b>	<b>\$ 798,708,855</b>		<b>100.00%</b>		<b>\$ 495,401,450</b>		<b>100.00%</b>

Source: State Department of Revenue, Bureau of Property Tax

**Schedule 8  
Halifax County, North Carolina  
Property Tax Levies and Collections,  
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year			Total	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	<u>(Original Levy)</u>	<u>Adjustments</u>	<u>Adjusted Levy</u>		<u>Amount</u>	<u>Percentage of Original Levy</u>		<u>Amount</u>	<u>Percentage of Adjusted Levy</u>
2024	\$ 32,878,732	\$ 41,958	\$ 32,920,690	\$ 32,462,120	98.61%	\$ -	\$ 32,462,120	98.61%	
2023	31,989,859	177,269	32,167,128	31,688,658	98.51%	-	31,688,658	98.51%	
2022	31,437,192	(52,238)	31,384,954	30,826,729	98.22%	-	30,826,729	98.22%	
2021	30,764,197	144,753	30,908,950	30,381,910	98.29%	-	30,381,910	98.29%	
2020	28,921,642	270,957	29,192,599	28,516,648	97.68%	-	28,516,648	97.68%	
2019	28,512,186	(110,884)	28,401,302	27,873,778	98.14%	196,985	28,070,763	98.84%	
2018	27,844,345	(126,947)	27,717,398	27,173,640	98.04%	307,572	27,481,212	99.15%	
2017	28,106,071	(376,183)	27,729,888	27,171,621	97.99%	376,985	27,548,606	99.35%	
2016	25,417,962	(77,587)	25,340,375	24,322,725	95.98%	865,906	25,188,631	99.40%	
2015	24,883,851	3,457	24,887,308	24,360,629	97.88%	369,485	24,730,114	99.37%	

Source: Halifax County Tax Department

**Schedule 9**  
**Halifax County, North Carolina**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Personal Income	Percentage of Actual Value of Taxable Property	Per Capita
	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total			
2024	\$ 10,971,121	\$ -	\$ 10,971,121	0.5%	0.25%	236.74
2023	12,110,237	-	12,110,237	0.6%	0.29%	253.10
2022	13,221,953	-	13,221,953	0.6%	0.32%	273.91
2021	14,423,913	-	14,423,913	0.7%	0.36%	296.65
2020	15,548,715	-	15,548,715	0.8%	0.38%	312.05
2019	16,698,520	-	16,698,520	0.9%	0.45%	330.18
2018	17,823,825	-	17,823,825	1.0%	0.50%	347.38
2017	18,033,808	-	18,033,808	1.0%	0.51%	348.37
2016	18,909,122	-	18,909,122	1.0%	0.55%	345.74
2015	19,755,928	-	19,755,928	1.1%	0.54%	364.22

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

**Schedule 10**  
**Halifax County, North Carolina**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2024**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Halifax County	<u>\$ 13,231</u>	100%	<u>\$ 13,231</u>
			-

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding data provided by the county.

Note: 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 the County. This process recognizes that, when considering the government'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.

Includes leases payable page 49 (long-term debt) Note 6.

Schedule 11  
Halifax County, North Carolina  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities							Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Capital Leases	Notes Payable	Certificate of Participation	Qualified Zone Academy Bond	Qualified School Construction Bond	Manning Elementary School	General Obligation Bonds	Water Revenue Bonds	State Revolving Loans				
2024	\$ 1,420	\$ 2,295	\$ -	\$ -	\$ 2,489	\$ 8,446	\$ 10,971	\$ 2,199	\$ 1,088	\$ 28,908	1.39%	\$ 623.84	
2023	1,182	3,524	-	-	2,489	9,653	12,110	2,252	1,264	32,474	1.52%	678.69	
2022	1,012	4,777	-	-	2,489	10,860	13,222	2,304	1,440	36,104	1.66%	747.93	
2021	84	1,155	5,939	-	2,489	12,067	14,424	2,355	1,445	39,958	2.02%	821.81	
2020	242	1,328	7,201	1,642	2,489	13,273	15,549	2,405	1,564	45,693	2.41%	917.01	
2019	400	212	8,485	1,642	2,489	14,480	16,699	2,454	1,683	48,544	2.67%	959.86	
2018	314	249	9,790	1,642	2,489	15,687	17,824	2,502	1,801	52,298	2.92%	1,019.26	
2017	-	91	11,115	1,642	1,647	16,893	18,033	2,549	2,742	54,712	3.12%	1,056.91	
2016	141	3,960	8,500	1,642	1,812	18,100	18,909	2,595	3,215	58,874	3.25%	1,076.48	
2015	158	4,425	9,350	1,642	2,149	-	19,756	2,640	3,295	43,415	2.52%	800.40	

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

**Schedule 12**  
**Halifax County, North Carolina**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

	Fiscal Year									
	<u>2024</u>	<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>
Assessed Value of Property	\$ 4,319,510	\$ 4,205,851	\$ 4,126,131	\$ 4,035,403	\$ 4,122,681	\$ 3,696,686	\$ 3,565,647	\$ 3,539,447	\$ 3,466,281	\$ 3,655,383
Debt limit, 8%of Assessed Value (Statutory Limitation)	345,561	336,468	330,090	322,832	329,814	295,735	285,252	283,156	277,302	292,431
Amount of Debt Applicable to Limit	345,561	336,468	330,090	322,832	329,814	295,735	285,252	283,156	277,302	292,431
General Obligation Bonds	10,971	12,110	13,222	14,424	15,549	16,699	17,824	18,033	18,909	19,756
Less: Resources Restricted to Paying Principal	-	-	-	-	-	-	-	-	-	-
Installment purchase contracts**	13,230	15,666	18,126	21,650	25,933	27,308	29,857	31,646	34,014	20,861
Capital Leases	1,420	1,182	1,012	84	242	400	314	-	141	158
Revenue Bonds	2,199	2,252	2,304	2,355	2,405	2,454	2,502	2,549	2,595	2,640
Total net debt applicable to limit	27,820	31,210	34,664	38,513	44,129	46,861	50,497	52,228	55,659	43,415
Legal debt margin	\$ 317,741	\$ 305,258	\$ 295,426	\$ 284,319	\$ 285,685	\$ 248,874	\$ 234,755	\$ 230,928	\$ 221,643	\$ 249,016
Total net debt applicable to the limit as a percentage of debt limit	8.05%	9.28%	10.50%	11.93%	13.38%	15.85%	17.70%	18.44%	20.07%	14.85%

\*\*Installment Debt includes COPS, QZAB and  
Installment Purchases

Note: Under state finance law, the County's outstanding general obligation debt should not exceed 10 percent 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.

**Schedule 13**  
**Halifax County, North Carolina**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2024	46,342	\$ 2,074,638	\$ 44,768	5,556	6.1%
2023	47,848	2,142,059	44,768	5,484	5.5%
2022	48,272	2,169,729	44,948	5,633	5.9%
2021	48,622	1,977,797	40,677	5,865	8.1%
2020	49,828	1,892,218	37,975	6,171	11.5%
2019	50,574	1,816,618	35,920	6,440	5.7%
2018	51,310	1,792,001	34,925	6,609	6.5%
2017	51,766	1,753,003	33,864	6,766	7.5%
2016	54,691	1,810,217	33,099	7,155	8.2%
2015	54,242	1,721,532	31,738	7,557	9.1%

Note: Population, median age, and educational level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Source: North Carolina Dept of Public Instruction, NCACC County Map Book and NC Dept of Commerce

**Schedule 14**  
**Halifax County, North Carolina**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<b>Employer</b>	<b><u>2024</u></b>			<b><u>2015</u></b>		
	<b><u>Employees</u></b>	<b><u>Rank</u></b>	<b><u>Percentage of Total City Employment</u></b>	<b><u>Employees</u></b>	<b><u>Rank</u></b>	<b><u>Percentage of Total City Employment</u></b>
Vidant North Hospital (formerly HRMC)	751	1	12.08%	883	1	15.79%
County of Halifax	530	2	8.53%	535	3	9.57%
Halifax County Schools	475	3	7.64%	581	2	10.39%
Reser's Fine Foods	467	4	7.51%	350	7	6.26%
West Rock (Kapstone)	427	5	6.87%	478	4	8.55%
Roanoke Rapids City Schools	357	6	5.74%	355	5	6.35%
PCB Piezotronics	352	7	5.66%	171	11	3.06%
Rural Health Group (Halifax only)	278	8	4.47%	146	15	2.61%
New Dixie Oil	272	9	4.38%	142	17	2.54%
Wal-mart, Inc.	270	10	4.34%	350	6	6.26%
AAA Carolinas*	250	11	4.02%	305	8	5.45%
Don Pancho	247	12	3.97%	150	13	2.68%
City of Roanoke Rapids	203	13	3.27%	144	16	2.57%
Halifax Community College	189	14	3.04%	135	18	2.41%
Roseburg Forest Products	173	15	2.78%	0	20	0.00%
Weldon City Schools	144	16	2.32%	192	10	3.43%
Patch Rubber	136	17	2.19%	149	14	2.66%
AEL Span (located in former Safelite Bldg)	134	18	2.16%	208	9	3.72%
Meherrin River Forest Products (located in former Coastal Lumber building)	130	19	2.09%	40	21	0.72%
Kennametal	127	20	2.04%	164	12	2.93%
Halifax Linen Service	126	21	2.03%	115	19	2.06%
Binderholz-Enfield	120	22	1.93%	0	22	0.00%
JBB Packaging LLC	57	23	0.92%	0	23	0.00%
<b>Total</b>	<b>6,215</b>		<b>100.00%</b>	<b>5,593</b>		<b>100.00%</b>

Source: State Department of Commerce.

\*Remote

**Schedule 15**  
**Halifax County, North Carolina**  
**Full-time-Equivalent County Government Employees by Function**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<b>Full-time Equivalent Employees as of June 30</b>									
	<u>2024</u>	<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>
Justice and law enforcement	96	95	86	92	99	94	108	105	106	98
Health and human services	308	306	296	302	323	319	310	255	253	253
Environment, parks, and education	3	3	3	1	3	2	3	3	7	7
Public works	25	24	21	36	24	25	22	19	24	24
General government	105	106	104	102	100	103	104	157	167	187
<b>Total</b>	<b>537</b>	<b>534</b>	<b>510</b>	<b>533</b>	<b>549</b>	<b>543</b>	<b>547</b>	<b>539</b>	<b>557</b>	<b>569</b>

Source: County Budget Office.

**Schedule 16**  
**Halifax County, North Carolina**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	<u>2024</u>	<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>
<b>Sheriff</b>										
Volume of calls	38,055	40,428	36,973	38,624	44,050	44,900	41,239	51,033	50,914	43,657
Incident reports filed	1,556	1,660	1,478	1,490	1,724	1,204	2,114	2,242	2,336	2,370
<b>EMS</b>										
Volume of calls	13,589	13,129	13,274	13,029	12,710	12,742	12,793	12,586	12,632	12,753
Response time (in minutes)	10.57	9.73	9.83	10.00	9.82	11.00	10.18	9.82	9.80	9.69
Transports	8,085	10,720	8,059	8,253	8,312	8,714	8,807	8,777	8,936	9,161
<b>Water</b>										
New connections	116	111	87	76	139	34	78	64	72	85
Water mains breaks	8	12	5	9	10	8	11	12	15	13
Average daily consumption (thousands of gallons)	2,906,656	2,339,175	2,574,822	2,555,330	2,529,836	2,424,852	2,389,850	2,513,403	2,390,509	2,181,290

Sources: Various government departments.

Note: Indicators are not available for the general government function.

**Schedule 17**  
**Halifax County, North Carolina**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	<u>2024</u>	<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>
Public safety										
Sheriff										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	70	70	70	70	69	69	100	32	91	87
EMS										
Stations	6	6	6	6	6	6	6	6	6	6
Ambulances/QRV'S	21	21	21	21	21	21	21	21	21	21
Water										
Water mains (miles)	618	618	618	618	618	618	618	618	618	618
Fire hydrants	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837
Maximum daily capacity (thousands of gallons)	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000
Sewer										
Sanitary sewers (miles)	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5

Sources: Various county departments.

Note: No capital asset indicators are available for the general government function.

## COMPLIANCE SECTION

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## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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**To the Board of Commissioners  
Halifax County  
Halifax County, North Carolina**

We have audited, in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Halifax County, North Carolina** (the "County") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 12, 2024. Our report includes a reference to other auditors who audited the financial statements of the Halifax County ABC Board, as described in our report on Halifax County's financial statements. The financial statements of the Halifax County ABC Board were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Halifax County ABC Board or that are reported on separately by those auditors who audited the financial statements of the Halifax County ABC Board.

### **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 opinion 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 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.

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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 were not 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mauldin & Jenkins, LLC*

Raleigh, North Carolina  
December 12, 2024



# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH APPLICABLE SECTIONS OF THE OMB UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT

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To the Board of Commissioners  
Halifax County  
Halifax County, North Carolina

## Report on Compliance for Each Major Federal Program

### *Opinion on Each Major Federal Program*

We have audited **Halifax County, North Carolina's** (the "County") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2024. 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 major federal program for the year ended June 30, 2024.

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

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

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### ***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 Responsibility for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be 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 federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 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.

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*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding 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.

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.

*Mauldin & Jenkins, LLC*

Raleigh, North Carolina  
December 12, 2024

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH APPLICABLE SECTIONS OF  
THE OMB UNIFORM GUIDANCE AND THE STATE SINGLE  
AUDIT IMPLEMENTATION ACT**

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**To the Board of Commissioners  
Halifax County  
Halifax County, North Carolina**

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

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

We have audited **Halifax County, North Carolina’s** (the “County”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County’s major state programs for the year ended June 30, 2024. 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 the major state program for the year ended June 30, 2024.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for the major state program.

Our audit does not provide a legal determination of the County’s compliance with the compliance requirements referred to above.

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### ***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 Responsibility for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the 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 the major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, 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 the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of County's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance 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.

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*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance 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.

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.

*Mauldin & Jenkins, LLC*

Raleigh, North Carolina  
December 12, 2024

**HALIFAX COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURE OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Agency or Pass- through Grantor Number	Expenditures		Payments to Subrecipients All
			Federal	State	
<b>FEDERAL AWARDS</b>					
<b>U.S. Department of Agriculture:</b>					
Passed through North Carolina Department of Health and Human Services Special Supplemental Nutrition Program for Women, Infants, & Children (WIC)	10.557		\$ 96,241	\$ -	\$ -
Supplemental Nutrition Assistance Program:					
SNAP Administration	10.561		957,007	-	-
SNAP Fraud Administration	10.561		49,091	-	-
SNAP ARPA Funds	10.561		39,794	-	-
Supplemental Nutrition Assistance Program Cluster			<u>1,045,892</u>	<u>-</u>	<u>-</u>
Passed through Upper Coastal Plain Council of Govt. USDA Supplement	93.053		24,204	-	-
<b>Total U.S. Department of Agriculture</b>			<u>1,166,337</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Justice:</b>					
Passed through North Carolina Department of Crime Control and Public Safety					
Juvenile Justice and Delinquency Prevention	16.540	842-xxxx	244,016	-	-
Bulletproof Vest Program	16.607		4,125	-	-
<b>Total U.S. Department of Justice</b>			<u>248,141</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Homeland Security:</b>					
Passed through NC Department of Public Safety Emergency Management Performance Grant Program	97.042	EMA-2020-EP-00009	39,698	-	-
<b>Total U.S. Department of Homeland Security</b>			<u>39,698</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Transportation:</b>					
Passed through NC Department of Transportation Highway Planning and Construction Cluster:					
Peanut Belt Rural Transportation Planning Organization	20.205-8	48232.4.14	94,342	-	-
<b>Total U.S. Department of Transportation</b>			<u>94,342</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Treasury:</b>					
Passed through NC Pandemic Recovery Office State Fiscal Recovery Funds	21.027	2000057929	640,000	-	-
<b>Total U.S. Department of Treasury</b>			<u>640,000</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>					
Passed through NC Department of Health and Human Services Temporary Assistance for Needy Families (TANF):					
Pandemic Emergency Assistance Fund (PEAF)	93.558		(2,093)	-	-
TANF - Work First Administration	93.558		66,482	-	-
TANF - Work First Service	93.558		333,543	-	-
<b>Total Temporary Assistance for Needy Families Cluster</b>			<u>397,932</u>	<u>-</u>	<u>-</u>
Foster Care and Adoption Cluster:					
Foster Care IV-E Child Protective Services	93.658		98,590	68,924	-
Foster Care IV-E Administration Foster Care/Off Trn	93.658		218,726	-	-
Foster Care IV-E-Foster Care Trn	93.658		21,388	-	-
Pre Training CWS	93.658		2,114	-	-
Adoption Assistance/Off Trn - Title IV-E	93.569		16,146	-	-
Direct Benefit Payments:					
Foster Care Title IV-E Admin County Paid	93.658		15,234	7,617	-
Foster Care Title IV-E Family Foster Max	93.658		363	-	-
Foster Care Title IV-E Family Foster Extend Max	93.658		28,638	14,426	-
Foster Care Title IV-E Family Foster Care Reg	93.658		67,925	25,906	-
<b>Total Foster Care and Adoption</b>			<u>469,124</u>	<u>116,873</u>	<u>-</u>
Medicaid:					
Medical Assistance Program - Adt Cr Hm Cs Mgt/Spec	93.778		3,257	1,496	-
Medical Assistance Program - MAC	93.778		33,232	-	-
Medical Assistance Program - Admin	93.778		2,424,839	79,662	-
Medical Assistance Program - Transp Admin	93.778		258,150	-	-
Medical Assistance Program - State Co Special Asst	93.778		92,508	-	-
<b>Total Medicaid Cluster</b>			<u>2,811,986</u>	<u>81,158</u>	<u>-</u>
Children's Health Insurance Program - NC Health Choice - Administration	93.767		159,957	1,337	-
Child Care Fund Cluster:					
Child Care and Development Fund - Administration	93.596		106,912	-	-
Foster Care	93.596		157,397	-	-
<b>Total Child Care Fund Cluster</b>			<u>264,309</u>	<u>-</u>	<u>-</u>
Chafee Foster Care Independence Program	93.674		9,382	1,966	-

**HALIFAX COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURE OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Agency or Pass- through Grantor Number	Expenditures		Payments to Subrecipients All
			Federal	State	
<b>FEDERAL AWARDS (Continued)</b>					
<b>U.S. Department of Health and Human Services (Continued)</b>					
Passed through North Carolina Department of Health and Human Services					
Stephanie Tubbs Jones Child Welfare Services	93.645		\$ 24,327	\$ -	\$ -
Child Support Enforcement:					
Child Support Enforcement IV-D Administration	93.563		1,069,228	-	-
Child Support Enforcement IV-D Offset Fees - Esc Admin	93.563		-	(46)	-
Child Support Enforcement IV-D Offset Fees - Federal	93.563		271	(985)	-
Total Child Support Enforcement			1,069,499	(1,031)	-
Passed through North Carolina Department of Health and Human Services					
Social Services Block Grant:					
Social Services Block Grant-Adult Day Care	93.667		18,257	8,710	-
Social Services Block Grant-Adult Day Care over 60	93.667		-	-	-
Social Services Block Grant-Adult Protective Service	93.667		25,382	-	-
Social Services Block Grant-Child Protective Services Temporary	93.667		122,248	-	-
Social Services Block Grant-In-Home Services	93.667		7,775	-	-
Social Services Block Grant-In-Home Services over 60	93.667		7,469	-	-
Social Services Block Grant-Other Services and Training	93.667		531,904	-	-
Social Services Block Grant - APS Essent Services/APS ARPA	93.667		-	-	-
Total Social Services Block Grant			713,035	8,710	-
Promoting Safe and Stable Families	93.556		2,885	-	-
AFDC Incentive / Program Integrity	N/A		-	341	-
AFDC Payments & Penalties	93.560		(249)	(68)	-
Low-income Home Energy Assistance Program:					
Low-income Home Energy Assistance - Administration	93.568		89,826	-	-
Low-income Home Energy Assistance - Home Energy Assistance	93.568		(1,733)	-	-
Low-income Home Energy Assistance - Crisis Intervention Program	93.568		54,400	-	-
Low-income Home Energy Assistance - Crisis Intervention PY Re	93.568		(109)	-	-
Low-income Household Water Assistance - ARPA	93.568		51,443	-	-
Low-income Household Water Assistance - ARPA Administration	93.568		8	-	-
Total Low-income Home Energy Assistance Grant			193,835	-	-
Hospital Preparedness Program (HPP)	93.069		8,999	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		10,062	-	-
Family Planning Service	93.217		56,307	-	-
Preventive Health & Health Services Block Grant (PPHF)	93.758		3,747	-	-
Preventative Health Services - Block Grant 2018	93.991		11,432	-	-
Maternal and Child Health Services Block Grant	93.994		51,042	10,542	-
CK 19-1904 Epid and Lab Cap for Prev & Control of Emerging Inf Disease (ELC)	93.323		215	-	-
<b>Total U.S. Department of Health and Human Services</b>			<b>6,257,826</b>	<b>219,828</b>	<b>-</b>
<b>North Carolina Department of Health and Human Services</b>					
Passed through Upper Coastal Plain Council of Governments					
Aging Cluster:					
Access Services	93.044		129,827	20,366	-
Home-Delivered Meals	93.045		121,537	30,219	-
Congregate Meals	93.045		115,654	6,803	-
In-Home SSBG	93.667		21,816	183,289	-
<b>Total North Carolina Department of Health and Human Services</b>			<b>388,834</b>	<b>240,677</b>	<b>-</b>
<b>TOTAL FEDERAL AWARDS</b>			<b>\$ 8,835,178</b>	<b>\$ 460,505</b>	<b>\$ -</b>

(continued)

**HALIFAX COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURE OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2024**

Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Agency or Pass- through Grantor Number	Expenditures		Payments to Subrecipients All
			Federal	State	
<b>STATE AWARDS</b>					
<b>North Carolina Department of Health and Human Services</b>					
<u>Division of Public Health</u>					
Positive Parenting Program (Triple P)			\$ -	\$ 20,183	\$ -
Child Health			-	21,082	-
TB Control			-	30,331	-
Total Division of Public Health			-	71,596	-
<u>Division of Social Services</u>					
State Child Welfare			-	173,209	-
DCD Smart Start			-	29,836	-
Total Division of Public Health			-	203,045	-
<b>Total North Carolina Department of Health and Human Services</b>			-	274,641	-
<b>North Carolina Department of Environmental and Natural Resources</b>					
Division of Natural Resources:					
Economic and Physical Development State Grant			-	3,600	-
State Cost Share			-	32,355	-
Division of Waste Management:					
Scrap Tire Program		DEQ-8	-	2,432	-
<b>Total North Carolina Department of Environmental and Natural Resources</b>			-	38,387	-
<b>North Carolina Department of Environmental Quality</b>					
Passed through the Division of Water Infrastructure					
Clean Water Reserve and Asset Inventory and Assessment		E-AIA-W-21-0238	-	121,501	-
<b>Total North Carolina Department of Environmental Quality</b>			-	121,501	-
<b>North Carolina Department of Transportation</b>					
Rural General Public Transportation		36228.22.8.1	-	99,890	-
Elderly and Handicapped Transportation		36220.10.8.1	-	79,876	-
Work First Transportation		36236.11.7.1	-	22	-
<b>Total North Carolina Department of Transportation</b>			-	179,788	-
<b>North Carolina Department of Cultural Resources</b>					
State Aid to Public Libraries			-	119,010	-
<b>Total North Carolina Department of Cultural Resources</b>			-	119,010	-
<b>North Carolina Department of Corrections</b>					
Criminal Justice			-	78,209	-
<b>Total North Carolina Department of Corrections</b>			-	78,209	-
<b>North Carolina Department of Public Instruction</b>					
Public School Building Capital Fund - Lottery Funds			-	4,425,910	-
<b>Total North Carolina Department of Public Instruction</b>			-	4,425,910	-
<b>North Carolina Department of Commerce</b>					
Passed through the Golden Leaf Foundation					
Halifax County Shell Building			-	36,300	-
<b>Total North Carolina Department of Public Safety</b>			-	36,300	-
<b>North Carolina Administrative Office of the Courts</b>					
Halifax Accountability and Recovery Court			-	41,309	-
<b>Total North Carolina Administrative Office of the Courts</b>			-	41,309	-
<b>TOTAL STATE AWARDS</b>			-	5,315,055	-
<b>TOTAL FEDERAL AND STATE AWARDS</b>			\$ 8,835,178	\$ 5,775,560	\$ -

**Notes to the Schedule of Expenditures of Federal and State Awards**

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the Federal and State grant activity of Halifax County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Halifax County, it is not intended to and does not present the financial position, changes in net position or cash flows of Halifax County.

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

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

**Note 3 - Indirect Costs**

Halifax County has elected not to use the 10 percent de Minimis indirect cost rate as allowed under the Uniform Guidance.

**HALIFAX COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

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**SECTION I**  
**SUMMARY OF AUDIT RESULTS**

**Financial Statements**

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

Internal control over financial reporting:  
Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major state programs:  
Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified?  Yes  None reported

Type of auditor's report issued on compliance for major federal programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
93.778	Medicaid Assistance Program (Medicaid)
10.561	Supplemental Nutrition Assistance Program Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? No

# HALIFAX COUNTY, NORTH CAROLINA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

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### SECTION I

#### SUMMARY OF AUDIT RESULTS (CONTINUED)

##### State Awards

Internal control over major state programs:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified?  Yes  None reported

Type of auditor's report issued on compliance for  
major state programs?

Unmodified

Any audit findings disclosed that are required to be reported in  
accordance with the State Single Audit Implementation Act?

Yes  No

Identification of major State programs:

##### Program Name

Medicaid Assistance Program (Medicaid)

Public School Building Capital Fund

Other major state programs include Medicaid Assistance Program (Medicaid) which has a state match on the federal program. Therefore, these programs have been included in the major programs above.

**HALIFAX COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

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**SECTION II**  
**FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**HALIFAX COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

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

**2024-001      Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles, Repeat**

**Information on the federal programs:** Medicaid Cluster (Medicaid), Assistance Listing Number 93.778, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Medical Assistance.

**Criteria:** Per the NCDHHS policy manual, salaries, wages, and fringe benefits of Department of Social Service employees hired under the state merit system are allowable. Salaries shall be allocated to programs by time distribution methods and supported by payroll and attendance records for individuals.

**Condition:** Employee's time is tracked through the use of day sheets in which employees track their time by service code in 6-minute increments. Day sheets are used to complete weekly timesheets which are approved by supervisors. We noted four out of sixty day sheets selected for Medicaid had more program minutes than what was reported on the employee's approved time sheet.

**Context/Cause:** As the day sheets included more program time than was included on the employee's approved timesheet, the time spent on this program was understated during the 1571 monthly reimbursement request to the State. We noted the above condition in four out of sixty day sheets selected for Medicaid.

**Effects:** Inaccurate reporting of time coded to programs affects the total federal and state reimbursement for the program.

**Recommendation:** We recommend that the County implements a review control over weekly timesheets to ensure the timesheets include all program time coded on the daysheets.

**Auditee's Response:** We concur with the finding and are currently implementing controls to ensure the timesheets are appropriately reviewed.

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

Finding 2024-001 as listed in Section III Federal Award Findings and Questioned Costs is also considered to be a state award finding.

# HALIFAX COUNTY, NORTH CAROLINA

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2024

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**2023-001      Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles**

**Criteria:** Per the NCDHHS policy manual, salaries, wages, and fringe benefits of Department of Social Service employees hired under the state merit system are allowable. Salaries shall be allocated to programs by time distribution methods and supported by payroll and attendance records for individuals.

**Conditions:** A material misstatement was detected in an employee's daysheet and timesheet that resulted in understated time during the 1571 monthly reimbursement request to the State.

**Current Status:** Repeat finding; see 2024-001.



County of Halifax  
State of North Carolina

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County Manager  
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**Management's Corrective Action Plan for the Year Ended June 30, 2024**

**SECTION III**

**FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**2024-001 Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles**

**Contact Person Responsible for the Corrective Action Plan: Mary W. Duncan, Finance Director**

**Corrective Action Plan:** We have discussed the finding and are currently implementing controls to ensure the timesheets are appropriately reviewed to match with daysheets.

**Anticipated Completion Date:** June 30, 2025